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# **JD Edwards World Tax Reference Guide**

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# 1 Overview



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# 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.

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**Note:** The term VAT in this guide encompasses all value added taxes. The guide generally does not use country-specific terms, such as TVA for Belgium value added taxes, or GST for Singapore value added taxes.

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## Tax Categories

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 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.

## Tax Calculation Example

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

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

\* Paid to Govt = Sale VAT – Purchase VAT

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

- 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.
- Add all VAT paid to suppliers. For example, the mill paid .70 VAT to the forester.
- 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 VAT owed to the government. For example, the mill remits .35 to the tax authority (1.05 added to its selling price less .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 may or may 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.

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# United States Tax Structure

The United States has one primary type of tax, a sales tax. You calculate sales taxes on the gross sales price of the goods.

## Company Classifications

Companies in the United States are generally classified as either taxable or tax exempt.

### Taxable Companies

Manufacturers, wholesalers, retailers, and customers that are end users (who buy goods for their own use) pay sales taxes. Taxes are paid at the time the goods are bought (at the point of sale).

For example, companies must pay sales tax when they purchase computer equipment for their employees. Customers must pay sales tax to book stores when they purchase books.

### Tax Exempt Companies

Manufacturers, wholesalers, retailers, and customers that buy goods for resale (are not the end users of the goods) do not pay sales taxes. These companies obtain a tax exempt certificate.

For example, mills that buy logs to convert to paper do not pay a sales tax. Neither do the companies that buy the paper for printing books pay a sales tax. The companies are not the end users of the products.

## Remitting Sales Taxes

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 (Seller-Assessed) Tax

In most cases, the seller of the goods and services calculates and remits sales taxes to the appropriate tax authority.

## **Use (Self-Assessed) Tax**

In a few cases, the buyer of the goods and services calculates and remits the sales tax. The sales tax is then called a “use tax”.

One example of a use tax is when a company keeps the goods it has manufactured and does not sell them. A company that manufactures pencils, for example, owes use tax when it keeps the pencils for the use of its own employees.



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# Canadian Tax Structure

Canada has two primary types of taxes:

- Value added tax (VAT), called a goods and services tax (GST). This is assessed by the federal government.
- Provincial sales tax (PST). This is assessed by provincial governments. Provincial sales tax rates can vary from province to province and can be based either on the value of goods and services prior to the federal tax assessment or based on the value including the federal tax assessment.

Generally, the seller of the goods and services remits both the federal and province taxes to the tax authorities. However, it is also acceptable for the seller to remit only the federal tax and for the purchaser to remit the provincial tax (called a self-assessment tax). The JD Edwards World software accurately handles Canadian tax types and remitters.

## Types of Taxes

The primary taxes for Canada are as follows:

### Goods and Services Tax (GST)

As of January 1, 1991, Canada changed from a federal sales tax to a federal value added tax, which is the Goods and Services Tax (GST). Provincial taxes are still computed as a sales tax.

The Canadian GST is modeled after European value added taxes (VAT). For more information about VAT, see the chapter *Value Added Taxes (VAT)*. What differentiates GST from most other countries using VAT is the inclusion of Provincial Sales Tax (PST) in the total calculation.

### Provincial Sales Tax (PST)

Each province can calculate PST in one of two ways. Although the PST is always calculated after the GST is calculated, in some cases it is based on the pre-GST value and in other cases it is based on the value after GST has been added (in effect, a tax on a tax). In addition, each province may have different PST rates.

## Tax Calculation Examples

Examples of the two PST calculations are shown as follows. In both examples, GST is 7% and PST is 5%. The value of the product is 1000 and, the value added is 1000.

**Example 1 - PST is calculated on the pre-GST value**

<b>Tax Type</b>	<b>Calculations</b>
GST	$\text{= Value of the product} \times \text{GST tax rate}$ $\text{= } 1000 \times .07$ $\text{= } 70$
PST	$\text{= Value of the product} \times \text{PST tax rate}$ $\text{= } 1000 \times .05$ $\text{= } 50$
Total tax due	$\text{= GST} + \text{PST}$ $\text{= } 70 + 50$ $\text{= } 120$

**Example 2 - PST is calculated after GST is added (tax on tax)**

<b>Tax Type</b>	<b>Calculations</b>
GST	$\text{= Value of the product} \times \text{GST tax rate}$ $\text{= } 1000 \times .07$ $\text{= } 70$
PST	$\text{= (Value of the product} + \text{GST)} \times \text{PST tax rate}$ $\text{= } (1000 + 70) \times .05$ $\text{= } 53.50$
Total tax due	$\text{= GST} + \text{PST}$ $\text{= } 70 + 53.50$ $\text{= } 123.50$

## Remitting PST

PST can be remitted to the tax authorities by either the seller or the buyer.

### Self-Assessed PST

In most cases, the seller of the goods and services calculates and remits both the GST and PST to the tax authorities. In a few cases, the seller calculates and remits only the GST. The purchaser of the goods and services must remit the PST. This last case is called a self-assessed tax in Canada (and called a use tax in the United States).

The self-assessed tax can apply to both PST calculations. It can apply when PST is based on the pre-GST value and when PST is based on the value after GST has been added (tax on a tax).

## **Seller-Assessed PST**

In Canada, most PST is not self-assessed. The seller of the goods and services calculates and remits both the GST and PST to the tax authorities. Seller-assessed PST can apply to both PST calculations. The calculations apply when PST is based on the pre-GST value and when PST is based on the value after GST has been added (tax on a tax).



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# European Union Tax Structure

The members of the European Union (EU) signed a Single European Act in 1987 in which they agreed to open the markets to *an area without internal frontiers (boundaries) in which the free movement of goods, persons, services and capital is assured in accordance with the provisions of the Treaty of Rome*. This implies that the system of VAT payment among European Union members no longer exists.

Effective January 1, 1993, the act only regulates trade among EU members. Internal trade within a country as well as trade to countries outside the EU is unchanged.

Companies registered in EU countries that deal in intra-community trade of goods and are over the threshold set by the tax authorities of that country must submit the following reports:

- EU Sales Listing. The report lists the customer by VAT number, country of destination and the total amount in local currency. This report must be filed quarterly unless other arrangements are made.
- Intrastat Report. This monthly report is product based and shows statistics about intra-community transfers of goods.

See the *Tax Requirements* section in the *Global Solutions Guide* for the applicable European Union Country.



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# Italian Tax Structure

Generally, the tax activities for Italy are the same as those for other countries. The VAT (IVA) tax calculations, automatic accounting instructions, general ledger accounting, and so on are the same.

Italian tax authorities require annual tax reporting for suppliers, customers, and customs authorities. The requirements are summarized as follows:

- **Setup.** You must set up user defined codes (system 00, type IV) to indicate specific tax classifications.
- **Annual IVA Reports.** You can submit either tapes or preprinted IVA forms to the tax authorities on an annual basis.
- **Periodic/Annual Activities.** Once a year, you must build the Annual IVA file (F00900) for the annual IVA reports. This file summarizes the detailed tax information in the Tax Work file (F0018).

As needed, you can update information with the Annual IVA File Revision screen and can add and change information for tapes with the Address Book Additional Information screen.

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**Note:** If you convert to the JD Edwards World software in the middle of a year, you can use the Annual IVA File Revision screen to manually update tax information in the Annual IVA file. After you use the screen, you can perform standard processing.

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## 2 Setup



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# Overview to Setup

This chapter briefly describes the setup activities you must perform to process taxes correctly. The following chapters describe these setup activities:

- **Tax Authorities.** You must define each of the government agencies that assess and collect taxes.
- **Tax Rates and Areas.** You must define the tax rates and effective dates for the taxes that the government agencies assess. You have the ability to set up compound taxes (assess a tax on a tax), to establish input credits, and to identify the maximum amount that an item can be taxed.
- **Tax Explanation Codes.** Tax explanation codes control how a tax is assessed and how it is distributed to the general ledger accounts. The JD Edwards World software provides a number of tax explanation codes. Because the tax explanation code is a user defined code (system 00, type EX), you can set up additional codes to meet your business needs.
- **Automatic Accounting Instructions (AAIs).** AAIs point to the appropriate accounts in the chart of accounts and define the rules for automatically-generated journal entries. The methods and naming conventions for AAIs differ for the A/R, A/P, Sales Order Management, Purchase Management, and General Accounting systems. To successfully process taxes, AAIs and accounts are critical.
- **Tax Rules by Company.** The tax rules define to the system how to calculate taxes where discounts exist, and how to calculate discounts where taxes exist. These rules also control the acceptance of variances between system-calculated and user-entered tax amounts.
- **Default Codes/Rates.** You can set up default tax values for customers and suppliers. When you use entry screens, the system will automatically display the defaults you defined. You can either accept or override the default values at the time you enter transactions.



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# Tax Authorities

## Tax Authorities (P01051)



From the Master Directory menu (G), type **29** ,  
From the General Systems menu (G00), select **Tax Processing & Reporting.**,  
From the Tax Processing & Reporting menu (G0021), select **Tax Authorities**

This chapter describes how to set up tax authorities, the government agencies to which you remit taxes. Other chapters describe how to establish tax rates for the authorities and enter taxable transactions.

You must set up tax authorities as Address Book records, because you remit payment to them.

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**Note:** The Tax Authorities program uses the same program as Address Book Revisions (P01051). You can also set up tax authorities from Address Book Revisions.

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**01051 Tax Authorities**

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Parent/Child Structure In  
Who's Who Information  
Additional Notes  
Duplicate Alpha Name  
Related Address Revis  
Call Auxiliary Program  
CIF Index  
Phone Numbers  
Address Book Control F  
Category Codes  
A/R Information  
A/P Information  
Mailing Address Window  
Additional Query Search  
Previous Effective Address  
Next Effective Address  
Mailing Name Address  
Clear Screen  
Customer Billing Instruction

**01051 Tax Authorities**

Long Addr No. \_\_\_\_\_  
Resp. Bus. Unit \_\_\_\_\_

Action Code   
Address Number   
Cons Code \_\_\_\_\_  
Alpha Name  Search Type   
Phone Number  Suppliers   
   
Mailing Name  Payables Y/N/W   
Address  Receivables Y/N   
 Employee Y/N   
 User Code   
 Eff Date \_\_\_\_\_  
Postal Code  City   
State   
Country   
County   
Industry Class   
Credit Message   
Parent Number   
F5=Who F9=ReAddr F11=CIF Index F12=Phones F13=Ctrl Info F24=More

## Procedures

The setup procedures are the same as those for the Address Book Revisions program described in the *Address Book Guide*. You can use this screen to add, change, delete, and inquire on tax authorities. Required fields for entry are Alpha Name, the first line of the Mailing Address, and Search Type.

## Guidelines

You need to set up a tax authority record for each government agency that assesses a tax. The following are guidelines that will help you set up tax authorities:

- It may be helpful to set up a search type specifically for tax authorities. Search type is a user defined code (system 01, type ST).
- For Canada, set up a tax authority for the federal government assessing GST and set up a tax authority for each province assessing PST.
- For the United States, set up a tax authority for each entity that assesses taxes. For example, set up authorities for states, cities, and special districts.

## See Also

- *See Entering Address Book Records in the Address Book Guide.*

---

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# Tax Rates and Areas

## About Tax Rates and Areas

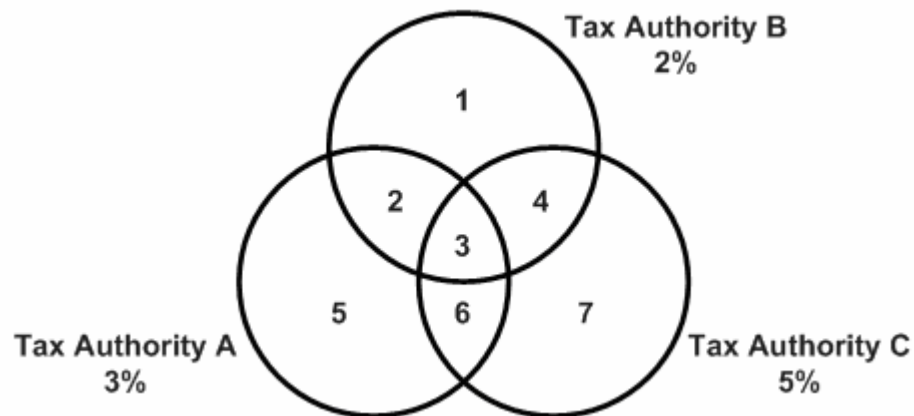
This chapter describes how to maintain the current and anticipated tax rates and their effective dates. Use the Tax Rates & Areas program (P4008) to set up a tax area. A tax area is a physical geographical area. Each geographical area can be assessed taxes by different tax authorities for different purposes and for different tax rates.

The program also provides features for specialized situations.

- For Canada, you can set up PST (either as a tax on a tax or as a pre-GST tax) and set up GST input credits.
- For Tennessee, you can identify a maximum unit cost.

## Definition of a Tax Area

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.

## Examples

In the United States, the states, cities, and special districts are tax authorities and can assess sales taxes. For example, the tax state of Colorado, the city of Denver, and the Regional Transportation District (RTD) each have a specific jurisdiction and those jurisdictions can overlap. The tax burden can vary depending on where the seller resides. For example, a seller in one part of Colorado could collect a Colorado state sales tax (3.5%), a Denver city sales tax (3.5%), and an RTD tax (.3%) to total 7.3% for the tax rate/area. A seller in another part of Colorado could collect a Colorado state sales tax (3.5%) and a Grand Junction city sales tax (2.5%) to total 6% for the tax rate/area.

In Canada, the federal government and provinces are tax authorities. Their jurisdictions overlap. The Canadian Federal government assesses a Value Added Tax (VAT), called a goods and services tax (GST). Each Province assesses a Provincial Sales Tax (PST) which varies from province to province.

In Belgium, there is only one tax authority for VAT (called TVA taxes).

In Italy, there is also only one tax authority for VAT (called IVA taxes).

## Guidelines

Follow these guidelines for setting up tax rates and areas:

- **Tax Authorities.** You must set up tax authorities in the Address Book system (as described in the chapter *Tax Authorities*) before you can set up tax rate/areas.
- **Compound Taxes.** You can define a compound tax for a tax rate/area.
  - In Canada, you can identify compound taxes with tax explanation code C (GST + seller-assessed PST) and B (GST + self-assessed PST). When you use tax explanation codes B and C, you must also set the Calc Meth (Calculation Method) field to Y.

To view an example, see *Tax Area (Calculated as a Tax on a Tax)* in the section *Canadian Considerations* in this chapter.

- Another way to specify a compound tax is with tax explanation code V+. When you use this code, leave the Calc Meth (Calculation Method) field blank. It is not applicable.

For more information about tax explanation codes, see the chapter *Tax Explanation Codes*. For information about how the system posts compound taxes, see the chapters *Entry and Post Examples for A/P, A/R, and Sales Orders* and *Entry and Post Examples for Purchase Orders*.

- **European Unions.** You must set up a tax rate/area for items taxable for European Union countries and items taxable from non-member countries. The EU Sales Listing uses this information for selection criteria.
- **Tennessee Maximum Unit Cost.** If you have the JD Edwards World Distribution software and operate in Tennessee, this field can be very useful.

If you buy or sell in multiple units of measure, you need to define tax rate/areas for each unit of measure for an item number. The tax calculation will compare the item unit cost to the maximum unit cost. If the item unit cost is larger than the maximum, the system calculates the taxable amount using the maximum



cost. The difference between the original taxable amount and the recalculated taxable amount is stored in the non-taxable field of the transaction and in the Tax Work file (F0018).

You can suppress this field with processing options.

- **VAT Input Credits.** You can indicate the percent of VAT that is not eligible for input credits. For the tax authorities you indicate, the system does not add the percentages to the overall rate (the Total Area Tax Rate field). The system uses the percentage to calculate the VAT portion in the G/L distribution.

To view an example of a VAT input credit, see *Tax Area with GST Input Credits* in the section *Canadian Considerations in this chapter*.

- **Tax-Free Products.** If your company deals with zero-rated (tax-free) products, you must establish a tax rate/area that has a tax authority with a 0% (zero percent) tax rate.
- **Maximum Characters.** For Canadian self-assessed PST and for United States use tax, do not set up a tax rate/area that has more than eight characters. The tax offset for self-assessed taxes can be made to the account with the tax rate/area as the subsidiary number (which is limited to eight characters).

## Adding Tax Rates & Areas (P4008)



From Master Directory (G), enter 29  
 From General Systems (G00), select **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), select **Tax Rates & Areas**.

You can use this program to inquire on, add, change, and delete tax rate/areas.

## To Add a new Tax Rate & Area

On Tax Tate & Areas

4008 Tax Rates & Areas

ORACLE JD Edwards World

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Write/View Memo  
Print Tax Area Information  
Clear Screen

4008 Tax Rates & Areas

Action Code: R  
Tax Rate/Area: 19 Desc: 19% VAT Rate  
Effective Date: 01/01/02  
Expiration Date: 12/31/10  
Item Number:  
Maximum Unit Cost:

Tax Authority	Address	Tax Rate	G/L Off.	Calc Meth	VAT Exp	Description
	5143	19.000		VATB		Tax Authority for Belgium (

Total Area Tax Rate: 19.000

F14=Memo F21=Print F24=More Keys

### 1. Complete the following fields:

- Tax Rate/Area
- Description
- Effective Date
- Expiration Date

You may set up a default Expiration Date to be used in the processing options for P4008.

- Tax Authority Address
- Tax Rate

### 2. Complete the following fields, as needed.

- Item Number
- Maximum Unit Cost
- G/L Offset
- Calculation Method
- VAT Expense

When you add a tax rate/area with multiple tax rates, the program displays the total tax rate to be applied to goods and services.

Field	Explanation
Tax Rate/Area	<p>A user-defined code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>For Canadian self-assessed PST and for United States use tax, do not enter more than eight characters.</p>
Description - Tax Area	<p>Text that names or describes the tax rate/area. You can use this 30-character field, for example, to identify a zip code for a tax area or to partially describe the geographic area.</p>
Effective Date	<p>The date that this item come into effect.</p> <p><i>Form-specific information</i></p> <p>A date used in conjunction with the Expiration Date field to define the time period that the tax rate/area is to be in effect. If you leave this field blank, the default is the current date.</p>
Expiration Date	<p>The date that this item ceases to be in effect.</p> <p><i>Form-specific information</i></p> <p>The date used in conjunction with the Effective Date field to define the time period that the tax rate/area is to be in effect.</p> <p>You must enter a valid expiration date. You may use the processing options for P4008 to set up a default expiration date to be used when entering a new tax rate/area.</p>
Item Number	<p>A number that the system assigns to an item. It can be in short, long, or 3rd item number format.</p> <p><i>Form-specific information</i></p> <p>Identifies either a group of items or a single item. Items that are assessed VAT generally use the group code number. Items that are assessed a luxury tax generally use a specific item number.</p> <p><b>Note:</b> Only sales order and purchase management use this field. You can suppress this field with processing options.</p>

Field	Explanation
Maximum Unit Cost	<p>Number that identifies the maximum amount that an item can be taxed. If the unit cost of an item is more than the amount you specify in this field, the maximum unit cost becomes taxable.</p> <p><b>Note:</b> Only sales order and purchase management use this field. Tax laws in Tennessee (in the U.S.) have this requirement.</p> <p><i>Form-specific information</i></p> <p>You can suppress this field with processing options.</p>
Tax Authority Address	<p>The address book number of a tax authority that has jurisdiction in the tax area. This is an authority to whom you pay and report sales, use, or VAT taxes. Examples include states, counties, cities, transportation districts, provinces, and so on.</p> <p>You can have up to five tax authorities for a single tax area.</p> <p><i>Form-specific information</i></p> <p>For Canada, the GST tax authority must be on the first line. PST tax authorities can be on lines 2 through 5. If a GST input credit is applicable, the authorities on lines 3 through 5 can identify the GST percentage not eligible for input credits.</p>
Tax Rate	<p>A number that identifies the tax rate for a tax authority that has jurisdiction in the tax area. Tax rates must be expressed as a percentage and not as the decimal equivalent. For example, type 7% as 7. The system displays 7.000.</p>


Field	Explanation
G/L Offset	<p>A code that indicates how to locate the tax account for general ledger entries. This field points to automatic accounting instructions (AAIs) that in turn point to the tax account.</p> <p>Examples include:</p> <p>PTxxxx - for A/P (VAT only)</p> <p>RTxxxx - for A/R (VAT only)</p> <p>GTxxxx - for G/L (VAT only)</p> <p>4320 - for Sales Orders</p> <p>4400 and 4410 - for Purchase Orders</p> <p>Only PTxxxx, RTxxxx, and GTxxxx are valid for VAT and Canadian GST.</p> <p>For sales taxes, the Accounts Payable and Accounts Receivable systems ignore the values in this field. For the General Accounting system, VAT journal entries require values in this field. For sales taxes, the Sales Order Management and Purchase Management systems require values in this field. For use and Canadian PST, this field is ignored.</p>
Calculation Method	<p>A code that indicates whether the tax rate for the tax authority is calculated pre-GST (taxable amount plus any GST for a previous tax authority) or calculated as a tax on a tax. Valid values are:</p> <p>Y Tax on a tax. Indicates that the tax is calculated after GST has been added to the product value. The taxable amount plus any GST calculated for a previous tax authority is added to calculate the basis for this authority.</p> <p>N Not tax on a tax. Indicates that the tax is calculated against the value of the product. The taxable amount is the basis for this authority.</p> <p><b>Note:</b> This field is used in Canada. It is valid only with tax explanation codes that begin with the letters B and C.</p> <p><i>Form-specific information</i></p> <p>This code is available only for the second tax authority (line 2 in the list on this form) and must identify a non-GST tax authority.</p>

Field	Explanation
VAT Expense	<p>A code that identifies the percentage of the VAT (GST) amount that is not eligible for input credits. Valid values are:</p> <p>R Not recoverable. The tax is an expense and is not a receivable.</p> <p>Blank Recoverable. The tax is a receivable. This is the default.</p> <p><b>Note:</b> This field is used in Canada. It is valid only with tax explanation codes that begin with the letters C, B, and V.</p> <p><i>Form-specific information</i></p> <p>This code is available only for the third, fourth, fifth tax authorities (lines 3 through 5) on the form</p>
Tax Authority Description	<p>A brief description of a code or abbreviation.</p> <p><i>Form-specific information</i></p> <p>System-displayed field that names or describes the tax authority that corresponds to the address book number you specified.</p>
Total Area Tax Rate	<p>A number that identifies the sum of the tax rates for all tax authorities in the tax rate/area.</p> <p><i>Form-specific information</i></p> <p>A system-displayed number that indicates the sum of the tax rates for all the tax authorities. If you type Y in the Calculation Method field, the total reflects compound taxes (tax on a tax). If you typed R in the VAT Expense field, the total does not include the input credit amount.</p>

## Processing Options

See [Tax Rates & Areas \(P4008\)](#).

## Changing Expiration Dates

	<p>From Master Directory (G), enter 29</p> <p>From General Systems (G00), select <b>Tax Processing &amp; Reporting</b></p> <p>From the Tax Processing &amp; Reporting menu (G0021), select <b>Tax Rates &amp; Areas</b>.</p>
---	--

You may change the expiration date on an existing tax/rate and area. For example, if you entered a tax rate/area with an expiration date of 12/31/18 and the tax rate will be in effect beyond that date, you may extend the expiration date to a date in the future.

To change the expiration date, inquire on the tax rate/area, update the Expiration Date field and use the Change action.

## Changes to Tax Rate Area with No Overlap

There are times when you will need to change your system's tax rate/area because the taxing authority has changed an existing tax rate and the expiration date of the existing tax rate does not overlap the effective date of the new tax rate.

When you change the Tax Rate/Area, use the Add action to create a new record to the tax file, F4008, rather than change the existing record.

---

**Caution:** When changing the tax rate for an existing record, DO NOT use the 'C' (Change) action code. Using the Change action causes integrity issues for transactions associated with the old tax rate, as there will no longer be a record in the F4008 with the corresponding tax rate.

---

The actual rate is not stored in the transaction detail files. The system looks to the F4008 file to find the rate corresponding to effective date range. For example:

For example, the Tax Rate/Area DEN has an effective date of 09/01/10 and an expiration date of 08/31/15. When you add the new Tax Rate/Area DEN for the next date range, enter an effective date greater than 08/31/15, such as 09/01/15.

### To change the tax rate area with no overlap

On Tax Tate & Areas

1. Inquire on the existing tax rate/area.
2. Complete the following fields:
  - Effective Date
  - Expiration Date
  - Tax Rate
3. Use the Add action and press Enter.

## Changes to Tax Rate Area with an Overlap

There are times when you need to change the tax rate/area because the taxing authority has changed the existing tax rate and the existing tax rate overlaps the effective date of the new rate.

---

**Note:** You cannot have overlapping dates between the effective date of the new tax rate and the expiration date of the existing tax rate.

---

Changing the tax rate when effective dates overlap is a two step process. First change the expiration date on the existing tax rate/area. Then, follow the steps to add a new rate.

Example: Tax rate changes and the new effective date is before current expiration date:

Effective date of existing rate: 1/1/2010

Expiration date of existing rate: 12/31/2020

Effective date of new rate: 1/1/2015

Expiration date of new rate: 12/31/2025

1. Inquire on existing Tax Rate/Area and change the expiration date from 12/31/20 to 12/31/14.
2. Add in the new rate, with effective date of 1/1/15, expiration date of 12/31/2025.

## Creating Memos for Tax/Rate Areas

You can create free-format text (memos) about the tax rate/area, using the Memo Function

### To use the memo function

On Tax Tate & Areas

1. Press (F14).
2. Type memo information.
3. Press Enter to save your memo.

### To view a memo about the tax rate/area

When you have a memo about the tax rate/area, the system displays a highlighted message to the right of the Action Code field on the Tax Rates & Areas screen. The system also highlights the Tax Rate/Area field.

Press F14 to display the memo

### To print tax/rate areas information

To print the tax rate/area information, press F21.

---

**Note:** This prints ALL tax rate/areas.

---

## Canadian Considerations

How you set the Calc Meth (Calculation Method) field controls whether the system calculates PST as a tax on a tax or calculates PST pre-GST. The information on the following screens is an example, and may not be completely accurate.

To setup your tax calculation to calculate Tax on Tax

To setup your tax calculation to calculate Tax on Tax



## To Set Up Tax Calculations

The Calculation Method (Calc Meth) field controls how the system calculates taxes. A 'Y' in the Calc Meth field indicates that tax rate is calculated as a tax on a tax. An 'N' in the Calc Meth field indicates that tax rate calculate PST against the value of the product.

### On Tax Rates & Areas

Address	Tax Rate	G/L Off.	Calc Meth	Description
5090	7.000		TRTX	Revenue Canada
5493	8.000		TRTX	Government of Quebec

Total Area Tax Rate: 15.560

- On the first Tax Authority line, complete the following fields for the GST tax authority:
  - Address
  - Tax Rates
  - G/L Off
- On the second Tax Authority line, complete the following fields for the PST tax authority:
  - Address
  - Tax Rates
  - G/L Off.

---

**Note:** List any additional PST tax authorities on the remaining lines.

---

- Do one of the following:
  - Enter Y in the Calc Meth (Calculation Method) field to calculate tax on tax.
- Enter N in the Calc Meth field to calculate tax based on the value of the product.

In this example, the Total Area Tax Rate field is 15.560.

**Note:** You can calculate a tax on a tax with tax explanation code C (GST + seller-assessed PST) and B (GST + self-assessed PST). For a tax on a tax, you must also set the Calc Meth (Calculation Method) field to Y. Another way to specify a tax on a tax is with tax explanation code V+. When you use V+, leave the Calc Meth field blank. It is not applicable.

For more information about tax explanation codes, see the chapter *Tax Explanation Codes*.

## To Work with GST Input Credits

You can indicate the percent of GST that is not eligible for input credits.

## On Tax Rates & Areas

4008 Tax Rates & Areas		Tools Help																																													
<div> <div>ORACLE JD Edwards World</div> <div> <a href="#">URL</a> <a href="#">Document</a> <a href="#">Email</a> <a href="#">World Resources</a> <a href="#">Support</a> </div> </div>																																															
<div> <div> <div>Field Sensitive Help</div> <div>Display Error Message</div> <div>Display Functions</div> <div>Exit Program</div> <div>Write/View Memo</div> <div>Print Tax Area Information</div> <div>Clear Screen</div> </div> <div> <div>4008</div> <div>Tax Rates &amp; Areas</div> </div> </div>																																															
<div> <div>Action Code</div> <div>Tax Rate/Area</div> <div>Effective Date</div> <div>Expiration Date</div> <div>Item Number</div> <div>Maximum Unit Cost</div> </div>		<div> <div>R</div> <div>ONTN</div> <div>01/01/02</div> <div>12/31/10</div> <div></div> <div></div> </div>																																													
		<div> <div>Desc</div> <div>Canadian GST Tax (Ontario)</div> </div>																																													
<table border="1"> <thead> <tr> <th></th> <th>Address</th> <th>Tax Rate</th> <th>G/L</th> <th>Calc</th> <th>VAT</th> <th></th> <th>Description</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Tax Authority</td> <td>5098</td> <td>7.000</td> <td>TNTX</td> <td></td> <td></td> <td></td> <td>Revenue Canada</td> </tr> <tr> <td>5961</td> <td>8.000</td> <td>TNTX</td> <td>N</td> <td></td> <td></td> <td>Treasurer of Ontario</td> </tr> <tr> <td>5099</td> <td>30.000</td> <td></td> <td></td> <td></td> <td>R</td> <td>Revenue Canada</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>					Address	Tax Rate	G/L	Calc	VAT		Description	Tax Authority	5098	7.000	TNTX				Revenue Canada	5961	8.000	TNTX	N			Treasurer of Ontario	5099	30.000				R	Revenue Canada														
	Address	Tax Rate	G/L	Calc	VAT		Description																																								
Tax Authority	5098	7.000	TNTX				Revenue Canada																																								
	5961	8.000	TNTX	N			Treasurer of Ontario																																								
	5099	30.000				R	Revenue Canada																																								
Total Area Tax Rate		15.000																																													
<div> <div>F14-Memo</div> <div>F21-Print</div> <div>F24-More Keys</div> </div>																																															

- 1.** On the first Tax Authority line, complete the following fields for the GST tax authority:
  - Address
  - Tax Rates
  - G/L Off.
- 2.** On the second Tax Authority line, complete the following fields for the PST tax authority:
  - Address
  - Tax Rates
  - G/L Off.

3. On Tax Authority lines 3 through 5, complete the following fields
  - Address
  - G/L Off.
4. Enter R in the following field for lines 3 through 5, as needed.
  - VAT Exp
5. Enter the percentage NOT eligible for input credits in the following field:
  - Tax Rate

---

**Note:** The system does not add these percentages to the overall rate (the Total Area Tax Rate field). The system uses the percentage to calculate the GST portion in the G/L distribution.

---

6. Press Enter.

## United States (Sales and Use Tax) Considerations

If your company deals only with sales and use taxes, you need to evaluate which JD Edwards World systems your company owns.

- If you own only the A/R or A/P systems, you do not need to enter information in the G/L Offset field (these systems ignore values in this field).
- If you own the Sales Order or Purchase Management systems (or own these systems along with the A/R or A/P systems), generally, you must enter information in the G/L Offset field.

## A/P and A/R Processing

**4008 Tax Rates & Areas**

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
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Display Functions  
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Clear Screen

4008 Tax Rates & Areas

Action Code: 1  
Tax Rate/Area: CODEN Desc: Denver Colorado  
Effective Date: 01/01/01  
Expiration Date: 12/31/20  
Item Number:  
Maximum Unit Cost:

Tax Authority	Address	Tax Rate	G/L Off.	Calc Meth	VAT Exp	Description
	5071	3.500				Denver City & County Tax
	2292	3.500				Colorado State Treasurer
	32054	.300				Regional Transportation Dis

Total Area Tax Rate: 7.300

F14=Menu F21=Print F24=More Keys

The tax rate/area above has three tax authorities for a total sales tax of 7.3%. Notice that the G/L Off (General Ledger Offset) field is blank. The A/R system does not create an entry to the sales tax payable account.

## Purchase and Sales Order Management

4008 Tax Rates & Areas

Tools Help

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Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Write/View Memo  
Print Tax Area Information  
Clear Screen

4008 Tax Rates & Areas

Action Code: R  
Tax Rate/Area: CODEN2 Desc: Denver Colorado  
Effective Date: 01/01/01  
Expiration Date: 12/31/20  
Item Number:  
Maximum Unit Cost:

	Address	Tax Rate	G/L Off	Calc	VAT	Description
Tax Authority	5071	3.500	TXTX			Denver City & County Tax
	2292	3.500	TXTX	N		Colorado State Treasurer
	32054	.300	TXTX			Regional Transportation Dis
Total Area Tax Rate		7.300				

F14=Memo F21=Print F24=More Keys

The G/L Off (General Ledger Offset) field specifies an offset account for the sales taxes that are payable.

---

---

# Tax Explanation Codes

## Tax Explanation Codes



From the Master Directory menu (G), type **29**  
From the General Systems menu (G00), select **Tax Processing & Reporting**.  
From the Tax Processing & Reporting menu (G0021), select **Tax Explanation Codes**.

This chapter describes the tax explanation codes. These codes define how a tax is assessed and how it is distributed to the general ledger revenue and expense accounts.

The JD Edwards World software provides a number of tax explanation codes. Because the tax explanation code is a user defined code (system 00, type EX), you can set up additional codes to meet your business needs.

---

**Note:** There are some restrictions when you set up additional codes because the first character has special significance.

---

For more information, review *Guidelines* in this chapter.

## Working with Tax Explanation Codes

You can use the Tax Explanation Codes program to inquire, add, change, and delete values for the tax user defined code fields (00, EX).

Although the program is not named User Defined Codes (it displays the name of the specific table you request from the menu), the program is the User Defined Codes program described in the *Technical Foundation Guide*. Because the programs are identical, this chapter does not explain procedures.

### See Also

- See the *Technical Foundation Guide*.

00051 Tax Explanation Codes

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
More Details  
User Defined Code Type  
Repository Services  
Redisplay Previously C  
Memo (Cursor Sensitive)  
Where Used  
Alternate Lang Desc (C)  
Print User Defined Code  
Clear Screen

00051 Tax Explanation Codes

Action Code

System Code

User Defined Codes

Skip To Code

Tax Explanation Codes

Code	Description	Description-2
AR	Billable Tax	Hard Coded Use in Prop. Mgmt.
B	Value Added + Self-Assessment	Hard Coded Use in R/P
BT	VAT + Self-Assmt Tax, Tax Only	Hard Coded use in R/P
C	Value Added + Sales Tax	Hard Coded Use in R/P, R/R
CT	VAT + Sales Tax, Tax Only	Hard Coded Use in R/P, R/R
E	Value Added Tax Exempt	Hard Coded Use in R/P, R/R
E1	Vertex Exempt Test	
S	Sales or VAT (output) Tax	Hard Coded Use in R/P, R/R
ST	Sales Tax, Tax Only	Hard Coded Use in R/P, R/R
S3	Government	
S4	Interstate	
S5	Processing	
S6	Resale	

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

## Tax Codes

Tax codes are a form of UDC, therefore you can create Tax Codes to meet your specific needs.

### General Tax Codes

Tax codes include, but are not limited to:

Tax Explanation Code	Description	Distribution to G/L and gross (voucher) calculation
V	VAT (GST in Canada)	Distribution = Goods Gross = Goods + VAT
VT	Same as V, but taxes only	Distribution = 0 Gross = VAT
V+	Same as V, but calculated as a tax on a tax	Distribution = Goods Gross = Goods + VAT
U	Use (PST in Canada) Self-assessed	Distribution = Goods + Use tax Gross = Goods
UT	Same as U, but taxes only	Distribution = Self-Assessed Use tax Gross = 0
S	Sales (PST in Canada) Seller-assessed	Distribution = Goods + Sales tax Gross = Goods + Sales tax
ST	Same as S, but taxes only	Distribution = Sales tax Gross = Sales tax

<b>Tax Explanation Code</b>	<b>Description</b>	<b>Distribution to G/L and gross (voucher) calculation</b>
E	Exempt	Distribution = Goods Gross = Goods

Distribution is the dollar amount to be distributed to general ledger accounts, such as revenue and expense accounts. In A/P, for example, the distribution amount is the goods plus sales tax because this is the true cost of purchased goods. VAT is not included in the distribution amount because, typically, a company is reimbursed for VAT paid to suppliers when the company sells those goods.

Gross is the total invoice amount paid to a supplier or collected from a customer. For example, self-assessed PST and use taxes are never included in an invoice from a supplier.

### Canadian Tax Codes

Canada uses four tax explanation codes in addition to those listed in the previous table.

<b>Tax explanation code</b>	<b>Description</b>	<b>Distribution to G/L and gross (voucher) calculation</b>
B	GST + PST where PST is self-assessed	Distribution = Goods + Self-Assessed PST Gross = Goods + GST
BT	Same as B, but taxes only	Distribution = Self-Assessed PST Gross = GST
C	GST + PST where PST is seller-assessed	Distribution = Goods + PST Gross = Goods + GST + PST
CT	Same as C, but taxes only	Distribution = PST Gross = GST

These are the only tax explanation codes for PST that can be calculated as a tax on a tax. Remember that you must also set the Calculation Method field to Y for the Tax Rate & Area to compute a tax on a tax.

## Systems and Tax Explanation Codes

Not all tax explanation codes are valid for all systems and accounting transactions.

The following table identifies which codes are valid for which applications.

<b>Tax Explanation Code</b>	<b>A/R</b>	<b>Sales orders</b>	<b>A/P</b>	<b>Purchase orders</b>	<b>Journal entries</b>
V (VAT taxes)	Yes	Yes	Yes	Yes	Yes
VT (Same as V - taxes only)	Yes	No	Yes	No	Yes

Tax Explanation Code	A/R	Sales orders	A/P	Purchase orders	Journal entries
V+ (VAT taxes)	Yes	Yes	Yes	Yes	No
U (Self-assessed sales taxes)	No	No	Yes	Yes	No
UT (Same as U - taxes only)	No	No	Yes	No	No
S (Seller-assessed sales taxes)	Yes	Yes	Yes	Yes	No
ST (Same as S - taxes only)	Yes	No	Yes	No	No
E (Exempt)	Yes	Yes	Yes	Yes	No
B (GST + PST where PST is self-assessed and can be a tax on a tax)	No	No	Yes	Yes	No
BT (Same as B - taxes only)	No	No	Yes	No	No
C (GST + PST where PST is seller-assessed and can be a tax on tax)	Yes	Yes	Yes	Yes	No
CT (Same as C - taxes only)	Yes	No	Yes	No	No

**Note:** Tax explanation codes B, BT, C, and CT apply to Canada. The tax-only codes cannot be used for sales orders and purchase orders.

### A/R Codes

The A/R system does not allow codes that begin with U or B (codes that identify self-assessed sales taxes). Because the purchaser of the product pays self-assessed sales taxes, the seller of the product cannot have a receivable for the sales tax.

Codes that are valid begin with V, C, S, and E. For tax explanation codes that begin with C or S, the A/R system does not create an entry to the sales tax payable account (for the sales tax collected from customers). You will have to manually do the G/L distribution to a sales tax payables account (or you can use tax explanation code V).

### Sales Order Codes

The Sales Order Management system does not allow codes that begin with U or B (codes that identify self-assessed sales taxes). Since the purchaser of the product pays self-assessed sales taxes, the seller of the product cannot have a receivable for the sales tax. The system also does not allow any of the tax only-codes (VT, UT, ST, BT, and CT).

Valid codes are V, V+, C, S, and E.

### A/P Codes

The A/P system can use all codes.



## Purchase Order Codes

The Purchase Management system does not allow tax-only codes (VT, US, ST, BT, and CT). Valid codes are V, V+, U, S, C, B, and E.

## Journal Entry Codes

The General Accounting system only allows VAT. Tax explanation codes V, VT, and others that you set up beginning with V are valid. V+, however, is not valid.

# Products and Tax Explanation Codes

## VAT and Canadian Considerations

Product Type	Consideration
Taxable Products	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). Most businesses produce taxable goods and services, and you can use all tax explanation codes.
Zero-Rated Products	<p>A business that produces only zero-rated (tax-free) 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.</p> <p>If your company deals with zero-rated (tax-free) products, you must establish a tax rate/area that has a tax authority with a 0% (zero percent) tax rate.</p>
Tax-Exempt Products	<p>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.</p> <p>If your company deals with tax-exempt products, use the E (tax-exempt) tax explanation code.</p>

## United States Considerations

In the United States, the type of product (such as taxable, zero-rated, and tax exempt) is not relevant. The company itself is either taxable or tax exempt. Companies that are end users (buy goods for their own use) pay sales taxes. Companies that buy goods for resale (are not the end users of the goods) obtain a tax exempt certificate and do not pay sales taxes.

## What You Should Know About

### Description-2

Even though the Description-2 field states that the codes are hard-coded for use in the A/P system, you can use some codes for the A/R, Sales Order Management, and Purchase Management systems (except as noted on the previously)

### Additional Codes

You can set up additional tax explanation codes in user defined codes (system 00, type EX). The first character, however, has special significance. If you set up additional codes with V, B, C, U, S, or E as the first character, the system treats them the same as the original single-character code. The system treats a tax explanation code of VP, for example, as though it was V. If you set up additional codes with another letter as the first character, the system treats them as though they are exempt from taxes.

### Compound Taxes (tax on a tax)

- In Canada, use tax explanation codes C and B to calculate PST as a tax on a tax. You must also set the Calculation Method field to Y in the Tax Rates & Areas program.
- Another way to specify a compound tax is with tax explanation code V+. When you use this code, leave the Calculation Method field blank in the Tax Rates & Areas program. It is not applicable.

For information about how the system posts compound taxes, see the chapters Entry and Post Examples for A/P, A/R, and Sales Orders.

### Offset Accounts

You must identify a G/L offset account for the Tax Rate & Area for each VAT authority. The G/L offset accounts for the VAT authorities can all be the same or they can be different. You may define up to five different tax authorities and/or G/L Offsets per tax rate/area.

For the A/R and A/P systems, the system ignores G/L offset accounts for sales taxes (PST). For the Sales Order and Purchase Management systems, the system uses G/L offset accounts for sales taxes (PST).

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# Automatic Accounting Instructions (AAIs)

This chapter describes the automatic accounting instructions (AAIs) and accounts in the chart of accounts that you need for tax purposes.

An AAI is a code that points to an account in the chart of accounts. AAIs control how programs automatically generate journal entries. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the Post to General Ledger program to post a debit to a certain expense account and an automatic credit to a certain accounts payable account.

The methods to set up AAIs are not the same for all systems. For example, the AAI naming convention differs for A/P vouchers, A/R invoices, sales orders, purchase orders, and journal entries.

## AAIs for A/P, AR, and Journal Entries



From the Master Directory menu (G), type 29,  
From the General Systems menu (G00), select **Automatic Accounting Instructions**

A/P, A/R, and Journal Entries use two AAI programs.

- Use Automatic Accounting Instructions (P00121) to view AAIs.
- Use Automatic Accounting Instruction Revisions (P00122) to add, change, and delete AAIs.

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**Note:** that the AAI programs for A/P, A/R, and Journal Entries differ from the AAI programs for purchase orders and sales orders.

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## To view AAIs (P00121)

### On Accounting Acctg Instructions

00121 Automatic Acctg Instruction

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Account Structure by BU  
Toggle Account Display  
Single AAI Revisions  
Multiple AAI Revisions  
Print Auto Account Insts

00121 Automatic Acctg Instructions

Skip to Sequence Number

Sequence Number	Company	Bus. Unit	Object	Sub	Item
3.320 Accrued Sales or VAT Tax			1	4433	RT
3.320 Accrued Sales or VAT Tax	78		70	4431	RT
3.320 Accrued Sales or VAT Tax	188		100	4431	RT
3.320 Accrued Sales/Use Tax Payable	67		6700	4333	RTIIBB
3.320 Accrued Sales/Use Tax Payable	67		6700	4333	RTITC
3.320 Accrued Sales/Use Tax Payable	67				RTPER

Opt: 1=RAI Rev F5=Acct Struct by BU F15=RAI Rev F21=Print F24=More Keys

- Complete the following field:
  - Skip to Sequence Number
- Press Enter.

Notice that the Company field is not required. You only need to specify a company when AAIs vary from company to company. If you do not set up company-specific AAIs, the system uses the AAIs set up for company 00000 (the default company). Notice also that the Business Unit and Subsidiary account fields are not required.

## To work with AAIs (P00122)

To work with AAIs you must first locate your AAI, as you did in To View AAIs.

### On Automatic Acctg Instructions

- Do one of the following:
  - Press F15 to select the AAI Revisions function
  - Type 1 in the Option field next to an AAI and press Enter.

**0012 Single AAI Revisions**

ORACLE JD Edwards World

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Toggle Account Display  
Print Automatic Account  
Clear Screen

0012 Single AAI Revisions

Action Code: C  
Item Number: RTVAT0  
Company: 00070  
Sequence Number: 3,320  
System Code: 02

Account Codes:  
Business Unit: 70  
Object Account: 4431  
Subsidiary:

Option: [R]  
Options:  
O = Optional  
R = Required  
N = Not Used

Account Use Description: VAT Payable on sales

F21=Print Automatic Accounting Instructions F24=More Keys

2. Complete or change the following fields, as needed:

- Item Number
- Company
- Sequence Number
- System Code
- Business Unit
- Object Account
- Subsidiary
- Option
- Account Use Description

3. Use the Add or Change action and press Enter.

## AAIs for Accounts Payable

Using the Tax Rates & Areas program, you can assign a G/L Offset to a tax authority. The code you enter in this field identifies an AAI item. The AAI, in turn, identifies a tax account in the chart of accounts. For each G/L offset you assign to a Tax Rates/Area, you must also set up an associated AAI and the G/L tax account.

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**Note:** You can set up new accounts in the chart of accounts either before or after you set up the AAIs.

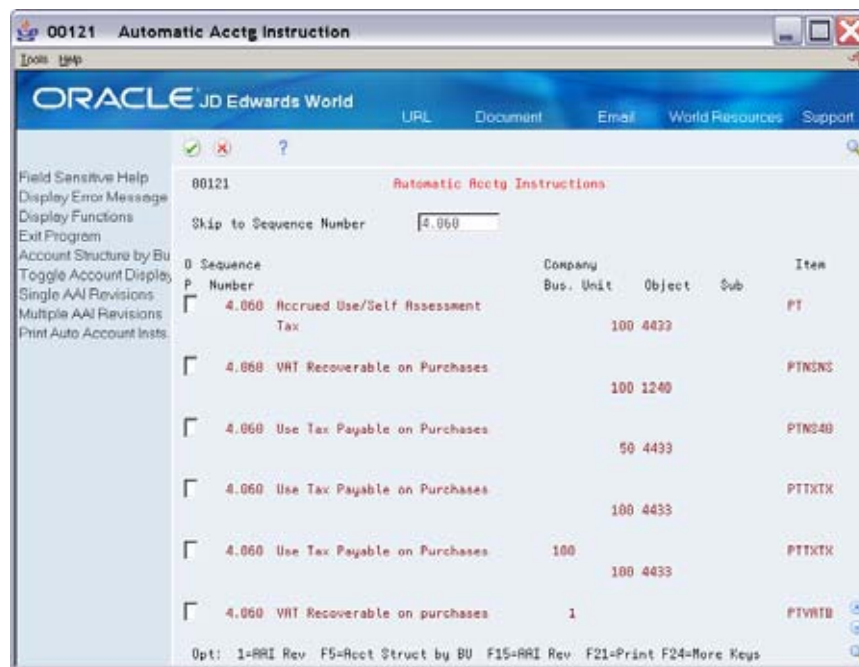
---

## Accounts Payable AAI Naming Conventions

You can name AAIs with a maximum of six characters. The first two characters identify the AAI item and you specify up to four additional characters as the G/L offset, as illustrated in the following table:

System Type	AAI Item	Description
A/P	PTxxxx	'xxxx' designates the g/l offset that may be assigned to a tax rate/area. For Use tax, the g/l offset is ignored.

### Examples



In the example above:

- One of the AAI items is named PTVATB. The system prefix for a payable tax is PT and VATB is the code entered in the G/L Offset field for a Tax Rate/Area.
- A second AAI item shows an AAI item named PT\_ \_ \_ . This defines part of the Use Tax Payable Account (for tax explanation codes U and B, self-assessed sales taxes). PT defines the business unit and object. Subsidiary is the tax rate area.

For example, AAI PT points to account 1.4423. Use tax for a tax rate/area named ABCD would point to account 1.4423.ABCD. If account 1.4423.ABCD does not exist, however, the system posts to account 1.4423.

## A/P AAIs for Tax Explanation Codes

For A/P, depending on which tax explanation code you specify, the system can use different AAIs and post differently. In other words, the system tries to find an AAI based on the tax explanation code.

AAI items for A/P are listed below. You can set up several AAIs for each company. The lower case x identifies the offset from Tax Rates & Areas and lets you define separate accounts for each VAT tax authority.

G/L distribution is the amount to be allocated to general ledger accounts, such as revenue and expense accounts. Generally, the distribution amount is the goods plus sales tax because this is the true cost of purchased goods. VAT is not included in the distribution amount because, typically, a company is reimbursed for VAT paid to suppliers when the company sells those goods.

Gross is the total invoice amount paid to a supplier or collected from a customer. For example, self-assessed sales taxes are never included in an invoice from a supplier.

AAI	Description
V	VAT (GST in Canada). When you enter a voucher, you debit G/L distribution accounts (for the goods). The system debits a VAT receivable account and credits the accounts payable account. PTxxxx identifies the VAT receivable account and PCxxxx identifies the A/P account. Example: <div> <div>Dr 1000</div> <div>G/L distribution</div> <div>(goods of \$1000)</div> <div>Dr 100</div> <div>PTxxxx</div> <div>(VAT receivable account for the tax rate/area)</div> <div>Cr 1100</div> <div>PCxxxx Gross</div> <div>(A/P account for goods of \$1000 + VAT of \$100)</div> </div>
V+	VAT (Calculated as a Tax on a Tax). The accounts are the same as those for V.
VT	VAT (Taxes Only). The accounts are the same as those for V. Example: <div> <div>Dr 0</div> <div>G/L distribution</div> <div>(goods of \$0)</div> <div>Dr 100</div> <div>PTxxxx</div> <div>(VAT receivable account for the tax rate/area)</div> <div>Cr 100</div> <div>PCxxxx Gross</div> <div>(A/P account for VAT of \$100)</div> </div>

AAI	Description
U	<p>Use Tax (PST in Canada), Self-Assessed. When you enter a voucher, you debit G/L distribution accounts (for the goods plus the sales tax). The system credits the self-assessed use tax payable account and credits the accounts payable account. PT____ identifies the business unit and object of the use tax account and the tax rate/area is the subsidiary portion of the use tax account. PCxxxx identifies the A/P account. Example:</p> <p>Dr    1050              G/L distribution              (goods of \$1000 + use tax of \$50)</p> <p>Cr    50              PT____ +tax rate/area              (self-assessed taxes payable account for the tax rate/area). If this account does not exist, uses PT____.</p> <p>Cr    1000              PCxxxx Gross              (A/P account for goods of \$1000)</p>
UT	<p>Use Tax (PST in Canada), Self-Assessed. Taxes Only. The accounts are the same as those for U. Example:</p> <p>Dr    50              G/L distribution              (use tax of \$50)</p> <p>Cr    50              PT____ + tax rate/area              (self-assessed taxes payable account for the tax rate/area)              If this account does not exist, uses PT.</p>
S	<p>Sales Tax (PST in Canada), Seller-Assessed. When you enter a voucher, you debit G/L distribution accounts (for the goods plus the sales tax) and the system credits an accounts payable account. PCxxxx identifies the A/P account. Example:</p> <p>Dr    1050              G/L distribution              (goods of \$1000 + sales tax of \$50)</p> <p>Cr    1050              PCxxxx Gross              (A/P account for goods of \$1000 + sales tax of \$50)</p>
ST	<p>Sales Tax (PST in Canada), Seller-Assessed. Taxes Only. The accounts are the same as those for S. Example:</p> <p>Dr    50              G/L distribution              (sales tax of \$50)</p> <p>Cr    50              PCxxxx Gross              (A/P account for sales tax of \$50)</p>



AAI	Description
E	<p>Exempt (Goods are Not Taxable). When you enter a voucher, the system performs no tax calculations. You debit G/L distribution accounts and the system credits an accounts payable account. Example:</p> <p>Dr    1000              G/L distribution              (goods of \$1000)</p> <p>Cr    1000              PCxxxx Gross              (A/P account for goods of \$1000)</p>
B	<p>GST + self-assessed PST (Canada only). When you enter a voucher, you debit G/L distribution accounts (for the goods + PST). The system debits a GST receivable account, credits the self-assessed tax payable account, and credits the accounts payable account. PT____ identifies the business unit and object of the self-assessed tax account and the tax rate/area is the subsidiary portion of the self-assessed tax account. PTxxxx identifies the GST receivable account and PCxxxx identifies the A/P account. Example:</p> <p>Dr    1030              G/L distribution              (goods of \$1000 + PST of \$30)</p> <p>Dr    70              PTxxxx              (GST receivable account for the tax rate/area)</p> <p>Cr    30              PT____ + tax rate/area              (PST self-assessed taxes payable account for the tax rate/area)              If this account does not exist, uses PT_____.</p> <p>Cr    1070              PCxxxx Gross              (A/P account for goods of \$1000 + GST of \$70)</p>
BT	<p>GST + self-assessed PST (Canada only). Taxes Only. The accounts are the same as those for B. Example:</p> <p>Dr    30              G/L distribution              (PST of \$30)</p> <p>Dr    70              PTxxxx              (GST receivable account for the tax rate/area)</p> <p>Cr    30              PT____ + tax rate/area              (PST self-assessed taxes payable account for the tax rate/area)              If this account does not exist, uses PT_____.</p> <p>Cr    70              PCxxxx Gross              (A/P account for GST of \$70)</p>

AAI	Description
C	<p>GST + seller-assessed PST (Canada only). When you enter a voucher, you debit G/L distribution accounts (for the goods + PST). The system debits a GST receivable account and credits the accounts payable account. PTxxxx identifies the GST receivable account and PCxxxx identifies the A/P account. For example:</p> <p>Dr 1030 G/L distribution (goods of \$1000 + PST of \$30)</p> <p>Dr 70 PTxxxx (GST receivable account for the tax rate/area)</p> <p>Cr 1100 PCxxxx Gross (A/P account for goods of \$1000 + GST of \$70 + PST of \$30)</p>
CT	<p>GST +seller-assessed PST (Canada only). Taxes Only. The accounts are the same as those for C. Example:</p> <p>Dr 30 G/L distribution (PST of \$30)</p> <p>Dr 70 PTxxxx (GST receivable account for the tax rate/area)</p> <p>Cr 100 PCxxxx Gross (A/P account for GST of \$70 + PST of \$30)</p>

## Using Default AAIs

JD Edwards World uses the AAIs from company 00000 as default values if the system cannot find an AAI for a specific company. In other words, you do not need to set up an AAI for each company if several companies use the same account.

The following example shows how the system searches for AAIs. This example uses Company 00007 and AAI PTxxxx. The system performs AAI searches in the sequence shown below.

1. Searches for Company 00007, item PTxxxx.
2. If not found, searches for Company 00000, Item PTxxxx.
3. If not found, displays an error message.

## AAIs for Accounts Receivable

Using the Tax Rates & Areas program you can assign a G/L Offset to a tax authority. The code you enter in this field identifies an AAI item. The AAI, in turn, identifies a tax account in the chart of accounts. For each G/L offset you assign to a Tax Rates/Area, you must also set up an associated AAI and the G/L tax account.

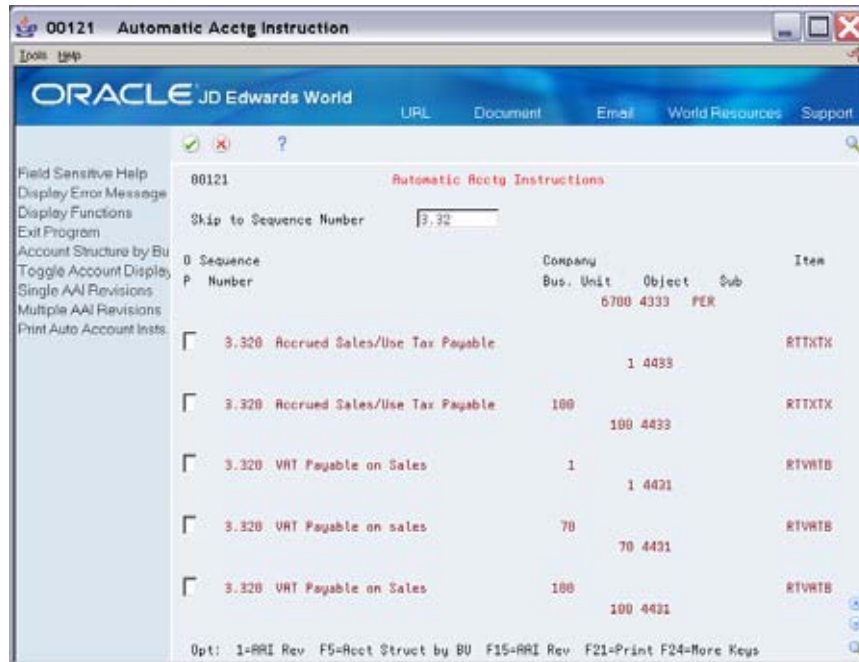
**Note:** You can set up new accounts in the chart of accounts either before or after you set up the AAIs.

## A/R AAI Naming Conventions

You can name AAIs with a maximum of six characters. The first two characters identify the AAI item and you specify up to four additional characters as the G/L offset, as illustrated in the following table:

System Type	AAI Item	Description
A/R	RTxxxx	'xxxx' designates the g/l offset that may be assigned to a tax rate/area.

### Example



This example shows an AAI named RTVATB. The system prefix for a receivable is RT and VATB is the code you entered in the G/L Off field on the Tax Rates & Areas screen.

## A/R AAIs for Tax Explanation Codes

For A/R, depending on which tax explanation code you specify, the system can use different AAI's and post differently. In other words, the system tries to find an AAI based on the tax explanation code.

AAI items for A/R are listed below. You can set up several per company. The lower case x identifies the offset from the Tax Rates & Areas screen and lets you define separate accounts for each type of tax authority. Remember that codes U and B (for

self-assessed taxes) are not valid for A/R. Because the purchaser of the goods pays self-assessed sales taxes directly to the tax authority, the seller of the goods cannot have a receivable for the sales tax.

G/L distribution is the amount to be allocated to general ledger accounts, such as revenue and expense accounts. Generally, the distribution amount is the goods plus sales tax because this is the true cost of purchased goods. VAT is not included in the distribution amount because, typically, a company is reimbursed for VAT paid to suppliers when the company sells those goods.

Gross is the total invoice amount paid to a supplier or collected from a customer. For example, self-assessed sales taxes are never included in an invoice from a supplier.

The following list contains the tax explanation codes:

AAI	Explanation
V	VAT (GST in Canada). When you enter an invoice, you credit G/L distribution accounts (for the goods). The system debits an accounts receivable account and credits a VAT payable account. RTxxxx identifies the VAT payable account and RCxxxx identifies the A/R account. Example: Dr   1100 RCxxxx Gross (accounts receivable for goods of \$1000 + VAT of \$100) Cr   100 RTxxxx (VAT payable account for the tax rate/area) Cr   1000 G/L distribution (goods of \$1000)
V+	VAT (Calculated as a Tax on a Tax). The accounts are the same as those for V.
VT	VAT (Taxes Only). The accounts are the same as those for V. Example: Dr   100 RCxxxx Gross (accounts receivable for VAT of \$100) Cr   100 RTxxxx (VAT payable account for the tax rate/area) Cr   0 G/L distribution (goods of \$0)

AAI	Explanation
S	<p>Sales Tax (PST in Canada), Seller-Assessed. When you enter an invoice, you credit G/L distribution accounts (for the goods plus the sales tax). The system debits an accounts receivable account. RCxxxx identifies the A/R account. Example:</p> <p>Dr    1050              RCxxxx Gross              (accounts receivable for goods of \$1000 + sales tax of \$50)</p> <p>Cr    1050              G/L distribution              (goods of \$1000 + sales tax of \$50)</p>
ST	<p>Sales Tax (PST in Canada), Seller-Assessed. Taxes Only. The accounts are the same as those for S. Example:</p> <p>Dr    50              RCxxxx Gross              (accounts receivable for sales tax of \$50)</p> <p>Cr    50              G/L distribution              (sales tax of \$50)</p>
E	<p>Exempt. When you enter an invoice, the system performs no tax calculations. You credit G/L distribution accounts and the system debits an accounts receivable account. Example:</p> <p>Dr    1000              RCxxxx Gross              (accounts receivable for goods of \$1000)</p> <p>Cr    1000              G/L distribution              (goods of \$1000)</p>
C	<p>GST + Seller-assessed PST (Canada only). When you enter an invoice, you credit G/L distribution accounts (for the goods + PST). The system debits an accounts receivable account and credits a GST payable account. RTxxxx identifies the GST payable account and RCxxxx identifies the A/R account. Example:</p> <p>Dr    1155              RCxxxx Gross              (accounts receivable for goods of \$1000 + GST of \$100 + PST of \$55)</p> <p>Cr    100              RTxxxx              (GST payable account for the tax rate/area)</p> <p>Cr    1055              G/L distribution              (goods of \$1000 + PST of \$55)</p>

AAI	Explanation
CT	GST + Seller-assessed PST (Canada only). Taxes Only. Accounts are the same as those for C. Example:
Dr	155 RCxxxx Gross (accounts receivable for GST of \$100 + PST of \$55)
Cr	100 RTxxxx (GST payable account for the tax rate/area)
Cr	55 G/L distribution (PST of \$55)

## Using Default AAIs

JD Edwards World uses the AAIs from company 00000 as default values if the system cannot find an AAI for a specific company. In other words, you do not need to set up an AAI for each company if several companies use the same account.

The following example shows how the system searches for AAIs. This example uses Company 00007 and AAI RTVATB. The system performs AAI searches in the sequence shown below.

1. Searches for Company 00007, item RTVATB.
2. If not found, searches for Company 00000, Item RTVATB.
3. If not found, displays an error message.

## AAIs for Journal Entries

Using the Tax Rates & Areas program you can assign a G/L Offset to a tax authority. The code you enter in this field identifies an AAI item. The AAI, in turn, identifies a tax account in the chart of accounts. For each G/L offset you assign to a Tax Rates/Area, you must also set up an associated AAI and the g/l tax account.

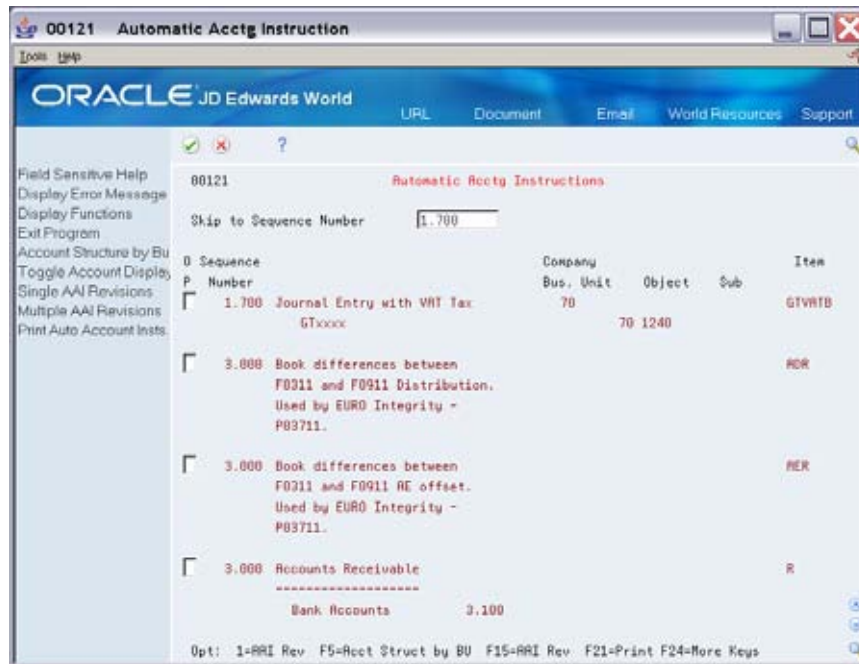
**Note:** You can set up new accounts in the chart of accounts either before or after you set up the AAIs.

## Journal Entry AAI Naming Convention

You can name AAIs with a maximum of six characters. The first two characters identify the AAI item and you specify up to four additional characters as the G/L offset, as illustrated in the following table.

System Type	AAI Item	Characters 3-6.
General Ledger	GTxxxx	'xxxx' designates the g/l offset that may be assigned to a tax rate/area.

## Examples



This example shows an AAI named GTVATB. The system prefix for a receivable is GT and VATB is the code you entered for the tax authority in the G/L Off field on the Tax Rates & Areas screen.

## Using Default AAIs

JD Edwards World uses the AAIs from company 00000 as default values if the system cannot find an AAI for a specific company. In other words, you do not need to set up an AAI for each company if several companies use the same account.

The following example shows how the system searches for AAIs. This example uses Company 00007 and AAI GTVATA. The system performs AAI searches in the sequence shown below.

1. Searches for Company 00007, item GTVATA.
2. If not found, searches for Company 00000, Item GTVATA.
3. If not found, displays an error message.

If a business unit is not specified in the AAI, the system uses the business unit of the journal entry's account number. For example, if you set up GTVATA (where the object is 4431 and the business unit is blank) and enter a journal entry with account 1.2010, the system creates the VAT offset with account 1.4431.

## AAIs for Purchase Orders and Sales Orders

For Purchase and Sales orders, you must create AAIs for each unique combination of company, document type, and G/L class that you need and point each AAI to a specific a business unit, object, and subsidiary.

Purchase orders and sales orders use three AAI programs.

- Use Automatic Accounting Instructions (P40901) to view the AAI tables.
- Use distribution AAI Record Types (40900) to add AAI tables
- Use Distribution Automatic Account (P40950) to define AAIs for AAI tables.

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**Note:** that the AAI programs for purchase orders and sales orders differ from the AAI programs for A/P, A/R, and journal entries.

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### Automatic Accounting Instructions (P40901)



From Purchase Order Management (G43), Enter 29  
 From Purchasing System Setup (G4341), choose Automatic Accounting Instr  
 From Sales Order Management (G42), Enter 29  
 From Sales Order Management Setup (G4241), choose Automatic Accounting Instr

Use this program to view your AAI tables. The screen below shows AAI table 4300.

**40901 Automatic Accounting Instr**

Tools Help

ORACLE JD Edwards World

UPL Document Email World Resources Support

Field Sensitive Help  
 Display Error Message  
 Display Functions  
 Exit Program  
 More Details  
 AAI Types  
 Write/View Memo  
 Print AAI Tables  
 Clear Screen

40901 Automatic Accounting Instr.

Skip To AAI 4300 Purchase Order Processing  
 Purchasing Activity

D	Description	Description-2	
P	Purchase Order Processing	Purchasing Activity	
	Receipts and Voucher Match		
	Inventory	- OPI	See Memo
	DR - Accommodations		See Memo
	Temperature Gain/Loss		
	Non-Inventory	- OPN	See Memo
	Received not Vouchered	- OPR	See Memo
	CR - Rec'd Not Vouchered		
	Variances		
	Received/Vouchered	- OPV	See Memo
	Cost of Sales		See Memo
	Standard Cost	- OPP	See Memo
	Material Burden		See Memo
	Exchange Rate	- OPX	See Memo
	Tax Liabilities		
	Purchase Tax Accrual	- OPT	See Memo

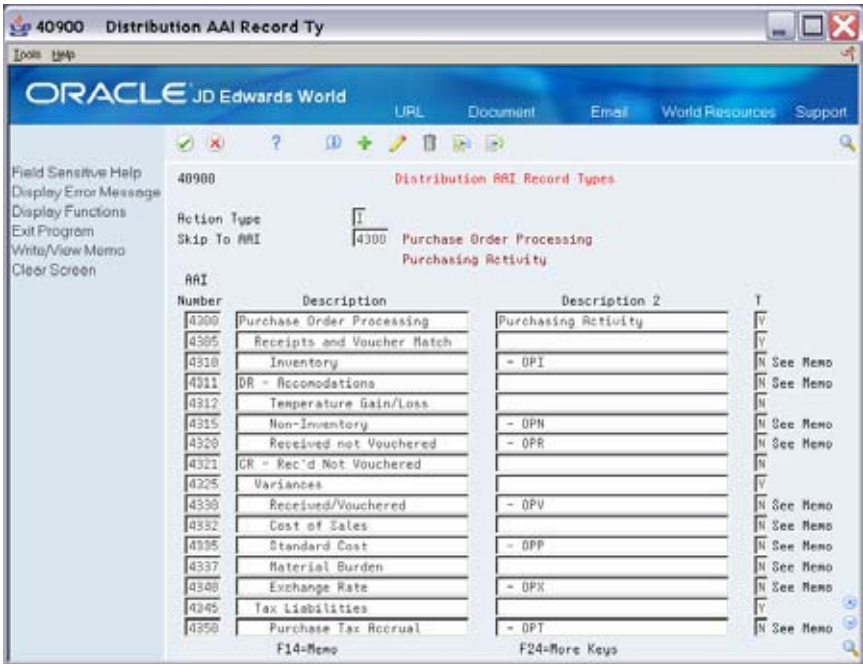
Opt 1-AAI Revisions F5-AAI Types F14-Memo F21-Print F24-More Keys

### Distribution AAI Record Types (P40900)

Use this program to view and add table numbers. The following screen shows tables 4300-4350.

From the Automatic Accounting Instructions screen, press F5.



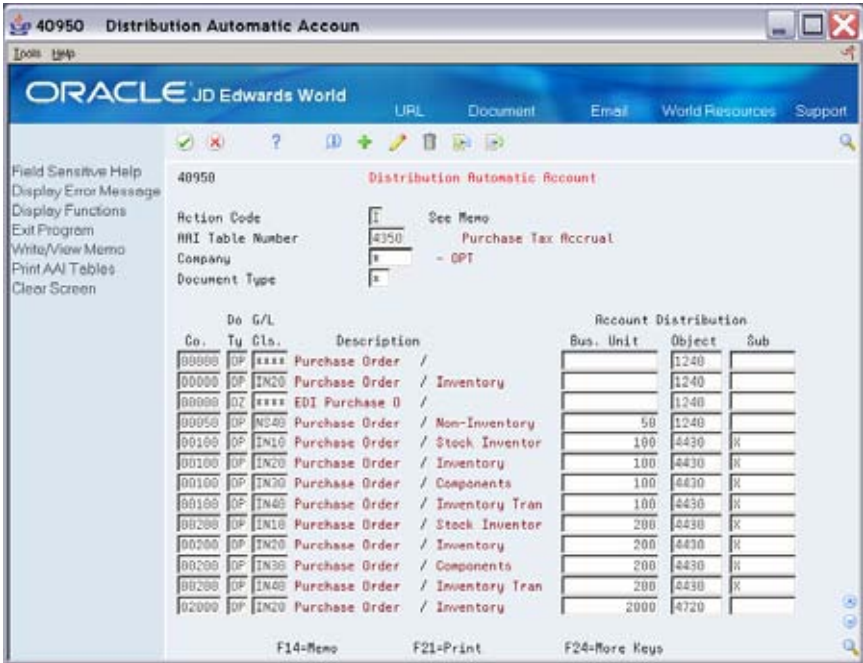


**Distribution Automatic Account (P40950)**

Use this program to define AAIs for the tables. The following screen shows AAIs for table 4350.

To define AAIS for tables  
On Automatic Accounting Instructions

- 1. Enter 1 on the OP (Option) field next to an AAI
- 2. Press Enter.



## AAIs for Purchase Orders

### AAI Table Naming Convention

The AAIs for purchase orders are in AAI tables that always begin with the numbers 43.

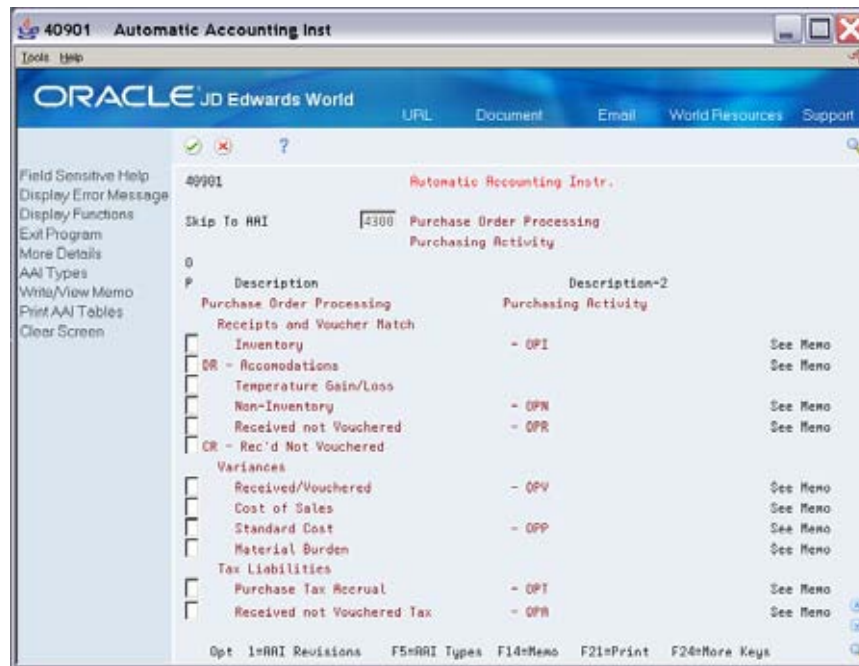
---

**Note:** You will use the AAIs for purchase orders at the time of the purchase order receipt and voucher match. You will use AAIs for A/P at the time you post the voucher in some cases.

---

### Examples

The following screen shows two the AAI tables specifically for taxes.



The following screens show AAIs for Purchase Tax Accrual and Received Not Vouchered tax. For each unique combination of company, document type, and G/L class, an AAI points to a specific business unit, object, and subsidiary.

Example 1:

40950 Distribution Automatic Account

Oracle JD Edwards World

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Write/View Memo  
Print AAI Tables  
Clear Screen

Action Code:  See Memo  
ARI Table Number:  Purchase Tax Accrual  
Company:  - OPT  
Document Type:

Do G/L				Account Distribution		
Co.	Ty	Cls.	Description	Bus. Unit	Object	Sub
00000	OP	XXXX	Purchase Order /		1240	
00000	OP	IN20	Purchase Order / Inventory		1240	
00000	OP	XXXX	EDI Purchase O /		1240	
00050	OP	IN20	Purchase Order / Non-Inventory	50	1240	
00100	OP	IN10	Purchase Order / Stock Inventor	100	4430	X
00100	OP	IN20	Purchase Order / Inventory	100	4430	X
00100	OP	IN30	Purchase Order / Components	100	4430	X
00100	OP	IN40	Purchase Order / Inventory Tran	100	4430	X
00200	OP	IN10	Purchase Order / Stock Inventor	200	4430	X
00200	OP	IN20	Purchase Order / Inventory	200	4430	X
00200	OP	IN30	Purchase Order / Components	200	4430	X
00200	OP	IN40	Purchase Order / Inventory Tran	200	4430	X
02000	OP	IN20	Purchase Order / Inventory	2000	4720	

F14-Memo F21-Print F24-More Keys

The first screen shows a purchase order with sales tax entered with document type OP for company 0004 and items on the order for G/L class IN10. It uses account HJW.1240.X for the purchase tax accrual entry.

Example 2:

40950 Distribution Automatic Account

Oracle JD Edwards World

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Write/View Memo  
Print AAI Tables  
Clear Screen

Action Code:  See Memo  
ARI Table Number:  Received not Vouchered Tax  
Company:  - OPA  
Document Type:

Do G/L				Account Distribution		
Co.	Ty	Cls.	Description	Bus. Unit	Object	Sub
00000	OP	XXXX	Purchase Order /		4431	
00000	OP	XXXX	EDI Purchase O /		4431	
00050	OP	IN20	Purchase Order / Non-Inventory	50	4431	
00100	OP	IN10	Purchase Order / Stock Inventor	100	4431	
00100	OP	IN20	Purchase Order / Inventory	100	4431	
00100	OP	IN30	Purchase Order / Components	100	4431	
00100	OP	IN40	Purchase Order / Inventory Tran	100	4431	
00200	OP	IN10	Purchase Order / Stock Inventor	200	4431	
00200	OP	IN20	Purchase Order / Inventory	200	4431	
00200	OP	IN30	Purchase Order / Components	200	4431	
00200	OP	IN40	Purchase Order / Inventory Tran	200	4431	
02000	OP	IN20	Purchase Order / Inventory	2000	4720	
02000	OP	IN20	Purchase Requi / Inventory	2000	4720	

F14-Memo F21-Print F24-More Keys

The second screen shows a purchase order with sales tax was entered with document type OP for company 00100 and items on the order for G/L class IN20. It uses account 100.4431 for the received not vouchered tax entry.

---

**Note:** A blank business unit indicates the business unit on the purchase order (00100) and there is no subsidiary account.

---

## Using Default AAIs

If the system cannot find an AAI for a specific company and a specific G/L class, it uses Company 00000 and G/L class \*\*\*\* as the default values.

The following example shows how the system searches for AAIs. This example uses Company 00040 and G/L class IN20. The system performs AAI searches in the sequence shown below. The system performs AAI searches in the sequence as follows:

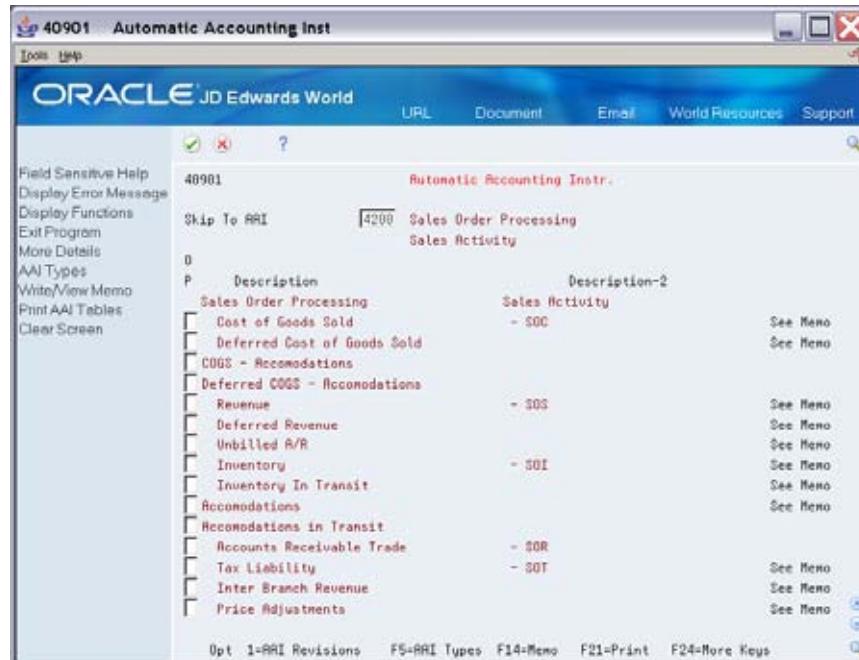
1. Searches for Company 00040, G/L class IN20.
2. If not found, searches for Company 00040, G/L class \*\*\*\*.
3. If not found, searches for Company 00000, G/L class IN20.
4. If not found, searches for Company 00000, G/L class \*\*\*\*.
5. If not found, displays an error message.

## AAIs for Sales Orders

### AAI Table Naming Convention

The AAIs for sales orders are in AAI tables that always begin with the numbers 42.

## Examples



This example shows only one AAI specifically for taxes.

The following example shows AAIs for the tax table. For each unique combination of company, document type, and G/L class, an AAI points to a specific business unit, object, and subsidiary.

Do G/L				Account Distribution		
Co.	Ty	G/L	Description	Bus. Unit	Object	Sub
00000	00	TXTX	Direct Ship / Tax Transactio		4550	
00000	00	TXTX	Sales Order / Tax Transactio		4550	
00000	01	TXTX	Transfer Sale / Tax Transactio		4550	
00000	02	TXTX	EDI Sales Orde / Tax Transactio		4550	
00100	00	TXTX	Direct Ship / Tax Transactio	100	4550	
00100	00	TXTX	Sales Order / Tax Transactio	100	4550	
00100	00	TXTX	Sales Order - / Tax Transactio	100	4550	
00200	00	TXTX	Direct Ship / Tax Transactio	200	4550	
00200	00	TXTX	Sales Order / Tax Transactio	200	4550	
00240	00	TXTX	Sales Order - / Tax Transactio		4550	
			/			
			/			
			/			

F14=Memo F21=Print F24=More Keys

This example shows a sales order with sales tax entered with a document type SD for Company 00100 and a G/L offset in the tax rate area of TXTX. It uses account 100.4550 for the sales tax entry.

**Note:** A blank business unit indicates the business unit from the sales order.

### Using Default AAIs

If the system cannot find an AAI for a specific company and a specific G/L class, it uses Company 00000 and G/L class \*\*\*\* as the default values.

The following example shows how the system searches for AAIs. This example uses Company 00040 and G/L class TXTX. The system performs AAI searches in the sequence shown below. The system performs AAI searches in the sequence as follows:

1. Searches for Company 00040, G/L class TXTX.
2. If not found, searches for Company 00040, G/L class \*\*\*\*.
3. If not found, searches for Company 00000, G/L class TXTX.
4. If not found, searches for Company 00000, G/L class \*\*\*\*.
5. If not found, displays an error message.



## Procedures

For detailed information about AAI procedures, review the procedures for the AAI screens used for A/P, A/R, and journal entries are described in the *Technical Foundation Guide*.

The procedures for the AAI programs used for purchase orders and sales orders are described in both the *Procurement Management Guide* and the *Sales Order Management Guide*.

These guides describe how to add new AAIs, add new accounts, set processing options, and so on.

## What You Should Know About

<b>Identifying AAIs to set up</b>	Identifying which AAIs to Set Up. For each VAT tax rate/area you set up, you can have up to five tax authorities. For each VAT tax authority, you can specify a different G/L offset and thus post to a different account
<b>Accounts</b>	<p>You can set up new accounts in the chart of accounts either before or after you set up the AAIs.</p> <p>Verify that each AAI points to the appropriate general ledger account to ensure that programs post the taxes collected or paid to the proper accounts. You can have AAIs point to asset accounts, contra-liability accounts (rather than an asset account), liability accounts, and so on.</p>
<b>Business Unit, Object, Subsidiary for AP</b>	<p>The AAI item 'PT' defines part of the Use tax payable account (for tax explanation codes U and B, self-assessed sales taxes). PT defines the business unit and object. Subsidiary is the tax rate area. For example:</p> <ul style="list-style-type: none"> <li>▪ AAI PT points to account 1.4423</li> <li>▪ Use tax for the tax rate/area named ABCD points to account 1.4423.ABCD. If 1.4423.ABCD does not exist in the chart of accounts, uses account 1.4423</li> </ul>
<b>Business Unit, Object, Subsidiary for AR</b>	For A/R, there are no Use Taxes. Tax explanation codes U and B are invalid.
<b>Examples</b>	The chapters Entry and Post Examples for A/P, A/R, and Sales Orders and Entry and Post Examples for Purchase Orders describe how the system uses AAIs to calculate and post tax amounts to the general ledger for each of the tax explanation codes. Although the procedures to use the entry screens and the names of the fields on the screens can differ for A/R invoices, purchase orders, and sales orders, the way that the system calculates and posts taxes does not differ.
<b>Authorization</b>	Access to the Automatic Accounting Instructions Revisions screen should be limited to the people responsible for maintaining it.

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# Tax Rules by Company

## About Tax Rules by Company



From the Master Directory menu (G), type **29**  
From the General Systems menu (G00), select **Tax Processing & Reporting**.  
From the Tax Processing & Reporting menu (G0021), select **Tax Rules by Company**.

This chapter describes how to define tax calculation rules for the A/R, A/P, Sales Order Management, Procurement Management, and General Accounting systems. Because these systems automatically calculate taxes when you enter transactions, it is important to accurately define the rules for these calculations.

You establish tax rules by company. The rules include the ability to do the following:

- Cause the system to display a warning message (or to reject a transaction altogether) whenever someone enters a tax entry that differs from the system-calculated tax. You identify the difference by which the entry can differ from the system calculation.
- Calculate discounts on a gross amount that already includes the tax.
- Calculate the tax on a gross amount that includes the discount amount.

The chapter also contains some examples to show how the system calculates the taxes using the tax rules you define.

## Tax Rules by Company (P0022)

**0022 Tax Rules by Company**

Oracle JD Edwards World

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Clear Screen

**Fields that apply when the System field is 1, 2, or 3**

**Fields that apply when the System field is 1 or 2**

**Fields that appear only when the System field is 1**

Action Type:   
 Company:   
 System {A/R=1, A/P=2, G/L=3}:   
 Tolerance Percentage for Warning:   
 Tolerance Percentage for Error:   
 or  
 Tolerance Amount for Warning:   
 Tolerance Amount for Error:   
 Calculate Tax on Gross (Including Disc): ☒  
 Calculate Disc on Gross (Including Tax): ☐  
 Allow Understatement of Tax Amount: ☐  
 Calculate Sales Order Taxes on Summary: ☐  
 Tax Service Date Selection: ☐

F3=Exit F24=More Keys

Field	Explanation
Company	<p>A code that identifies a specific organization, fund, entity, and so on. This code must already exist in the Company Constants table (F0010). It must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions.</p> <p><b>Note:</b> You can use company 00000 for default values, such as dates and automatic accounting instructions (AAI's). You cannot use it for transaction entries.</p>
Tax Rules System	<p>Number that indicates which systems the tax rules apply to. Numbers are:</p> <ul style="list-style-type: none"> <li>1 A/R and Sales Orders</li> <li>2 A/P and Purchase Orders</li> <li>3 General ledger (journal) entries</li> </ul>



Field	Explanation
Tolerance Percentage for Warning	<p>Percentage used only for A/R, A/P, and G/L processing (sales order and purchase order processing do not use it). When you enter a VAT or GST amount that differs from the system-calculated tax, the system uses this percentage to determine whether to display a warning message.</p> <p>Enter the percentage as a whole number. For example, enter 10% as 10. If you enter 10 in this field and there is a difference between the tax amount you entered and the system-calculated tax amount, the system handles it as follows:</p> <p>Accept - difference is 9.99% or less</p> <p>Warning - difference is 10% or more</p> <p>The default (blank) causes a warning message to display if you enter a tax that does not exactly match the system-calculated amount tax.</p> <p><b>Note:</b> This field applies only to VAT and GST. You cannot enter both tolerance percentages and tolerance amounts.</p>
Tolerance Percentage for Error	<p>Percentage used only for A/R, A/P, and G/L processing (sales order and purchase order processing do not use it). When you enter a VAT or GST amount that differs from the system-calculated tax, the system uses the percentage to determine whether to reject the tax entry.</p> <p>This percentage is used in conjunction with the Tolerance Percentage for Warning field. For example, a 10 tolerance percentage for warning and a 15 tolerance percentage for error works as follows:</p> <p>Accept - difference is 9.99% or less</p> <p>Warning - difference is between 10% and 14.99%</p> <p>Reject - difference is 15% or more</p> <p>The default (blank) indicates that no entry is to be rejected.</p> <p><b>Note:</b> This field applies only to VAT and GST. You cannot enter both tolerance percentages and tolerance amounts.</p>

Field	Explanation
Tolerance Amount for Warning	<p>Amount used only for A/R, A/P, and G/L processing (sales order and purchase order processing do not use it). When you enter a VAT or GST amount that differs from the system-calculated tax, the system uses this amount to determine whether to display a warning message. For example, if you enter .50 and there is a difference between the tax amount you entered and the system-calculated tax amount, the system handles it as follows:</p> <p>Accept - difference is .49 or less</p> <p>Warning - difference is .50 or more</p> <p>The default (zero) causes a warning message to display if you enter a tax that does not exactly match the system-calculated tax.</p> <p><b>Note:</b> This field applies only to VAT and GST. You cannot enter both tolerance percentages and tolerance amounts.</p>
Tolerance Amount for Error	<p>Amount used only for A/R, A/P, and G/L processing (sales order and purchase order processing do not use it). When you enter a VAT or GST amount that differs from the system-calculated tax, the system uses this amount to determine whether to reject the tax entry.</p> <p>This amount is used in conjunction with the Tolerance Amount for Warning field. For example, a .50 tolerance amount for warning and a 1.00 tolerance amount for error works as follows:</p> <p>Accept - difference is .49 or less</p> <p>Warning - difference is between .50 and .99</p> <p>Reject - difference is 1.00 or more</p> <p>The default (zero) indicates that no entry is to be rejected.</p> <p><b>Note:</b> This field applies only to VAT and GST. You cannot enter both tolerance percentages and tolerance amounts.</p>
Calculate Tax on Gross (Including Disc)	<p>A code that indicates whether to calculate the tax on a gross amount that includes the discount amount. Valid codes are:</p> <p>Y     Calculate the tax amount on the gross.</p> <p>N     Calculate the tax amount on the gross less the discount amount.</p> <p>Blank Defaults to Y.</p> <p>Self-assessed taxes are not included in discount calculations.</p> <p><b>Note:</b> This field does not apply to G/L processing. A/R, A/P, sales orders, and purchase orders use it.</p>

Field	Explanation
Calculate Discount on Gross (Including Tax)	<p>A code that indicates whether to calculate the discount on a gross amount that already includes the tax amount. Valid codes are:</p> <p>Y     Calculate the discount amount on the gross with tax.</p> <p>N     Calculate the discount amount on the gross less the tax amount.</p> <p>Blank Defaults to N.</p> <p>Self-assessed taxes are not included in discount calculations.</p> <p><b>Note:</b> This field does not apply to G/L processing. A/R, A/P, sales orders, and purchase order processing use it.</p>
Tax Rules-Allow Understatement	<p>Code that indicates whether you can enter a VAT or GST amount on the A/R Invoice Entry screen that is less than the system-calculated tax amount (less than the specified tax rate). Codes are:</p> <p>Y     Accept amount less than the specified tax rate.</p> <p>N     Reject amount less than the specified tax rate.</p> <p>Blank Defaults to N.</p> <p><b>Note:</b> This field applies only to VAT and GST.</p> <p><i>Form-specific information</i></p> <p>This field appears on the screen only when the System field is 1, and it only applies to A/R.</p>
Calculate Sales Order Taxes on Summary	<p>Code that indicates whether the system calculates taxes and performs rounding for sales orders at the detail or the order level. Values are:</p> <p>Y     Calculate taxes and rounding at the order level.</p> <p>N     Calculate taxes and rounding at the detail level.</p> <p>Blank Defaults to N.</p>

## Tax Rules and Systems

### VAT and Canadian Considerations

For companies in countries that assess value added taxes, all fields on the Tax Rules by Company screen can apply. Which rules apply depends on which JD Edwards World systems your company owns. The following tables describe the systems and applicable rules.

### Rules for A/R and Sales Orders

When you enter 1 in the System field, the rules apply to both the A/R and Sales Order Management systems.

For A/R invoice processing, the system uses the following tax rules:

- Tolerance percentage for warning and tolerance percentage for error
- Tolerance amount for warning and tolerance amount for error
- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)
- Allow understatement of tax amount

For sales order processing, the system uses the following tax rules:

- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)
- Calculate sales order taxes on summary

### Rules for A/P and Purchase Orders

When you enter 2 in the System field, the rules apply to both the A/P and Procurement Management systems.

For A/P voucher processing, the system uses the following tax rules:

- Tolerance percentage for warning and tolerance percentage for error
- Tolerance amount for warning and tolerance amount for error
- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)

For purchase order processing, the system uses the following tax rules:

- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)

### Rules for Journal Entries

When you enter 3 in the System field, the system uses the following tax rules:

- Tolerance percentage for warning and tolerance percentage for error
- Tolerance amount for warning and tolerance amount for error

## United States (Sales and Use Tax) Considerations

For companies that deal only with sales and use taxes (such as companies in the United States), only the calculation rules are valid. The following tables describe the systems and applicable rules.

### Rules for A/R and Sales Orders

When you enter 1 in the System field, the following rules apply to both the A/R and Sales Order Management systems:

For A/R invoice processing, the system uses the following tax rules:

- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)

For sales order processing, the system uses the following tax rules:

- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)
- Calculate sales order taxes on summary

The Allow Understatement of Tax Amount and variance tolerance fields apply only to VAT or GST.

### Rules for A/P and Purchase Orders

When you enter 2 in the System field, the following rules apply to both the A/P and Procurement Management systems:

- Calculate tax on gross (including discounts)
- Calculate discount on gross (including taxes)

The variance tolerance fields apply only to VAT or GST.

### Rules for Journal Entries

None of the rules apply.

## System Calculation Examples

Simple examples are shown to clarify how two fields on the Tax Rules by Company screen work. The Calculate Tax on Gross (Including Disc) and Calculate Disc on Gross (Including Tax) fields are set differently in each example.

### Assumptions:

The examples are for VAT taxable products. There are no non-taxable items.

\$1000	Taxable
10%	Tax rate
1%	Discount

## Examples for Accounts Receivable

Examples 1 through 4 show the system calculations after you enter a taxable amount (typically what you enter for A/R). The system calculates the invoice amount, discount amount, and tax (if not entered).

### Example 1

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = Y

Calculate	System Calculation
Tax	= Taxable x Tax rate = \$1000 x .10 = \$100
Invoice	= Taxable + Tax = \$1000 + \$100 = \$1100
Discount	= Invoice x Discount rate = \$1100 x .01 = \$11

### Example 2

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = N

Calculate	System Calculation
Tax	= Taxable x Tax rate = \$1000 x .10 = \$100
Invoice	= Taxable + Tax = \$1000 + \$100 = \$1100
Discount	= Taxable x Discount rate = \$1000 x .01 = \$10

### Example 3

Calculate Tax on Gross (Including Disc) = N

Calculate Disc on Gross (Including Tax) = N

Calculate	System Calculation
Tax	= Taxable x Tax rate = \$1000 x .10 = \$100

Calculate	System Calculation
Discount	$= (\text{Tax} \times \text{Discount rate}) / ((1 - \text{Discount rate}) \times \text{Tax rate})$ $= (\$100 \times .01) / ((1 - .01) \times .10) = \$10.10$
Invoice	$= \text{Taxable} + \text{Tax} + \text{Discount}$ $= \$1000 + \$100 + \$10.10 = \$1110.10$

#### Example 4

Calculate Tax on Gross (Including Disc) = N

Calculate Disc on Gross (Including Tax) = Y

Calculate	System Calculation
Tax	$= \text{Taxable} \times \text{Tax rate}$ $= \$1000 \times .10 = \$100$
Discount	$= ((\text{Taxable} + \text{Tax}) \times \text{Discount rate}) / (1 - \text{Discount rate})$ $= ((\$1000 + \$100) \times .01) / (1 - .01) = \$11.11$
Invoice	$= \text{Taxable} + \text{Tax} + \text{Discount}$ $= \$1000 + \$100 + \$11.11 = \$1111.11$

The discount calculation in Example 3 is complex. Because the discount is the invoice amount multiplied by the discount rate (but the invoice amount is not known until the discount is calculated), the system must “back into” the discount calculation using known factors (tax, tax rate, and discount rate). The same kind of complexity also exists in Example 4.

### Examples for Accounts Payable

Examples 5 through 8 below show the system calculations after you enter an invoice amount (typically what you enter for A/P). The system calculates the taxable amount, discount amount, and tax (if you did not enter it).

Although there may be a few cents difference due to rounding, these examples tie back to Examples 1 through 4.

#### Example 5 (Ties back to Example 1)

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = Y

Invoice is \$1100.00

Calculate	System Calculation
Discount	$= \text{Invoice} \times \text{Discount rate}$ $= \$1100 \times .01 = \$11$

Calculate	System Calculation
Taxable	$= \text{Invoice} / (1 + \text{Tax rate})$ $= \$1100 / (1 + .10) = \$1000$
Tax	$= \text{Taxable} \times \text{Tax rate}$ $= \$1000 \times .10 = \$100$

#### Example 6 (Ties back to Example 2)

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = N

Invoice is \$1100.00

Calculate	System Calculation
Taxable	$= \text{Invoice} / (1 + \text{Tax rate})$ $= \$1100 / (1 + .10) = \$1000$
Tax	$= \text{Taxable} \times \text{Tax rate}$ $= \$1000 \times .10 = \$100$
Discount	$= \text{Invoice} \times \text{Discount rate}$ $= \$1000 \times .01 = \$10$

#### Example 7 (Ties back to Example 3)

Calculate Tax on Gross (Including Disc) = N

Calculate Disc on Gross (Including Tax) = N

Invoice is \$1110.10

Calculate	System Calculation
Net	$= \text{Invoice} / ((1 + \text{Tax rate}) - (\text{Discount rate} \times \text{Tax rate}))$ $= \$1110.10 / ((1 + .10) - (.01 \times .10)) = \$1010.10$
Taxable	$= \text{Net} \times (1 - \text{Discount rate})$ $= \$1010.10 \times (1 - .01) = \$1000$
Tax	$= \text{Taxable} \times \text{Tax rate}$ $= (\$1000 \times .10) = \$100$
Discount	$= \text{Net} \times \text{Discount rate}$ $= \$1010 \times .01 = \$10.10$

#### Example 8 (Ties back to Example 4)

Calculate Tax on Gross (Including Disc) = N



Calculate Disc on Gross (Including Tax) = Y

Invoice is \$1111.11

Calculate	System Calculation
Discount	= Invoice x Discount rate = \$1111.11 x .01 = \$11.11
Taxable	= (Invoice - Discount) / (1 + Tax rate) = (\$1111.11 - \$11.11) / (1 + .10) = \$1000.00
Tax	= Taxable x Tax rate = \$1000 x .10 = \$100

## Examples for Sales Orders and Purchase Orders

The previous examples showed calculations for A/R and A/P. Although the calculations are the same for sales orders and purchase orders, typically, you enter different data. Examples 9 through 11 show system calculations based on the invoice amount. The system calculates the tax amount, taxable amount, and the discount.

### Assumptions:

The examples are for VAT taxable products. There are no non-taxable items.

\$1000 Invoice Amount

10% Tax rate

1% Discount

### Example 9

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = Y

Calculate	System Calculation
Tax Amount	= \$90.91
Taxable Amount	= \$909.09
Discount	= \$10.00

### Example 10

Calculate Tax on Gross (Including Disc) = Y

Calculate Disc on Gross (Including Tax) = N

Calculate	System Calculation
Tax Amount	= \$90.91
Taxable Amount	= \$909.09
Discount	= \$9.09

### Example 11

Calculate Tax on Gross (Including Disc) = N

Calculate Disc on Gross (Including Tax) = N

Calculate	System Calculation
Tax Amount	= \$90.08
Purchase Order/Sales Order Amount	= \$909.92
Taxable Amount	= \$900.82
Discount	= \$9.10

## Journal Entries

Tax = Taxable Amount x Tax Rate. Discounts do not apply.

## Guidelines

To set up rules for the A/R, A/P, Sales Order Management, Procurement Management, and General Accounting systems, you need to use this screen three times. Use it once to specify A/R and sales order rules. Use it a second time to specify A/P and purchase order rules. Use it a third time to specify general ledger rules for journal entries.

You enter either a tolerance percentage or a tolerance amount.

The system attempts to use the tax rules corresponding to the company number for your entry transactions. If there are no tax rules set up for the company, the system will use the rules for company 00000. If there are no tax rules set up for company 00000, the system uses the following defaults:

Calculate Tax on Gross field = Y

Calculate Discount on Gross field = N

For companies that use only sales or use taxes (such as companies in the United States), only three fields on the screen are valid: Calculate Tax on Gross, Calculate Discount on Gross, and Calculate Sales Order Taxes on Summary. For companies in countries that assess VAT and GST, all fields on the Tax Rules by Company screen are valid.

Two fields (Allow Understatement of Tax Amount field and Calculate Sales Order Taxes on Summary) appear only when you inquire on a company that has 1 in the System field. The Allow Understatement of Tax Amount field is a tax rule for A/R invoices and Calculate Sales Order Taxes on Summary is a tax rule for sales orders.



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# Default Values

## About Default Values

This chapter describes how to set up default values (tax explanation codes and tax rate/areas) for suppliers and customers. When you use transaction entry programs, the system automatically displays the defaults that you have defined.

You can assign default values using with the following programs:

- For A/R and sales order processing, assign defaults values using Customer Master Information (P01053).
- For A/P and purchase order processing, assign defaults values using Supplier Master Information (P01054).

When you enter a transaction (voucher, invoice, sales order, or purchase order), the default tax explanation code and tax rate/area values populate from Customer/Supplier Master Information. You can either accept or override the default values, as follows:

- For A/P vouchers, you can override the defaults using the various Voucher Entry programs including Speed Voucher Entry.
- For A/R invoices, you can override the default values using the Invoice Entry or the Speed Invoice Entry programs.
- For sales orders, you can override the default values using the Enter Sales Orders screen or the Order Detail Information screen.
- For purchase orders, you can override the default values using the Enter Purchase Orders screen, the Purchase Order Detail screen, or the Match Voucher to Open Receipt screen.

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**Note:** For journal entries using the Journal Entry With VAT Tax program, there are no defaults. You must manually enter a tax explanation code and a tax rate/area.

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## Default Values for A/P



From the Accounts Payable menu (G04), select **Supplier & Voucher Entry**,  
From the Supplier & Voucher Entry menu (G0411), select **Supplier Master Information**

You can specify default tax information for suppliers using the Supplier Master Information program. A/P entry screens display the defaults you establish here.

## Supplier Master Information (P01054)

**01054 Supplier Master Information**

Oracle JD Edwards World

Tools Help

Field Sensitive Help  
Display Error Message  
Display Functions  
Address Book Control F  
Exit Program  
Who's Who  
Memo  
Bank Codes  
Exit to Name Search  
Call Auxiliary Program  
Exit to Address Book  
Address Status Window  
Purchasing Instructions  
Category codes  
Retrieve Vertex GeoCod  
CIF Index  
Exit to A/P Co/Business  
Clear Screen

**Supplier Master Information**

Action Type   
Supplier Number   
Long Address Number   
Preferred Status ☐  
Payment Information  
Credit Message   
Factor/Special P   
Parent Number   
Logging Approver   
Payment Handling   
Payment Terms   
Payment Instr   
Reference   
Payment Method   
Currency & Tax Information  
Withholding %   
Tax Authority   
Tax Expl Code   
Tax Rate/Area   
Currency   
Ant. Currency   
Accounting Distribution Information  
G/L Class   
Model JE Type/Doc/Co   
Default Exp Acct   
Multiple Checks (Y/N/C)   
Check Float Days   
Ledger Inq Sequence   
Bank Record Type   
Print BRCS Remittance ☐

F5=Who F6=Memo F8=Bank codes F9=Drch F11=Addr F14=Cat codes F24=More

For more information about Supplier Master Information, see the *Accounts Payable Guide*. This guide describes only those fields necessary for tax processing.

Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p>Values for the Accounts Payable system are:</p> <p>V     VAT</p> <p>VT    Same as V, taxes only</p> <p>V+    VAT, calculated as a tax on a tax</p> <p>U     Use tax, self-assessed (PST in Canada)</p> <p>UT    Same as U, taxes only</p> <p>S     Sales tax , seller-assessed (PST in Canada)</p> <p>ST    Same as S, taxes only</p> <p>B     GST + self-assessed PST (Canada only)</p> <p>BT    Same as B, taxes only (Canada only)</p> <p>C     GST + seller-assessed PST (Canada only)</p> <p>CT    Same as C, taxes only (Canada only)</p> <p>E     Exempt</p> <p><b>Note:</b> B, BT, C, and CT are used in Canada. They can be assessed as a tax on a tax.</p>
Tax Rate/Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p style="text-align: center;"><i>Form-specific information</i></p> <p>The system uses this information as the default when you enter vouchers.</p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the supplier's city, state, and zip code.</p>

## Default Values for A/R

You can specify default tax information for customers using the Customer Master Information program. A/R entry screens will automatically display the defaults you establish here.



From the Accounts Receivable menu (G03), select **Customer & Invoice Entry**.  
From the Customer & Invoice Entry menu (G0311), select **Customer Master Information**.

## Customer Master Information (P01053)

**01053 Customer Master Information**

Tools: Help

ORACLE JD Edwards World

UPL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Address Book Control F  
Exit Program  
Who's who  
Memo  
Bank codes  
Exit to Name Search  
Auxiliary Pym(may be u  
Exit to Address Book  
Address Status Window  
Customer Billing Instruct  
Category codes  
Retrieve Vertex GeoCoi  
CIF Index  
Exit to Co/Business Unit  
Clear Screen

01053 Customer Master Information

Action Type   
Customer Number   
Long Address Number   
Credit/Collections Information  
Credit Message   
Temp Credit Mag.   
Factor/Special P   
Parent Number   
Payment Terms   
Credit Manager   
Collection Mgr   
Last Cred Rvw   
RBC (Slr/Marg/P)   
Pref Cust Status   
Monthly Fin Chg%   
Reference   
Alt. Payor   
Invoice Method   
Print Stmt(V/N)   
Send Stmt To   
Statement Cycle   
Send Invoice to   
Delinquency Noti   
Apply Fin Chgs   
Opened By   
Credit Sta   
Ledger Inq Seq   
Auto Receipt (Y/  
Auto Cash Alg   
Payment Instr   
Bal Fwd/Open Itm   
No. of Reminders   
Collection Rpt.   
Bank Record Type   
Currency & Tax Information  
Tax Expl Code   
Tax Rate/Area   
Currency Code   
Accounting Distribution Information  
G/L Class   
Model JE Type/Doc/Co   
Default Rev Acct   
Unappl Cash Offset   
F5=Who F6=Memo F8=Bank cd F9=Scrch F11=Addr F13=Billing F14=Cat cd F24=More

For more information about Customer Master Information, see the *Accounts Receivable Guide*. This guide describes only those fields necessary for tax processing.



Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p>Values for the Accounts Receivable system are:</p> <p>V     VAT</p> <p>VT    Same as V, taxes only</p> <p>V+    VAT, calculated as a tax on a tax</p> <p>S     Sales tax , seller-assessed (PST in Canada)</p> <p>ST    Same as S, taxes only</p> <p>C     GST + seller-assessed PST (Canada only)</p> <p>CT    Same as C, taxes only (Canada only)</p> <p>E     Exempt</p> <p><b>Note:</b> C and CT are used in Canada. They can be assessed as a tax on a tax.</p>
Tax Rate/Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the customer's city, state, and zip code.</p>

## Defaults Values for Purchase Orders

You can specify default tax information for suppliers using Supplier Master Information. Purchase order entry screens display the defaults you establish here.

The Supplier Master Information program was shown earlier in *Defaults for A/P* in this chapter. The values you enter for A/P and purchase orders are the same.

Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p>Values for purchase orders are:</p> <p>V     VAT</p> <p>V+    VAT, calculated as a tax on a tax</p> <p>U     Use tax, self-assessed (PST in Canada)</p> <p>S     Sales tax , seller-assessed (PST in Canada)</p> <p>B     GST + self-assessed PST (Canada only)</p> <p>C     GST + seller-assessed PST (Canada only)</p> <p>E     Exempt</p> <p><b>Note:</b> B and C are used in Canada. They can be assessed as a tax on a tax. Note also that tax-only codes are not valid.</p>
Tax Rate/Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>The system uses this information as the default when you enter vouchers.</p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the supplier's city, state, and zip code.</p>

## Tax Default Override

The system will automatically display the default tax explanation code and tax rate/area for the supplier when you use the Enter Purchase Orders programs. You can either accept or override (type over) the default values.

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**Note:** You can use the Supplier Master Information program to set up information for supplier addresses and supplier ship-to addresses. The processing options you specify for Enter Purchase Orders control whether tax information defaults from the supplier or the supplier ship-to address.

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## Defaults Values for Sales Orders

You can specify default tax information for customers using the Customer Master Information program. Sales order entry screens display the defaults you establish here.

The Customer Master Information program was shown earlier in *Defaults for A/R* in this chapter. The screen and the values you can enter for A/R and sales orders are the same.

Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p>Values for sales orders are:</p> <p>V     VAT</p> <p>V+    VAT, calculated as a tax on a tax</p> <p>S     Sales tax , seller assessed (PST in Canada)</p> <p>C     GST + seller assessed PST (Canada only)</p> <p>E     Exempt</p> <p><b>Note:</b> C is used in Canada and can be assessed as a tax on a tax. Note also that tax-only codes are not valid.</p>
Tax Rate/Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the customer's city, state, and zip code.</p>

## Tax Default Override

The system will automatically display the default tax explanation code from the customer address and the tax rate/area from the ship-to address when you use the Enter Sales Orders program. You can either accept or override (type over) the default values.

## What You Should Know About

### **Tax default Values for Journal Entry with VAT Tax**

There are no tax defaults for Journal Entry With VAT Tax. You must manually enter a tax explanation code and a tax rate/area.

## See Also

- See the *Accounts Receivable Guide*.
- See the *Accounts Payable Guide*.
- See the *Order Management Guide*.
- See the *Sales Gide*.
- See the *General Accounting Guides I and II*.

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# European Union Setup

In addition to the setup described in the previous chapters, European Union (EU) members must perform the setup activities described in this chapter. These activities apply only to clients that have the JD Edwards World Sales Order Management and Purchase Management systems.

If you do not have the JD Edwards World Sales Order and Procurement Management systems, you can either create a custom program to load information to the Extra Tax File Adjustments file (F0018T) or your supplier can provide the Intrastat report. Another alternative is to use the Direct Extra Tax File Adjustment screen (described in the chapter *European Union Activities*).

## Assign VAT Registration Numbers

To be able to export free of VAT, you must have the VAT registration number of your customers in other EU countries and send your own registration number to your suppliers. You must specify the VAT registration numbers for customers, suppliers, and each of your companies. The length and format of these numbers varies by country.

- **Suppliers and Customers.** Specify VAT registration numbers (between 8 and 15 characters) in the Tax ID field on either of two screens. For your suppliers, use the Supplier Master Information screen (on menu G0411) and for your customers, use the Customer Master Information screen (on menu G0311). The system prints these numbers on your invoices.

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**Note:** You might need to use processing options to display the tax ID fields on the screens.

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- **Your Companies.** For each of your companies, you should also have an address book record with the company number as the address number. For example, company number 1 should be set up as address number 1. Enter your company's VAT registration number in the Tax ID field. This prints on the EU Sales Listing and Intrastat report.

## Set Up Tax Rate/Areas

You must set up a tax rate/area for items taxable for EU member countries and items taxable from non-member countries. The EU Sales Listing uses this information for selection criteria.

## Modify Commodity Codes for EU

This user defined code (system 41, type E) identifies the products dispatched from or arriving in your country. To comply with EU requirements, you must modify the second description field for these codes. In the Description-2 field, type the commodity code that customs authorities require. The field allows up to 15 characters.

---

**Note:** To access the Description-2 field, inquire on system 41, type E. Press F5 (Code Types) and change the Action Code field to C. For item E, change the 2nd Line field to Y.

---

## Determine Nature of Transaction Codes

These user defined codes identify whether the movement of products is for sales, leases, or other reasons. Some codes (system 41, types S1 to S5) are for sales orders. Others (system 41, types P1 to P5) are for purchase orders. Decide which sales order code and purchase order code you plan to use for EU requirements.

See the *Global Solutions Guide* for the applicable country for more information.

## Assign Commodity Codes and Nature of Transaction Codes to Items

To assign the commodity codes and nature of transaction codes to items, access the Basic Item Master Data screen (on menu A411). Press F5 to access the Classification Codes screen.

## Modify Freight Handling Codes (Add Conditions of Transport)

Freight handling codes (system 42, type FR) identify freight information. To comply with EU requirements, you must modify the second description field for these codes and indicate how freight is to be paid. In the Description-2 field, positions 1 to 3, type the code that customs authorities require. Some examples follow:

Code	Definition
EXW	Ex works
FOB	Free on board
CIF	Carriage, insurance, freight
DDP	Delivered duty paid
DDU	Delivered duty unpaid
XXX	Other

Certain countries, such as France, need a condition of transport extension. COTX is used to meet this requirement. You must use the Direct Extra Tax File Adjustment screen (described in the chapter *European Union Activities*) and manually enter the X.

You can set up default conditions of transport on the Supplier Purchasing Instructions screen (on menu A43A322). Type the condition of transport in the Freight Handling Code field. When you enter purchase orders, this information appears in the purchase order header fields.

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**Note:** To access the Description-2 field, inquire on system 41, type E. Press F5 (Code Types) and change the Action Code field to C. For item FR, change the 2nd Line field to Y.

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## Modify Freight Handling Codes (Add Modes of Transport)

Freight handling codes (system 42, type FR) identify freight information. To comply with EU requirements, you must modify the second description field for these codes and indicate how freight is to be shipped. In the Description-2 field, position 5, type the 1-character code that customs authorities require. Codes include, but are not limited to:

Code	Definition
1.	Transport by sea
2.	Transport by rail
3.	Transport by road
4.	Transport by air
5.	Consignments by post
6.	Fixed transport installations
7.	Transport by inland waterway
8.	Own propulsion

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**Note:** To access the Description-2 field, inquire on system 41, type E. Press F5 (Code Types) and change the Action Code field to C. For item FR, change the 2nd Line field to Y.

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## Example for Conditions of Transport and Modes of Transport

The following screen shows the formats for the conditions of transport and the modes of transport.

## Set Up User Defined Codes for EU

You set up EU information in the user defined code Description-2 field for two EU requirements:

- Conditions of transport
- Modes of transport.

F1 does not display information in the Description-2 field for user defined codes. If you need inquiry capability on these fields while using the Direct Extra Tax File Adjustment screen, you must maintain both the Description-2 fields and the following user defined codes:

- Conditions of transport (system 00, type TC). Specify the same codes here that you maintain in the Description-2 field, positions 1 to 3, for the freight handling codes (system 42, type FR). Examples include:
  - EXW (Ex works)
  - FOB (Free on board)
  - CIF (Carriage, insurance, freight).
- Modes of transport (system 00, type TM). Specify the same codes here that you maintain in the Description-2 field for the freight handling codes (system 42, type FR). Examples include:
  - 1 (Transport by sea)
  - 2 (Transport by rail)
  - 3 (Transport by road)

A third user defined code table is for the nature of transaction codes (system 00, type NT). Specify the codes here that you decided to use for sales and purchases.



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# Italian Setup

In addition to the setup described in previous chapters, Italian companies must perform the setup activities described in this chapter.

## User Defined Codes

You must set up user defined codes (system 00, type IV) to indicate whether amounts are taxable, non-taxable “8 comma 2”, or tax exempt. For example:

Code	Description	Description-2
EE15	Exempt article 15	3
FC	Non-VAT	9
NT	Non-taxable	3
NT100	Non-Taxable '8 comma 2'	4
VAT19	Normal Vat 19%	1

The 10-character codes are the tax rate/areas you set up. The first position in the Description-2 field identifies how amounts are taxed. For example:

Code	Definition
1	Taxable
3	Non-taxable
4	Non-taxable “8 comma 2” (appears on supplier reports)
9	Tax exempt (does not appear on reports)
Others	Same as 9

## Mid-Year Setup

If you convert to the JD Edwards World software in the middle of a year, you can use the Annual IVA File Revision program to manually enter and update year-to-date tax information. This program is described in the chapter *Italian IVA Activities*. It updates the Annual Imposta sul Valore Aggiunto (IVA) file (F00900), a file necessary for all annual IVA reports.

After you use the program, you can perform standard processing such as entering vouchers and invoices. When you enter the vouchers and invoices, the system adds tax information to the Tax Work file (F0018). At the end of the year, you build the F00900 file from information in F0018 for the annual reports.

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## **3 Daily/Periodic Activity**



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# Overview to Daily/Periodic Activity

This chapter briefly describes the daily and periodic activities you must perform to process taxes correctly. The next 12 chapters describe the following:

- **A/P Voucher Entry.** This chapter describes two A/P programs (Speed Voucher Entry and Standard Voucher Entry) that display tax information. When you enter vouchers, you can either enter the tax explanation code and tax rate/area for each voucher or, if you have set up this default information for your suppliers (as described in the chapter *Default Codes/Rates*), the system automatically displays this information.
- **A/R Invoice Entry.** This chapter describes two A/R programs (Speed Invoice Entry and Standard Invoice Entry) that display tax information. When you enter invoices, you can either enter the tax explanation code and tax rate/area for each invoice or, if you have set up this default information for your customers (as described in the chapter *Default Codes/Rates*), the system automatically displays this information.
- **Purchase Order Entry.** This chapter describes the following programs: Tax information fields for the supplier appear on the Enter Purchase Orders header program, tax information fields for items on the order appear on the Purchasing Information screen (accessed via the Purchase Order Detail program), and tax calculations for the entire order appear on the Summary Information program. When you enter purchase orders, you can either enter the tax explanation code and tax rate/area for each purchase order or, if you have set up this default information for your suppliers (as described in the chapter *Default Codes/Rates*), the system automatically displays this information.
- **The Match Voucher to Open Receipt screen** also lists tax information.
- **Sales Order Entry.** This chapter describes the following programs: Tax information fields for the customer appear on the Sales Order header program, tax information fields for items on the order appear on the Order Detail Information screen (accessed via the Sales Order Entry program), and tax calculations for the entire order appear on the Online Invoice program.
- **Journal Entry with VAT.** This chapter describes the Journal Entry With VAT Tax program. It is a specialized version of the regular Journal Entries program and functions in a similar manner. The only tax you can enter with this program is VAT.
- **Posting Vouchers, Invoices, Purchase Orders, and Sales Orders.** This chapter describes how to set processing options for posting A/P vouchers, A/R invoices, sales orders, and purchase orders. If you do not set processing options correctly, tax information will not appear in the Tax Work File (F0018) and your tax reports will be incomplete.

- **Entry and Post Examples for A/P, A/R, and Sales Orders.** This chapter describes how the system calculates and posts tax amounts to the general ledger for each of the tax explanation codes.
- **Entry and Post Examples for Purchase Orders.** This chapter describes how the system calculates and posts tax amounts to the general ledger for some commonly-used tax explanation codes. It shows both inventory and non-inventory examples.
- **Tax Work File.** The tax reports list information contained in the Tax Work file (F0018). This chapter describes how A/P vouchers, A/R invoices, sales orders, purchase orders, and journal entries update the Tax Work file. It also describes how to correct and purge the Tax Work file.
- **European Union Activities.** If your company operates in a European Union country, you must perform the activities described in the chapter *Tax Work File* and also those described in this chapter to generate the EU Intrastat Report.
- **Italian IVA Activities.** If your company operates in Italy, you must perform the activities described in the chapter *Tax Work File* and also those described in this chapter to generate your annual IVA reports and/or tapes.
- **Japanese Consumption Tax Activities.** If your company operates in Japan, you must perform the activities described in the *Tax Work File* and also those described in this chapter to generate consumption tax reports.
- **Date Translation Generation.** You can store your reporting date in various formats.

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# A/P Voucher Entry

## About A/P Voucher Entry

This chapter describes how the setup activities function for the A/P system. When you enter vouchers, you can either enter the tax explanation code and tax rate/area for each voucher or, if you have set up this default information for your suppliers (as described in the chapter *Default Codes/Rates*), the system automatically displays the information.

This chapter describes tax information for the Speed Voucher Entry and the Standard Voucher Entry programs. The following describes when to use which screen.

- Speed Voucher Entry (P041015). You can use this program to enter simple vouchers with a single pay item. You cannot use it to enter a voucher for multiple-pay items or for items that are taxed differently (for example, a voucher for a taxable item, a tax-exempt item, and a zero-rated item).
- Standard Voucher Entry (P04105). You can use this program to enter vouchers with either a single pay item or multiple pay items, and also to enter items that are taxed differently (for example, a voucher for a taxable item, a tax-exempt item, and a zero-rated item).

For both the voucher entry programs, you must review the processing options to ensure that the tax information fields are not suppressed. JD Edwards World also recommends that you allow two-cycle data entry so that you can verify the system-calculated tax fields before accepting the transaction.

## Speed Voucher Entry (P041015)



From the Accounts Payable menu (G04), select **Supplier & Voucher Entry**.  
From the Supplier & Voucher Entry menu (G0411), select **Speed Voucher Entry**.

You can use Speed Voucher Entry to add or inquire on vouchers. You cannot use it to change or delete vouchers. To change or delete a voucher you have submitted through Speed Voucher Entry, you must use the Standard Voucher Entry program.

To review the Tax Explanation does and Rate Area (Tax Expl Cd/Area) fields, see the chapters *Tax Explanation Codes* and *Tax Rates and Areas* in this guide. For additional information about Speed Voucher Entry, see the *Accounts Payable Guide*.

### Entry with Tax Defaults

If you have set up default tax information (tax explanation code and tax rate/area) for a supplier in Supplier Master Information, these values display when you enter a voucher from that supplier. For more information about setting up defaults, see the chapter *Default Codes/Rates* in this guide.

After you enter a voucher amount, the system automatically displays the default tax explanation code and tax rate/area and calculates the tax amount and taxable amount.

### To override tax default values

From Speed Voucher Entry

1. Type over the default information in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Delete any information in the system-calculated fields.
3. Press Enter.

The system recalculates the taxes due.



## Processing Options

See [Speed Voucher Entry \(P041015\)](#).

## Standard Voucher Entry



From the Accounts Payable menu (G04), select **Supplier & Voucher Entry**  
From the Supplier & Voucher Entry menu (G0411), select **Standard Voucher Entry**

Use the Standard Voucher Entry program to enter a voucher for multiple pay items or for items that are taxed differently (for example, a voucher for a taxable item, a tax-exempt item, and a zero-rated item). You can also use the Standard Voucher Entry program to change or delete vouchers you created using Speed Voucher Entry.

This guide describes only the tax features available on the Standard Voucher Entry screen.

## Standard Voucher Entry (P04105)

Use this program to add, change, delete, or inquire on vouchers.

Unlike Speed Voucher Entry, the Standard Voucher Entry screen shows Payment Schedule information. This example displays the Standard Voucher Entry Tax format.

### toggling Between Formats/Fold Area

You can use the tax format to enter tax information. To display the tax format:

- You can either set a processing option to display the format
- Use the toggle (F2) function to switch back and forth between the Standard Voucher Entry format (standard format) and the Voucher Entry with Taxes format (tax format).

To display and work with fields in the detail area for the Standard or Voucher Entry with Taxes, press F4.

### Entry with Tax Default Values

If you have set up default tax information (tax explanation code and tax rate/area) for a supplier in Supplier Master Information, it displays when you enter a voucher from that supplier. For more information about setting up defaults, see the chapter *Default Codes/Rates* in this guide.

After you enter a voucher amount and press Enter, the system:

- Automatically displays the default tax explanation code and tax rate/area
- Calculates the tax amount and taxable amount

### To override tax default values

From Standard Voucher Entry

1. Type over the default information in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Delete any information in the system-calculated fields.
3. Press Enter.

The system recalculates the taxes due.

## To enter multiple items with different tax statuses

There are times when you will enter items when some of the items are taxable and some are tax exempt.

On Standard Voucher Entry

**04105 Standard Voucher Entry**

Field Sensitive Help  
Display Error Message  
Display Functions  
Standard/Tax Format T  
Exit Program

Details  
A/P Payment Detail  
Exit to One Time Payme  
Exit to Name Search  
Organization Structure P  
Exit to Address Book  
Journal Entry Inquiry  
Generic Text View and E  
Exit Out of Balance  
Supplier Inquiry  
Mailing Address Window  
Clear Screen

04105 Standard Voucher Entry

Action Code: R  
Supplier Number: 9277  
Invoice Number: 3X  
Amount: 1,200.00  
Date: 01/04/17  
G/L Date: 01/31/17  
Tax Amount:  
Taxable Amount:  
Logging Approver:  
Remaining Amount:

Mode (F):  
Voucher/Type/Co.: 00001  
Smith Manufacturing Co  
Business Unit: 40  
Payment Terms: Pmt Instr.  
Company: 00001 USD  
P.O. Number:  
Tax Expl Code:  
Tax Area:  
Serv/Tax Date: 01/31/17  
Currency Code: USD  
Exchange Rate:  
Batch Number:

Payment Schedule

Pay Itm	Gross Amount	Taxable Amount	Tax Amount	Tax Area	Tx Disc Cd	Due Date
001	100.00					11/03/17
002	1,100.00					11/03/17

F4=Details F9=Name Srch F11=Addr Book F13=J.E. Inq F15=Ledger Inq F24=More

- Complete the following fields in the header area:
  - Supplier Number
  - Invoice Number
  - Invoice Amount
  - Invoice Date
  - G/L Date
  - Company
- If you did not previously set up default values or need to override the default value tax information, complete the following fields:
  - Tax Expl Code (Tax Explanation Code)
  - Tax Area (Tax Rate/Area)
- Complete the following field in the detail area:
  - Gross Amount
- If the Tax Rate/Area or the Tax Code is different then that setup as a default value for the customer, complete the following fields:
  - Tax Area
  - Tx Cd (Tax Code)

5. Repeat step 3 for each item.
6. Use the Add action and press Enter.

The system calculates tax information and displays default information for the supplier in tax fields.

Field	Explanation
Gross Amount	The gross amount of an invoice or voucher pay item, including tax but not discounts.
Tax Area	Enter a tax rate/area for the item only if it differs from the default tax rate/area for the supplier.  <b>Note:</b> If you leave this field blank, the system populates the tax rate/area you set up for the supplier or from the value entered in the header portion of the screen.
Tax Code	Enter a tax explanation code for the item only if it differs from the default tax explanation code for the supplier.  <b>Note:</b> If you leave this field blank, the system populates the tax explanation code you set up for the supplier or from the value entered in the header portion of the screen.

**04105 Standard Voucher Entry**

Oracle JD Edwards World

Tools Help

Field Sensitive Help  
Display Error Message  
Display Functions  
Standard/Tax Format T  
Exit Program  
Details  
A/P Payment Detail  
Exit to One Time Payme  
Exit to Name Search  
Organization Structure P  
Exit to Address Book  
Journal Entry Inquiry  
Generic Text View and I  
Exit Out of Balance  
Supplier Inquiry  
Mailing Address Windo  
Clear Screen

**04105 Standard Voucher Entry**

Action Code: R  
Supplier Number: 4706  
Invoice Number: 33  
Amount: 1,200.00  
Date: 01/01/17  
G/L: 01/01/17  
Tax Amount:  
Taxable Amount:  
Logging Approver:

Prev Voucher:  
Mode (F):  
Voucher/Type/Co.: 00503 00001  
Smith Manufacturing Co  
Business Unit: 40  
Payment Terms: Pmt Instr.  
Company: 00001 USD  
P.O. Number: 00000  
Tax Expl Code:  
Tax Area:  
Serv/Tax Date: 01/01/17  
Currency Code: EUR  
Exchange Rate: 1.3256091  
Batch Number:

Remaining Amount:

Payment Schedule

Pay Itn	Gross Amount	Taxable Amount	Tax Amount	Tax Area	Tx Disc Due
	100.00	0	0	VAT1	E 11/03/17
	1,100.00	000.00	100.00	VAT1	C 11/03/17

F4=Details F9=Name Srch F11=Addr Book F13=J.E. Inq F16=Ledger Inq F24=More

In this example, the system calculated the amounts for the Tax Amount and Taxable Amount fields. It also displays default tax explanation codes and tax rate/areas.

## Processing Options

See [Voucher Entry \(P04105\)](#).

## What You Should Know About

<b>Tax Explanation Codes</b>	For A/P vouchers, you can enter tax explanation codes that begin with the letters V, U, S, and E.
<b>Canadian Tax Explanation Codes</b>	For Canada, you can enter the tax explanation codes that begin with the letters V, U, S, and E and also those that begin with the letters B and C.
<b>Multi-Currency Processing</b>	There is a processing option for the Default Voucher Server (XT0411Z1) that controls whether VAT is allowed on foreign entries.
<b>Tax Rules</b>	<p>Depending on how you set up the tax rules for A/P, as described in the chapter <i>Tax Rules by Company</i>, the system may do any the following:</p> <ul style="list-style-type: none"> <li>▪ Issue a warning message if you enter a tax that does not exactly match the system-calculated tax</li> <li>▪ Issue a warning message if you enter a tax that is not within a certain tolerance percentage or amount of the system-calculated tax</li> <li>▪ Issue a hard error (reject the transaction)</li> <li>▪ Compute the system-calculated tax on a gross amount that includes a discount amount</li> <li>▪ Compute the discount on a gross amount that already includes the tax amount.</li> </ul>

## See Also

- See the *Accounts Payable Guide*.



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# A/R Invoice Entry

## About Invoice Entry

This chapter describes how the setup activities function for the A/R system. Because the procedures for A/R invoice entry are almost identical to those for A/P voucher entry, this chapter is similar to the chapter *A/P Voucher Entry*.

When you enter A/R invoices, you can either enter the tax explanation code and tax rate/area for each invoice or, if you have set up this default information for your customers (as described in the chapter *Default Codes/Rates*), the system automatically displays the information.

This chapter describes tax information for Speed Invoice Entry and Standard Invoice Entry programs. The following describes when to use which screen.

- **Speed Invoice Entry (P031015).** You can use this screen to enter simple invoices that have only one tax explanation code and one tax rate/area. You cannot use it to enter an invoice with items that are taxed differently (for example, an invoice for a taxable item, a tax-exempt item, and a zero-rated item).
- **Standard Invoice Entry (P03105).** You can use this screen to enter invoices that have more than one tax rate/area and for items that are taxed differently (for example, an invoice for a taxable item, a tax-exempt item, and a zero-rated item).

For both the invoice entry programs, you should review the processing options to ensure that the tax information fields are not suppressed. JD Edwards World also recommends that you allow two-cycle data entry so that you can verify the system-calculated tax fields before accepting the transaction.

## Speed Invoice Entry (P031015)



From the Accounts Receivable menu (G03), select **Customer & Invoice Entry**.  
From the Customer & Invoice Entry menu (G0311), select **Speed Invoice Entry**.

Use this program to add or inquire on invoices. You cannot use it to change or delete invoices. To change or delete an invoice you have submitted through Speed Invoice Entry, you must use the Standard Invoice Entry program.

To review the Tax Explanation does and Rate Area (Tax Expl Cd/Area) fields, see the chapters *Tax Explanation Codes* and *Tax Rates and Areas* in this guide. For additional information about Speed Invoice Entry, see the *Accounts Payable Guide*.

## Entry with Tax Defaults

If you have set up default tax information (tax explanation code and tax rate/area) for a customer in Customer Master Information, it displays when you enter an invoice for that customer. For more information about setting up default values, see the chapter *Default Codes/Rates* in this guide.

After you enter an invoice amount, the system displays the default value for the tax explanation code and tax rate/area and calculates the tax amount and taxable amount.

### To override tax default values

From Speed Invoice Entry

1. Type over the default information in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Delete any information in the system-calculated fields.
3. Press Enter.

The system recalculates the taxes due.



## Processing Options

See [Speed Invoice Entry \(P031015\)](#).

## Standard Invoice Entry (P03105)

Use the Standard Invoice Entry program to enter an invoice that includes several tax areas or to enter an invoice that includes items that are taxed differently (for example, an invoice for a taxable item, a tax-exempt item, and a zero-rated item). Because Speed Invoice Entry does not let you change or delete an invoice once you've submitted it, you must use Standard Invoice Entry to change or delete invoices you entered with the Speed Invoice Entry program.

This guide describes only the tax features available on the Standard Invoice Entry screen.

## Standard Invoice Entry (P03105)



From the Accounts Receivable menu (G03), select **Customer & Invoice Entry**.  
From the Customer & Invoice Entry menu (G0311), select **Standard Invoice Entry**.

Use this program to add, change, delete, or inquire on invoices.

Unlike Speed Invoice Entry, the Standard Invoice Entry program shows Invoice Schedule information. The screen above shows the tax format. If you need to review the fields on this screen, see the *Accounts Receivable Guide*.

## Toggling Between Formats/Fold Area

You can use the tax format to enter tax information. To display the tax format:

- You can either set a processing option to display the format
- Use the toggle (F2) function to switch back and forth between:
  - Standard Invoice Entry format (standard format)
  - The Invoice Entry with Taxes format (tax format)
  - The Invoice Entry with G/L Offset format (offset format)
  - Standard Invoice Entry with Discount Due Date in the Detail Area

To display and work with fields in the detail area for any invoice format, press F4.

## Entry with Tax Defaults

If you have set up default tax information (tax explanation code and tax rate/area) for a customer in Customer Master Information, it displays when you enter an invoice for that customer. For more information about setting up defaults, see the chapter *Default Codes/Rates* in this guide.

After you enter an invoice amount, the system displays the default values for the tax explanation code and tax rate/area and calculates the tax amount and taxable amount.

### To override tax default values

From Standard Invoice Entry

1. Type over the default information in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Delete any information in the system-calculated fields.
3. Press Enter.

The system recalculates the taxes due.

## What You Should Know About

<b>Tax Explanation Codes</b>	For A/R invoices, you can only enter tax explanation codes that begin with the letters V, S, and E. Codes that begin with U identify self-assessed use taxes and are not valid.
<b>Canadian Tax Explanation Codes</b>	For Canada, you can enter the tax explanation codes that begin with the letters V, S, and E and also those that begin with the letter C. Codes that begin with U and B identify self-assessed taxes and are not valid
<b>Multi-Currency Processing</b>	There is a processing option for the Default Invoice Server (XT0311Z1) that controls whether VAT is allowed on foreign entries.

**Tax Rules**

Depending on how you set up the tax rules for A/R, as described in the chapter *Tax Rules by Company*, the system might do any of the following:

- Issue a warning message if you enter a tax that does not exactly match the system-calculated tax
- Issue a warning message if you enter a tax that is not within a certain tolerance percentage or amount of the system-calculated tax
- Issue a hard error (reject the transaction)
- Compute the system-calculated tax on a gross amount that includes a discount amount
- Compute the discount on a gross amount that already includes the tax amount
- Allow you to understate the VAT amount due.

**Sales Taxes**

The A/R system does not create offsets to a sales tax payable account. You can manually offset the sales tax amount when you enter the invoice. Another option is to use tax explanation code V instead of S.

**See Also**

- See the *Accounts Receivable Guide*

**Processing Options**

See [Invoice Entry \(P03105\)](#).



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# Purchase Order Entry

## About Purchase Order Entry

This chapter describes how the setup activities function for the Procurement Management system. When you enter purchase orders, you can either enter the tax explanation code and tax rate/area for each purchase order or, if you have set up this default information for your suppliers (as described in the chapter *Default Codes/Rates*), the system automatically displays the information.

This chapter describes tax information for the Enter Purchase Orders and the Match Voucher to Open Receipt programs. The following describes when to use which program.

- Enter Purchase Orders. You can use this program to enter inventory and non-inventory items, requisitions, bids, purchase orders, subcontracts, and so on. With processing options, order activity rules, and line types, you can design the type of display you need.

You can view tax information for:


- Suppliers, in Enter Purchase Orders header
- Items on the order, in Purchasing Information (accessed using the Purchase Order Detail program)
- Tax calculations for the entire order, in Summary Information
- Match Voucher to Open Receipt. You can use this program for both inventory and non-inventory environments. For inventory-based environments, you can use this program to match or clear inventory already received but not yet vouchered and also to create A/P vouchers and journal entries. For non-inventory-based environments, you can use this program to record receipts against purchase orders or subcontracts and to create A/P vouchers and journal entries.

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**Note:** Before you can voucher inventory receipts, you must record the receipts. You can use either the Enter Receipts by PO or the Enter Receipts by Item programs. Both programs have processing options to display formats for entering receipts by purchase order, receipts by item, or receipts by general ledger account. You can select these programs from the Purchase Order Processing menu (G43A11).

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## Entering Purchase Orders

	From Distribution Logistics Systems (G4), choose <b>Procurement</b> From Procurement (G43), choose <b>Stock Based</b> From Stock Based (G43A), choose <b>Purchase Order Processing</b> From Purchase Order Processing (G43A11) choose <b>Enter Purchase Orders</b>
---	---

You can use the Enter Purchase Orders program to enter requisitions, bids, purchase orders, and subcontracts. With processing options, order activity rules, and line types, you can design the type of display you need.

When you enter purchase orders, you can view tax information with three programs:

- The Enter Purchase Orders header program displays the tax explanation code and tax rate/area fields for the supplier.
- The Purchase Order Detail program displays the taxable field. From this program, you can access Purchasing Information and view the tax explanation code and tax rate/area fields for individual items on the order.
- The Order Summary Information program displays the amount taxable and the tax amount that the system calculated for the order.

### To Enter Tax information on Purchase Orders (P4310)

You can use the Enter Purchase Orders program to add, change, or inquire about purchase orders.

The Enter Purchase Orders header screen displays the tax explanation code and tax rate/area fields. You can either enter values in these fields or let them populate from the Supplier Master Information.

Processing options control which order entry screens display, and their order.

- In this example, your processing options are set to display header information first.
- If your options are set to display detail information first, use the PO Header function (F15) to display the header information and tax information fields.



- Item Quantity
  - Quantity
4. Press Enter to save your record.

---

**Note:** The Purchase Order Detail program displays items in the order. The screen above shows the Item, Quantity, Cost format. If you need more information about the program, fields, or formats, see the *Procurement Management Guide*.

---

## To view the tax explanation code and tax rate/area fields for an item

On Enter Purchase Orders

1. Inquire on your Purchase Order.
2. Enter 1 in the following field for the item:
  - O (Option) field
3. Press Enter to display Purchasing Information.

430112 Purchasing Information

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Exit to Quote Supplier E  
Exit to Original Orders in  
Clear Screen

430112 Purchasing Information

Action Code [F]  
Order Number 11797 [OP] Line Number 1,000  
Supplier 4343 Vector Mfg  
Ship To 1003 Modesto Warehouse #10  
Buyer Number  
Carrier Number

Reporting Code 1 [ ] Blank - Commodity Class 41/P1  
Reporting Code 2 [ ] Blank - Com Sub Class 41/P2  
Reporting Code 3 [ ] Blank - Supplier Rebate 41/P3  
Reporting Code 4 [ ] Blank-Master Plan Family 41/P4  
Reporting Code 5 [ ] Blank - Landed Costs 41/P5

Tax Expl Code [S] Extended Weight 100.0000 [LB]  
Tax Rate/Area [CO] Extended Volume 1.000 [FC]  
G/L Offset [TN10]  
Phase [ ]  
Freeze Code [N]  
Evaluated Receipt [ ]  
Send Method [ ]

Item Revision Lvl. [ ]  
Original Order [ ]  
Supplier SO [ ]  
Reference [ ]

F24=More Keys

4. Review the following fields, as needed:
  - Tax Expl Code
  - Tax Rate/Area
5. Press F3 to return to the Purchase Order Detail program.



## To view summary tax information

The Order Summary Information program displays the amount taxable and the system-calculated tax amount. This display indicates how the system calculated the taxes for the entire order. If the order has items that are taxed at different rates, the system calculates the taxes and prints N/A (not applicable) instead of a tax rate.

Description/ Item Number	Quantity	Extended Volu	Extended Weight	Extended Amount
Pen & Pencil Set	10		100.0000	1,000.00
Total			100.0000	1,000.00
Amount Taxable		1,000.00	* 3.000	30.00
Order Total				1,030.00

Access the Order Summary Information program in one of the following ways:

- If you first display the Enter Purchase Orders header screen, press Enter. The Purchase Order Detail screen appears. Use the Exit to PO Summary function (F6) to display the Order Summary Information screen.
- If you first display the Purchase Order Detail screen, use the Exit to PO Summary function (F6) to display the Order Summary Information screen.

## To override tax default values

Depending on your intentions, you will use different programs to override the tax defaults.

- To change tax information for all items on an order, use the Enter Purchase Orders Header program
- To change tax information for a single item on an order (such as changing an item to an exempt status), use the Purchasing Information program

## To enter a purchase order header

1. Replace the default values with new values in the following fields:
  - Tax Explanation Code

- Tax Rate/Area fields
2. Press Enter.  
The system will recalculate the taxes due.

## To change tax information for a single item on a PO

To change tax information for a single item on an order (such as changing an item to an exempt status), access the Purchasing Information program from the Purchase Order Detail screen.

1. Replace the default values with new values in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Press Enter.  
The system will recalculate the taxes due.

## Entry with Tax Defaults

If you have set up default values for tax information (tax explanation code and tax rate/area) for a supplier in Supplier Master Information, it displays when you enter a purchase order for that supplier. For more information about setting up defaults, see the chapter *Default Codes/Rates* in this guide.

After you enter purchase order information, the system automatically displays the default tax explanation code and tax rate/area on the Enter Purchase Orders header screen. It displays the same default tax explanation code and tax rate/area for items on the order on the Purchasing Information screen.

## Automatic Loading of Header Values to Detail Lines

When the processing option is set to load header values to the detail lines, and you change tax information on the Enter Purchase Orders header screen, the system changes:

- The tax explanation code and tax rate/area for the header
- The tax explanation code and tax rate/area for the detail items on the order

---

**Note:** When you use the Purchasing Information program and view individual items, they will all have the same tax explanation code and tax rate/area that you specified on the Enter Purchase Orders header screen.


---

If you do not have the processing option set to load header values to the detail lines, can enter header information and then use the Update Detail Records with Header Information function (F18).

## Processing Option

See [Order Entry \(P4311\)](#).

## Match Voucher to Open Receipt (P4314)

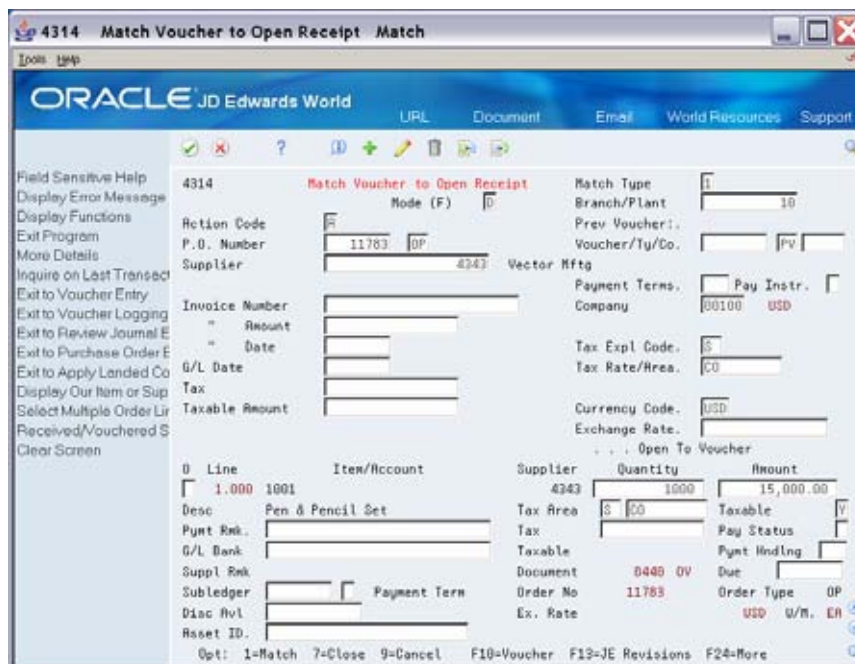
	From Distribution Logistics Systems (G4), choose <b>Procurement</b> From Procurement (G43), choose <b>Stock Based</b> From Stock Based (G43A), choose <b>Purchase Order Processing</b> From Purchase Order Processing (G43A11) choose <b>Receipts Matching &amp; Posting</b> From the Receipts Matching and Posting menu (G43A15), choose <b>Match Voucher to Open Receipt</b>
---	--

You can use the Match Voucher to Open Receipt program to add, change, delete, or inquire on vouchers. You can use this program for both inventory and non-inventory environments.

- For inventory environments, use this program to match or clear inventory already received but not yet vouchered and to create A/P vouchers and journal entries.
- For non-inventory environments, use this program to record receipts against purchase orders or subcontracts and to create A/P vouchers and journal entries.
- You can also use this program to add tax information if you did not add it at the time you entered the purchase order.

For inventory environments, you must record the receipts before you use the Match Voucher to Open Receipt program. You can use either Enter Receipts by PO or Enter Receipts by Item. Both programs have processing options to display formats for entering receipts by purchase order, receipts by item, or receipts by general ledger account. You can access these programs using the Daily Operations menu (A43A1).

The Open Receipts by Supplier inquiry program is also helpful. For each supplier, the display shows the amount received and the amount to voucher. The Open Amount field shows the amount yet to voucher.



**4314 Match Voucher to Open Receipt Match**

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
More Details  
Inquire on Last Transaction  
Exit to Voucher Entry  
Exit to Voucher Logging  
Exit to Review Journal E  
Exit to Purchase Order E  
Exit to Apply Landed Co  
Display Our Item or Sup  
Select Multiple Order Lin  
Received/Vouchered S  
Clear Screen

4314 Match Voucher to Open Receipt  
Mode (F) 0  
Action Code F  
P.O. Number 11783 OP  
Supplier 4343 Vector Mfg  
Invoice Number  
" Amount  
" Date  
G/L Date  
Tax  
Taxable Amount

Match Type 1  
Branch/Plant 10  
Prev Voucher:  
Voucher/Ty/Co. FV  
Payment Terms. Pay Instr.  
Company 00100 USD  
Tax Expl Code. S  
Tax Rate/Area. CO  
Currency Code. USD  
Exchange Rate.

Open To Voucher

Line	Item/Account	Supplier	Quantity	Amount
1.000	1001	4343	1000	15,000.00

Desc Pen & Pencil Set  
Pymt Rmk.  
G/L Bank  
Suppl Rmk  
Subledger  
Disc Rvl  
Asset ID.

Tax Area S CO  
Tax  
Taxable  
Document 0440 OV  
Order No 11783  
Ex. Rate USD Q/M. EN

Pay Status  
Pymt Hndling  
Due  
Order Type OP

Opt: 1=Match 7=Close 9=Cancel F10=Voucher F13=JE Revisions F24=More

The Match Voucher to Open Receipt program has tax information in several places.

- The tax explanation code and tax rate/area in the upper portion of the screen are the defaults from the purchase order header.
- The tax explanation code and tax rate/area in the detail area of the lower portion of the screen are those for each item on the purchase order.

Processing options control how your screens appear. The information on the screen will differ depending on how you define the options. If you need more information about the program, fields, or formats, see the *Procurement Management Guide*.

### Entry with Tax Defaults

If you have set up tax information (tax explanation code and tax rate/area) for a purchase order, it displays when you create a voucher for that purchase order.

After you create a voucher, the system automatically displays the default values for the tax explanation code and tax rate/area from the purchase order, and calculates the tax and taxable amount.

### Overriding Tax Defaults

You can change the tax explanation code or tax rate/area on this screen. The system creates the correct entries and adjustments.

## What You Should Know About

<b>Tax Explanation Codes</b>	For purchase orders, tax explanation codes V, V+, U, S, E, B, and C are valid. Tax-only codes are invalid.
<b>Order Summary Information</b>	This program shows how the system calculated taxes for the entire order. If the order has items that are taxed at different rates, the system calculates the taxes and prints N/A (not applicable) instead of a tax rate.
<b>Tax Rules</b>	For purchase orders, set the System field to 2 on the Tax Rules by Company program. The tolerance percentages and tolerances amounts are not used. The method for calculating tax on gross and the method for calculating discount on gross can be set up as needed.
<b>Tax Rules</b>	<p>For purchase orders, set the System field to 2 on the Tax Rules by Company program. The tolerance percentages and tolerances amounts are not used. The method for calculating tax on gross and the method for calculating discount on gross can be set up as needed.</p> <p>Depending on how you set up the tax rules for purchase orders, as described in the chapter <i>Tax Rules by Company</i>, the system might do the following:</p> <ul style="list-style-type: none"><li>▪ Compute the system-calculated tax on a gross amount that includes a discount amount</li><li>▪ Compute the discount on a gross amount that already includes the tax amount.</li></ul>

## **Processing Options**

There are no processing options specifically for taxes.



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# Sales Order Entry

## About Tax During Sales Order Entry

This chapter describes how the setup activities function for the Sales Order Management system. To enter tax information when you create sales orders, you can do one of the following:

- Enter the tax explanation code and tax rate/area for each sales order
- If you have set up this default information for your customers, as described in the chapter *Default Codes/Rates*, the system automatically populates the information.

This chapter describes tax information for the Enter Sales Orders header program. You can use the Journal Entry Functional Server (XT0911Z1) program to enter and maintain sales orders.

Using processing options, order activity rules, and line types, you can design the type of display that best suits your business needs.

When you enter sales orders, you can view tax information from three programs:

- The Enter Sales Orders header program displays the tax explanation code and tax rate/area fields for the customer.
- The Sales Order Entry detail program displays the taxable field. From here you can access the Order Detail Information program and view the tax explanation code and tax rate/area fields for individual items on the sales order.
- The Online Invoice program displays the amount taxable and the tax amount that the system calculates for the sales order.

## Enter Orders (Page Mode) (P4210)



From the Sales Order Management menu (G42), choose **Sales Order Processing**  
From the Sales Order Processing menu (G4211), choose **Enter Orders (Page Mode)**.

You can use the Enter Orders header program to add, change, or inquire on sales orders.

## To View Tax Information Fields in the Sales Order Header

The Enter Orders header program displays the tax explanation code and tax rate/area fields. You can either enter values in these fields or let them default from Customer Master Information.

When you have your processing options set to display header information first, the system displays the above screen. If your options are set to display detail information first, use the Exit to SO Header Revisions function (F15) to display the header information and tax information fields.

## To View the Taxable Field in the Detail Area

The Sales Order Entry detail screen displays the items in the order.

- Press Enter to view the Sales Order Entry detail screen.
- Use the Detail function (F4).



**42111 Sales Order Entry**

Oracle JD Edwards World

Field Sensitive Help, Display Error Message, Display Functions, Display Order Hold Code, Exit Program, More Details, Exit to Order Templates, Exit to On-line Invoice System, Exit to Text Entry, Exit to Name Search, Exit to Bill of Material Inquiry, Exit to Address Book, Exit to Freight Charge Calculation, Display Text Associated with Order, Exit to Customer Service, View/Update Order Address, Replicate Sales Order, Print the Pick Slip, Item Flash Message (Customer), Create/Duplicate a Sales Order, Clear Screen, Exit to Trip Assignment

42111 Sales Order Entry

Mode (F) 0 Base Co USD Currency Code USD Branch/Plant 10

Exchange Rate Order Date 02/13/07

Action Code 00 Cancel Date

Sold To 4242 Corporate Office Order Number 1591 00

Ship To 4242 Corporate Office Prev. Order 1591 00

Requested 02/13/17

Customer PO

Detail Br/Plt. 10 Amount 100.00

\*\*\*\* Enter 'Y' to Record Order \*\*\*\*

Quantity	Item	UN	Unit Price	Extended Price	LT
1	1001	EA	100.0000	100.00	0
1	Branch/Plant 10				
B	Lot/SN		Unit Cost	15.0000	
C	Pricing UOM. EA		Ext. Cost	15.00	
Desc 1	Pen & Pencil Set		Requested	02/13/17	
Desc 2			Pick	02/13/17	
Last Status. 520	Pay Terms/Ins.		Ship	02/13/17	
Next Status. 535	Print Hog		Delivery	02/13/17	
Taxable Y	Line Number 1.000		Item Price Grp	PARKER	
Part Ship Y	Stocking Ty		Adj. Schedule	000	

F6=Summary F15=SO Header F24=More Keys Opt: 1=Detail 2=Text 9=Del

The Taxable field indicates if the item is subject to sales tax when sold.

## To View the SO Tax Explanation Code and Tax Rate/Area Fields

To view the tax explanation code and tax rate/area fields for a specific item in the order from the Sale Order Entry screen:

- Close the Detail Area (F4).
- Enter 1 in the Option field for the item.
- Press Enter.

---

**Note:** Press F3 to return to Sales Order Entry.

---

## To View Tax Information on the Online Invoice

The Online Invoice program displays the amount taxable and the tax amount. This screen indicates how the system calculated the taxes for the entire order.

You can access the Online Invoice program the following ways:

1. If you enter the Enter Orders header program:
  - Press Enter to access Sales Order Entry.
  - Use the Online Invoice Summary function (F6) to display the Online Invoice program.
2. If you enter the Sales Order Entry detail program first:
  - Use the Exit to Online Invoice Summary function (F6) to display the Online Invoice program.

---

**Note:** If the order has items that are taxed at different rates, the system calculates the taxes, but prints N/A (not applicable) instead of a tax rate.

---

## Entry with Tax Defaults Values

If you have set up default tax information (tax explanation code and tax rate/area) for a customer in Customer Master Information, it displays when you enter a sales order for that customer. For more information about setting up defaults, see the chapter *Default Codes/Rates* in this guide.

After you enter sales order information, the system automatically populates the tax explanation code for sold-to location and the tax rate/area for the ship-to location on the Enter Orders program. The screen displays the same default tax explanation code and tax rate/area on the Order Detail Information screen for individual items on the order.

### To override tax default values

To change tax information for a single item on a sales order (such as changing an item on the order to an exempt status) from Order Detail Information:

1. Type over the default information in the following fields:
  - Tax Explanation Code
  - Tax Rate/Area fields
2. Press Enter.

The system recalculates the taxes due.

## What You Should Know About

<b>Tax Explanation Codes</b>	For sales orders, tax explanation codes V, V+, S, E, and C are valid. Codes U and B (identifying self-assessed taxes) and tax-only codes are invalid.
<b>Online Invoice program</b>	This program shows how the system calculated taxes for the entire order. If the order has items that are taxed at different rates, the system calculates the taxes and prints N/A (not applicable) instead of a tax rate.
<b>Tax Rules</b>	<p>For sales orders, set the System field to 1 on the Tax Rules by Company program. The tolerance percentages and tolerance amounts are not used. The method for calculating tax on gross and the method for calculating discount on gross can be set up as needed. You also control whether calculations for taxes are rounded at the detail level or the order level.</p> <p>Depending on how you set up the tax rules for sales orders, as described in the chapter <i>Tax Rules by Company</i>, the system might do the following:</p> <ul style="list-style-type: none"><li>▪ Compute the system-calculated tax on a gross amount that includes a discount amount</li><li>▪ Compute the discount on a gross amount that already includes the tax amount.</li></ul>

## See Also

- See the *Sales Order Management Guide*.

## Processing Options

There are no processing options specifically for taxes.

---

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# Journal Entry with VAT Tax

## About Journal Entries with VAT Taxes

This chapter describes the set up for the Journal Entry with VAT Tax program (P09106), a specialized version of the Journal Entries screen. Generally, you use this program to enter accounting journal entries with VAT taxes to the various ledgers in the Account Ledger file (F0911). You might need certain types of journal entries, for example, that also have applicable taxes (such as bank charges).

You can add, change, and delete unposted journal entries using this program. In addition, you can change selected fields of posted journal entries or void posted journal entries entirely.

The system automatically updates the Tax Work file (F0018) with the journal entries.

---

**Caution:** You can only enter VAT amounts. The only tax explanation codes that are valid are V, VT, and any other codes you set up that begin with the letter V. V+ is not valid.

---

## Journal Entry with VAT Tax (P09106)



On the General Accounting menu (G09), enter 27  
On the G/L Advanced & Technical Operations menu (G0931), select **Journal Entry With VAT Tax**.

The Ex (Tax Explanation Code) field is the user defined code (system 00, type EX) that determines how a tax is assessed and how it is distributed to the general ledger revenue and expense accounts. Valid Codes include:

Code	Definition
V	VAT
VT	VAT (tax only)
V?	Any codes you set up that begin with the letter V

**Note:** V+ is not valid.

**Journal Entry With Tax**

09106

Action Code: [R] Mode (F): [D] Void (V): [ ]

Document Type: [JE] Base Co. Currency: [ ]

Document Number/Co: [68544] Explanation: [Daily Bank Charges]

G/L Date: [02/13/17] Batch Number: [ ]

Gross Amount: [ ] Currency Code: [EUR]

Remaining: [ ] Exchange Rate: [1.2537000]

Account Number	Taxable Amount	Tax Amount	Ex	Tax Area	P
9.9200	1,000.00	150.00	[ ]	[0E15]	[ ]
Gross Amt	1,000.00	Units	UN	Ledger Type	RA
Subledger	Ty	Asset ID		P.O.	
Srvc [02/13/17]	Desc Other Expense	Ln	1.0	Batch	
Explanation 2	Reference 2	G/L Date	02/13/17		
1.1110.6558	1,150.00				
Gross Amt	1,150.00	Units	UN	Ledger Type	RA
Subledger	Ty	Asset ID		P.O.	
Srvc [02/13/17]	Desc Bear Creek National Bank	Ln	2.0	Batch	
Explanation 2	Reference 2	G/L Date	02/13/17		

F2=Toggle F4=Details F13=Acct Master F15=Model JE's F24=More

The fields in the Detail Area (F4) are the same as those for the regular Journal Entries program (P09101).

For additional information about Journal Entries, see the *General Accounting I Guide*.

## Processing Options

The Journal Entry with VAT Tax screen has three processing options. It lets you specify another version of the Journal Entry Functional Server.

If you leave this processing option blank, the program uses version ZJDE0001 which does the following:

- Deletes zero-amount journal entry lines
- Uses the default ledger type
- Performs currency processing.

See [Journal Entries with Tax \(P09106\)](#).

## Comparison with Regular Journal Entry Screen

### Different Functions

Because the Journal Entry With VAT Tax program is a specialized version of the Journal Entries program (P09101), JD Edwards World recommends that you review the *General Accounting Guide I* for the Journal Entries program.

The general functionality of these two programs is similar, except the Journal Entry with VAT Tax does not let you create model journal entries, reverse journal entries, or have multiple screen formats.

## Identical Functions

For the Journal Entry With VAT Tax program the batch controls, account number formats, and account number duplication are the same as those when using the standard Journal Entries program. For detailed information about these, see the *General Accounting I Guide*.

Function	Description
Batch Controls	Batch controls give you the ability to identify differences between the control totals for a batch and the actual transaction totals you enter for a batch.
Account Number Formats	You are not limited to one account coding format when you use this screen. You can enter short account IDs, structured account codes, user defined numbers, speed codes, and so on.
Account Number Duplication	You can save time and reduce the chance of error with this feature. Account number duplication works only when you add a journal entry.

## Automatic Accounting Instructions (AIs)

AAIs for journal entries are always named GTxxxx (where xxxx is the four-character G/L offset field for the tax authority on the Tax Rates & Areas). If a business unit is not specified in the AAI, the system uses the business unit of the journal entry's account number.

For example, if you set up GTVATB (where object is 4431 and the business unit is blank) and enter a journal entry with account 1.2010, the system creates the VAT offset with account 1.4431.

## Working with Journal Entry with VAT Tax (P09106)

Using the Journal Entry with VAT Tax (P09106) program, you can add, inquire on, change, delete, reverse, and void journal entries.

---

**Note:** These procedures are very similar to those when using the standard Journal Entries program.

---

## Adding Journal Entries

To add a journal entry with VAT, you must always specify the taxable amount in the Amount field, a valid tax explanation code, and a valid tax rate/area. You can either specify the tax amount (in the Tax Amount field) or leave this field blank and let the system automatically calculate the tax amount.

You can enter an offsetting entry without tax information. The system creates a balancing entry per the amounts in the Amount and Tax Amount field and uses the account you specified in the automatic accounting instructions.



Examples:

A two-line entry for \$1000 taxable and a 15% VAT will display as follows:

The screenshot shows the 'Journal Entry With Tax' window in Oracle JD Edwards World. The window title is '09106 Journal Entry With Tax'. The left sidebar contains a list of menu items: Field Sensitive Help, Display Error Message, Display Functions, Inclusive/Exclusive Tax, Exit Program, More Detail, Account Master Add With, Exit Out of Balance, Account Master Information, Exit to Model JE's, and Clear Screen. The main area displays the following fields:

- Action Code: JE
- Document Type: JE
- Document Number/Co: 68568
- G/L Date: 02/13/17
- Gross Amount: 1,115.00
- Remaining: 1,115.00
- Mode (F): F
- Void (V): F
- Base Co. Currency: EUR
- Explanation: Daily Bank Charges
- Batch Number: 1,115.00
- Currency Code: EUR
- Exchange Rate: 1.256691

The table below shows the journal entry lines:

Account Number	Taxable Amount	Tax Amount	Ex	Tax Area	P
9.9200	1,000.00	150.00	V	0E15	
1.1110 BEAR	1,150.00				

At the bottom of the window, there are function keys: F2=Toggle, F4=Details, F13=Rec Master, F15=Model JE's, F24=More.

A tax only entry (the taxable amount is zero) would appear as follows:

The screenshot shows the 'Journal Entry With Tax' window in Oracle JD Edwards World. The window title is '09106 Journal Entry With Tax'. The left sidebar contains a list of menu items: Field Sensitive Help, Display Error Message, Display Functions, Inclusive/Exclusive Tax, Exit Program, More Detail, Account Master Add With, Exit Out of Balance, Account Master Information, Exit to Model JE's, and Clear Screen. The main area displays the following fields:

- Action Code: JE
- Document Type: JE
- Document Number/Co: 68004
- G/L Date: 02/14/17
- Gross Amount: 150.00
- Remaining: 150.00
- Mode (F): F
- Void (V): F
- Base Co. Currency: USD
- Explanation: Daily Bank Charges
- Batch Number: 150.00
- Currency Code: EUR
- Exchange Rate: 1.2537000

The table below shows the journal entry lines:

Account Number	Taxable Amount	Tax Amount	Ex	Tax Area	P
9.9720	150.00	150.00	VT	0E15	
1.1240					

At the bottom of the window, there are function keys: F2=Toggle, F4=Details, F13=Rec Master, F15=Model JE's, F24=More.

## Changing an Unposted Journal Entry

When you change an unposted journal entry, note that you cannot change the document type, document number, or general ledger date. You can only change the Explanation fields.

## Reversing an Unposted Journal Entry

To reverse an unposted journal entry, add a journal entry line that offsets (reverses) the original journal entry.

## Changing a Posted Journal Entry

When you change a posted journal entry, you cannot change the document type, document number, or general ledger date. You can only change the Explanation fields.

You must repost the batch.

## Voiding a Posted Journal Entry

To void a posted journal entry, inquire on the entry and then change the Action Code field to C. Type V in the Void field and a date in the G/L Date field. Press Enter.

You must repost the batch.

## What You Should Know About

<b>Multiple Tax Authorities</b>	If you have tax rate/areas with more than one tax authority (as Canada does), the program calculates and allocates the appropriate tax amounts to each tax authority in the tax rate/area.
<b>Tax Explanation Codes</b>	<p>For journal entries, you can only enter tax explanation codes that begin with the letter V.</p> <p><b>Note:</b> You cannot, however, enter V+.</p>
<b>Tax Rules</b>	<p>Depending on how you set up the tax rules for journal entries, as described in the chapter Tax Rules by Company, the system might do the following:</p> <ul style="list-style-type: none"><li>▪ Issue a warning message if you enter a tax that does not exactly match the system-calculated tax</li><li>▪ Issue a warning message if you enter a tax that is not within a certain tolerance percentage or amount of the system-calculated tax</li><li>▪ Issue a hard error (reject the transaction)</li><li>▪ Compute the system-calculated tax on a gross amount that includes a discount amount</li><li>▪ Compute the discount on a gross amount that already includes the tax amount</li></ul>

**Tax Work File**

When you add a journal entry, change or delete an unposted journal entry, or void a posted journal entry, the system updates the Tax Work file (F0018).

**Invalid Account Numbers**

If you set up your General Accounting Constants accordingly, the regular Journal Entries screen accepts invalid accounts when a # (pound) sign precedes the account number.

The Journal Entry with VAT screen accepts invalid accounts preceded with a # only when the business unit exists in the Business Unit Master file (F0006). This ensures that the program updates the Tax Work file with the correct business unit and that the program can use a company-specific AAI and determine the correct account for the tax offset. It also ensures that the currency codes are correct for multi-currency processing.

**Model Journal Entries**

While you cannot create a model journal entry with this program (as you can with standard Journal Entries), you can use F15 to access any model.

- The system displays the Index of Model Journal Entries
- Use option 1 to return the model's account numbers, amounts, and explanations.
- Enter the values for the tax fields manually.  
(Tax fields are not part of these models)

**Posting**

If a journal entry has not been posted, you can change the fields in error or delete the entire entry. There is no audit trail when you delete an unposted journal entry.

If a journal entry has been posted, you cannot delete it. You can add entries to it or void it. In either case, the system opens the batch and you must repost it. The system creates an audit trail when you repost the voided entry.

**See Also**

- For additional information on Journal Entries see *General Accounting guides I and II*.
- For more information about AAIs for journal entries, see the chapter *Automatic Accounting Instructions (AAIs)* in this guide.



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# Posting for A/P, A/R, Purchase Orders, and Sales Orders

## About Posting

This chapter describes how to set tax processing options for posting A/P vouchers, A/R invoices, sales orders, and purchase orders. If you do not set processing options correctly, the tax information will not populate in the Tax Work file (F0018) resulting in incomplete tax reports.

This chapter also reviews how tax amounts and distribution amounts are posted to the general ledger accounts

## Posting A/P Vouchers



From the Accounts Payable menu (G04), select Supplier & Voucher Entry.  
From the Supplier & Voucher Entry menu (G0411), select Post Vouchers to G/L.

The process for posting A/P vouchers is covered in detail in *Accounts Payable Guide*.

## Voucher Posting Processing Options

In order to create tax record in the Tax Work file when you post vouchers to the G/L, you must set the Tax File Update processing option in Post Vouchers to G/L. Set the processing option according to the tax information to write to the Tax Work file.

If you leave the Tax File Update processing option blank, the system creates the tax entries in the G/L according to the type of tax involved, but does not write the tax records to the F0018.

### Processing Option 9 - TAX FILE UPDATE

Identify when to update the Tax Work file (F0018)

Option	Definition
1	V.A.T. or Use Tax only
2	All Tax Amounts
3	All Tax Explanation Codes
BLANK (Default value)	No Update to File

---


**Note:** When using Vertex Taxes the Vertex Tax Register file will be updated instead of the Tax Work file for methods '1', '2', and '3'.

---

## Processing Options

See [General Ledger Post \(P09800\)](#).

## Posting A/R Invoices

	From the Accounts Receivable menu (G03), select <b>Customer &amp; Invoice Entry</b> . From the Customer & Invoice Entry menu (G0311), select <b>Post Invoices to G/L</b> .
---	---

The process for posting A/R Invoices is covered in detail in *Accounts Payable Guide*

## Invoice Posting Processing Options


The processing options for Post Invoices to G/L are identical to those for posting A/P vouchers.

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**Note:** For posted invoice tax information to appear in the Tax Work file, you must set the Tax File Update processing option for Post Invoices to G/L as described earlier in this chapter for A/P.

---

## Posting Purchase Orders

	From the Purchase Order Management menu (G43), select <b>Non-Stock Based</b> . From the Non-Stock Purchasing menu (G43B), select <b>End of Day Processing</b> . From the End of Day Processing menu (G43B14), select <b>G/L Voucher Post</b> .
---	--

Initially, Purchase Orders information is stored in the Purchase Order file (F4311). After you use the Match Voucher to Open Receipts program (P4314), the system transfers tax and accounts payable information to the A/P Ledger file (F0411) and stores it as part of the A/P voucher record.

When you post the A/P vouchers, the system also posts the purchase order taxes to the Tax Work file (F0018). The system posts purchase orders the same way that it posts A/P vouchers.

## Purchase Order Posting Processing Options

The system creates two types of batches - one at the time you receive an order (Receipts batch) and one when you voucher the order (Voucher batch). Both must be posted but only the post of the voucher batch will update the Tax Work file (F0018) with tax information.

The voucher batch created when you voucher the order uses the same G/L post version as for posting standalone A/P vouchers.

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**Note:** For posted voucher tax information to appear in the Tax Work file, you must set the processing option as described earlier in this chapter for A/P.

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## Posting Sales Orders



From the Sales Order Management menu (G42), select **End of Day Processing**  
 From the End of Day Processing menu (G4213), select **Customer Sales Post**.

Initially, sales order information is stored in the Sales Order Detail file (F4211). After you run the Update Sales batch program, the system transfers tax and accounts receivable information to the A/R Ledger file (F0311) and stores it as part of the A/R invoice record.

When you post the A/R invoices, the system also posts the sales order taxes to the Tax Work file (F0018). The system posts sales orders the same way that it posts A/R invoices.

## Sales Order Posting Processing Options

The processing options for Customer Sales Post are identical to those for Post Invoices to G/L as the same version of the post is being called (ZJDE0002).

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**Note:** For sales order tax information to appear in the Tax Work file, you must set the processing option for Tax File update as described earlier in this chapter for A/R.

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## Journal Entries

The Journal Entries With Taxes program (P09106) automatically updates the Tax Work file. Because the Tax Work file is automatically updated when you enter a journal entry, it does not matter how you set the Tax File Update processing option when you post the journal entries. The system ignores the tax processing option.





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# Entry for A/P, A/R, and Sales Orders

## About Posting Calculations

This chapter describes how the system calculates and posts tax amounts to the general ledger for each of the tax explanation codes.

This chapter focuses on Speed Voucher Entry to clarify transaction entry. The processes for A/R invoices, sales orders, and journal entries are addressed, however the way in which the system calculates and posts taxes does not differ (although the procedures to use the entry screens and the names of the fields on these screens can differ from those on the Speed Voucher Entry screen).

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**Note:** To review calculations and posting for purchase orders, see the chapter Entry and Post Examples for Purchase Orders.

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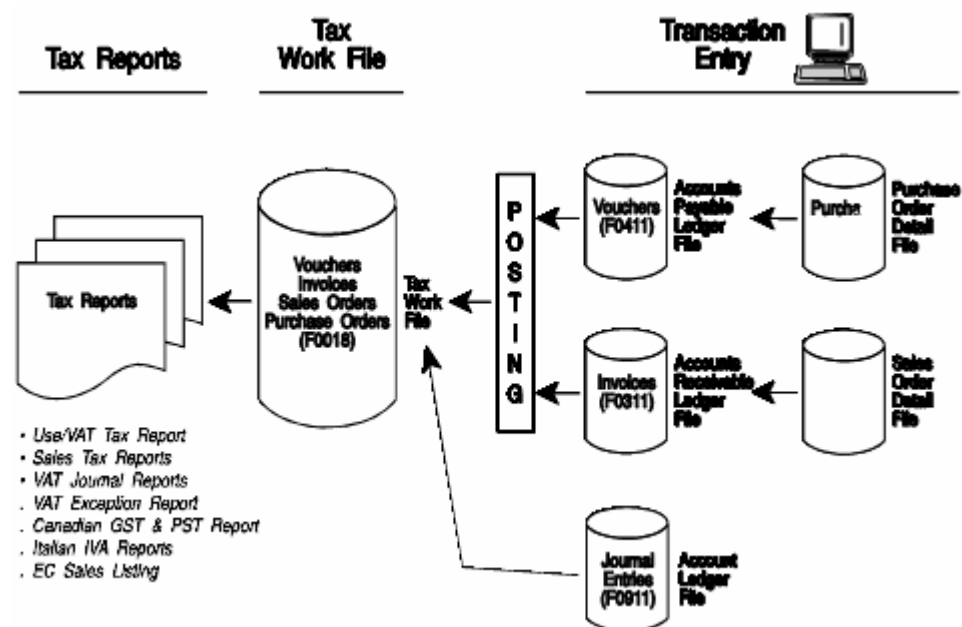
---

# Tax Work File

The system uses the Tax Work File (F0018) to generate the tax reports. This chapter describes how to update the Tax Work file and how to perform periodic purges to the file.

If your company operates in a European Union country or in Japan, you must perform the activities described in this chapter as well as those in other chapters to generate tax reports. For more information, see the chapters *European Union Activities* and *Japanese Consumption Tax Activities*.

The diagram below shows how the Tax Work file integrates with tax reports and the system files.



Posting A/P vouchers, A/R invoices, purchase orders, and sales orders updates the appropriate system files and the Tax Work file. The Journal Entry with VAT Tax program updates the Tax Work file with journal entries. Tax reports reflect information in the Tax Work file. Corrections to the Tax Work file correct the tax reports.

Corrections to the Tax Work file, however, do not correct the system files. Depending on the type of correction, you may need to enter a correcting A/P voucher, A/R invoice, sales order, purchase order, or journal entry to update those files.

## Correcting the Tax Work File

Use Tax File Revisions to add, change, delete, and inquire on transactions in the Tax Work file.



From Master Directory menu (G), type 29  
 From General Systems menu (G00)), choose Tax Processing & Reporting  
 From Tax Processing & Reporting menu (G0021), choose Tax File Revisions

Field	Explanation
Document Number	The number that identifies an original document. This can be a voucher, an invoice, unapplied cash, a journal entry number, and so on.

Field	Explanation
Document Type	<p>A user defined code (system 00/type DT) that identifies the type of document. This code also indicates the origin of the transaction. JD Edwards World has reserved document type codes for vouchers, invoices, receipts, and time sheets, which create automatic offset entries during the post program. (These entries are not self-balancing when you originally enter them.)</p> <p>The following document types are defined by JD Edwards World and should not be changed:</p> <p>P     Accounts Payable Documents</p> <p>R     Accounts Receivable Documents</p> <p>T     Payroll Documents</p> <p>I     Inventory Documents</p> <p>O     Order Processing Documents</p> <p>J     General Accounting/Joint Interest Billing Documents</p>
Document Suffix	<p>In the A/R and A/P systems, a code that corresponds to the pay item. In the Sales Order and Purchase Order systems, this code identifies multiple transactions for an original order. For purchase orders, this is always 000. For sales orders with multiple partial receipts against an order, the first receiver used to record receipt has a suffix of 000, the next has a suffix of 001, the next 002, and so on.</p>
Line Number	<p>A number that identifies multiple occurrences, such as line numbers on a purchase order or other document. Generally, the system assigns this number, but in some cases, you can override it.</p>
Company	<p>A code that identifies a specific organization, fund, entity, and so on. This code must already exist in the Company Constants table (F0010). It must identify a reporting entity that has a complete balance sheet. At this level, you can have intercompany transactions.</p> <p><b>Note:</b> You can use company 00000 for default values, such as dates and automatic accounting instructions (AAIs). You cannot use it for transaction entries.</p>

Field	Explanation
Business Unit	<p>Identifies a separate entity within a business for which you want to track costs. For example, a business unit might be a warehouse location, job, project, work center, or branch/plant. The Business Unit field is alphanumeric.</p> <p>You can assign a business unit to a voucher, invoice, fixed asset, and so on, for purposes of responsibility reporting. For example, the system provides reports of open A/P and A/R by business units, to track equipment by responsible department.</p> <p>Business unit security can prevent you from locating business units for which you have no authority.</p> <p><b>Note:</b> The system uses this value for Journal Entries if a value is not entered in the AAI table.</p>
Object Account	<p>The object account portion of a general ledger account. The terms “object account” and “cost type” are used synonymously. They refer to the breakdown of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). When you are using a flexible chart of accounts, if the object is set to 6 digits, JD Edwards World recommends that you use all 6 digits. Here, entering 000456 is not the same as entering 456, because the system adds three blank spaces to fill a 6-digit object.</p>
Subsidiary	<p>A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account.</p>
Address Number	<p>The address number you want to retrieve. You can use the short format, the long format, or the tax ID (preceded by the indicators listed in the Address Book constants).</p>
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p style="text-align: center;"><i>Form-specific information</i></p> <p>Codes B and C are used in Canada. They can be assessed as a tax on a tax.</p>
Tax Point Date	<p>A date that indicates either when you purchased the goods or services, or when you purchased the goods and services and incurred the tax liability. Generally, when you leave this field blank, the system uses the G/L date you specified.</p>

Field	Explanation
G/L Date	A date that identifies the financial period that the transaction is to be posted to. The general accounting constants specify the date range for each financial period. You can have up to 14 periods. Generally, period 14 is for audit adjustments.  The system edits this field for PBCO (posted before cutoff), PYEB (prior year ending balance), and so on.
Taxable Amount	The amount on which taxes are assessed.
Tax Amount	This is the amount assessed and payable to tax authorities. It is the total of the VAT, use, and sales taxes (PST).
Non-Taxable Amount	This identifies the amount upon which taxes are not assessed. This is the portion of the transaction not subject to sales, use, or VAT taxes because the products are tax-exempt or zero-rated.
Extended Cost	For accounts receivable and accounts payable, this is the invoice (gross) amount. For sales orders and purchase orders, this is the unit cost times the number of units.

## Procedures

### General Procedures

You can use this program to inquire on and add transactions to the Tax Work file. You cannot use it to change or delete A/R and A/P transactions, however. You must use the appropriate entry screens to change or delete tax information.

Note that you can either inquire on a specific transaction or you can use the roll keys to scroll through the entire Tax Work file, one transaction at a time.

### Updating Tax Reports and Systems

Depending on the type of correction you make, you may also need to update the appropriate system files. The Sales Order, Purchase Order, and General Accounting files are not updated when you update the Tax Work file.

For example, if you need to change only the Taxable Amount field and the Tax Amount field, but not the invoice amount, you would not need to update system files. If you needed to modify the Extended Cost (invoice amount) field, this would alter the amount owed to the supplier and you would need to update the system file.

## Guidelines

To change or delete tax information for A/R and A/P transactions, use the appropriate entry screens such as Standard Invoice Entry (P03105) or Standard Voucher Entry (P04105).

## Purge the Tax Work File



From Master Directory Menu (G), type **29**  
From General Systems menu (G00), choose **Tax Processing & Reporting**  
From Tax Processing & Reporting menu (G0021), choose **Purge Tax File**

Because each post updates the Tax Work file, it can quickly become a large file. Periodically purging unneeded records from this file can save disk space and processing time.

Depending on how you set processing options, the Purge Tax File program can save the purged records to a purge library and remove any tax records you deleted on the Tax File Revisions screen.

## Dream Writer Considerations

### Processing Options

1. The first processing option lets you save the purged records to a purge library. You can then use IBM commands to save the library to a tape or diskette. In addition, you can remove any Tax Work file records that you deleted with the Tax File Revisions screen.
2. The second option lets you reorganize the purged file. JD Edwards World recommends that you always reorganize.

### Data Selection

The DEMO version that JD Edwards World provides purges all records posted prior to December 31, 1989 for all companies and business units. You may need to create other versions to purge specific companies, business units, or dates.

### Data Sequence

The DEMO version that JD Edwards World provides sequences by company. You should not change the sequence.

## Guidelines

- JD Edwards World recommends that you back up the Tax Work file (F0018) before purging records.
- You should run the File Reorganization after the purge finishes. See the help instructions for Reorganize Files on the Data Base Manager menu. Ensure that no one is using the Tax Work file when you run the purge program. The system cannot reorganize the file if someone is using it.



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# Working with Suspended VAT Tax

## Understanding Suspended Tax Processing

This chapter provides an overview of and discusses the following:

- [Programs Used to Set Up Suspended Tax](#)
- [Setting Up Suspended Tax](#)
- [Setting Up AAIs for Suspended VAT Process](#)
- [Setting Up Suspended Tax User Defined Codes](#)
- [Releasing Suspended Tax](#)
- [Reviewing and Posting Suspended Vat Tax Batches](#)

Certain countries may require that VAT taxes be recognized and accrued at the time of payment (Accounts Payable) or at the time of receipt (Accounts Receivable). In standard voucher/invoice processing, the tax amounts are booked to the general ledger using the G/L accounts associated with AAI items PT/RT at the time the voucher/invoice is posted. When using Suspended Tax processing, AAI items PT/RT are used to book the tax entries to a Suspended Tax account when the voucher/invoice is posted. These tax entries are then later booked to the actual tax accounts using AAI items PI/RI at the time the voucher/invoice is paid/received. The amount moved out of suspense and into the tax accounts is prorated based on the amount of the payment/receipt in relation to the voucher/invoice gross amount.

Suspended tax processing may be activated at several levels depending on your government requirements.

You may set up the suspended tax processing at the A/R and/or A/P level by activating the constant on the A/R or A/P Constants screen. If you set the constant to '1', all invoices and/or vouchers will have the tax managed through the suspended tax processing. If you set the constant to '2', the system will apply suspended tax process to specific companies. You then have to set the constant that displays in the Company Numbers and Names program (P00105).

In Company Numbers and Names, you also have choices to make. If you set it to '1', then all invoices/vouchers for that company will have the tax managed with suspended tax processing. If set to '2', then only those pay items with designated tax areas will be managed with suspended tax. Tax Areas are identified in the User Defined Code 00/XA.

In addition, you can choose to place certain invoices and vouchers on Hold status. You do this by specifying which Document Types require this Hold status. If a voucher/invoice has a Document Type that displays on the Hold list, then the tax is not moved from suspense to actual tax accounts during the post of the payment/receipts. Instead, this will happen when you manually release using either

the Batch (P09861) or Interactive (P092501) programs. Document Types requiring Hold status can be set up in User Defined Code 00/DH.

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**Note:** Suspended Tax is only valid for VAT taxes (all tax types that begin with 'V').

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## Programs Used to Set Up Suspended Tax

Program name	Navigation	Usage
Accounts Receivable Constants	From Advanced International Processing (G09319), select 2, Accounts Receivable Constants, and then 2, Accounts Receivable Constants.	Enter accounts receivable information, including Suspended Tax Processing.
Accounts Payable Constants	From Advanced International Processing (G09319), select 3, Accounts Payable Constants, and then 2, Accounts Payable Constants.	Enter accounts payable information, including Suspended Tax Processing.
Company Numbers & Names	From Advanced International Processing (G09319), select 4, Company Numbers and Names, and then select 2, Company Numbers & Names.	Set up company information.

## Setting Up Suspended Tax

This section describes how to set up suspended tax processing for A/R and A/P, and suspended tax processing for companies.

### To set up suspended tax processing for A/R and A/P

	From General Accounting (G09), enter 27 From Advanced and Technical Operations (G0931), choose <b>Advanced International Processing</b> From Advanced International Processing (G09319), choose a selection under <b>Suspended Tax Set Up</b>
---	---

Use the A/R and or A/P constant to initiate suspended tax processing either at the Accounts Receivable/Payable or company level, so that taxes are accrued at time of receipt/payment rather than at the time of invoice/voucher-post.

## On Accounts Receivable/Payable Constants

000903 Accounts Receivable Constants

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
Clear Screen

Action Code: 1  
Company: 00000 J.D. Edwards & Company

Delinquency Notice (Y/N): Y  
Print Statement (Y/N): Y  
Auto Receipt (Y/N): Y  
Auto Receipt Algorithm: 1

Age as of Date (Blank=Today's Date): 05/30/10  
Aging Method (1,2,3): 1  
Date Aging Based On: 0

Aging Days(999 = Infinity)  
Beginning: 30 thru 0 thru 30 thru 50  
thru 90 thru 120 thru 150 thru 999

Batch Control Required (Y/N): N  
Manager Approval of Input (Y/N): N  
Offset Method (D, S, Y, or B): 0 Suspended Tax Processing: 2  
G/L Interface (Y/N): Y Exchange Rate Difference: 1

F24=More Keys

Complete the following field:

- Suspended Tax Processing

## To set up suspended tax processing for companies

Use Company Numbers and Names (P00105) to activate suspended tax at the company level and to determine if suspended tax will be active for all invoices or vouchers, or only for specific tax rate/areas.

### On Company Numbers & Names

00105 Company Numbers & Names

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
A/R and A/P Current Pst  
Exit to Close Period - M  
Print Company Constant  
Clear Screen

00105 Company Numbers & Names

Action Code

Skip To Company

P Co	Name	D No	Begin	Cur
00000	J.D. Edwards & Company	R 12	01/01/17	6
00001	A Model Financial Co (Trng)	R 12	01/01/17	6
00007	A Model Payroll Company	R 12	01/01/17	4
00050	A Model Construction Mgmt Co	R 12	01/01/17	6
00050	A Model Financial Reporting Co	R 12	01/01/17	3
00054	Model Multi-National Brazil	R 12	01/01/18	8
00067	Model Multi-National Argentina	R 12	01/01/18	8
00069	Model Multi-National Euro	R 12	01/01/17	1
00070	Model Multi-National Corporate	R 12	01/01/17	6
00071	Model Multi-National France	R 12	01/01/17	6
00072	Model Multi-National Germany	R 12	01/01/17	6
00073	Model Multi-National UK	R 12	01/01/17	6
00074	Model Multi-National Italy	R 12	01/01/17	6
00075	Model Multi-National Colombia	R 12	01/01/17	6
00076	Model Multi-National Singapore	R 12	01/01/17	6
00077	A Model Canadian Payroll Co	R 12	01/01/17	4
00078	Model Multi-National Egypt	R 12	01/01/17	6
00100	Model Finan/Distrib Co (Mktg)	R 12	01/01/17	6

Opt: 1=Date Pattern F4=R/R-A/P F5=Global Close F21=Print F24=More Keys

1. Choose A/R-A/P (F4) to display accounting information.

00105 Company Numbers & Names

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
A/R and A/P Current Pst  
Exit to Close Period - M  
Print Company Constant  
Clear Screen

00105 Company Numbers & Names

Action Code

Skip To Company

P Co	Name	D No	Begin	Cur
00000	J.D. Edwards & Company	R 12	01/01/17	6

Company Address Number 42690 One-time payment

Target System ID Target Company

Target I/C Method Source System Alias ExchgRt: A/R A/P 1

00001 A Model Financial Co (Trng) R 12 01/01/17 6

Accounts Receivable 01/01/17 6

Accounts Payable 01/01/17 6 Voucher Suspense

Company Address Number

Target System ID Target Company

Target I/C Method Source System Alias ExchgRt: A/R A/P

00007 A Model Payroll Company R 12 01/01/17 4

Accounts Receivable 01/01/17 4

Accounts Payable 01/01/17 4 Voucher Suspense

Company Address Number

Target System ID Target Company

Target I/C Method Source System Alias ExchgRt: A/R A/P

Opt: 1=Date Pattern F4=R/R-A/P F5=Global Close F21=Print F24=More Keys

2. In the Suspended Tax: A/R field for the company you want to edit, enter one of the following:

- Blank - No suspended tax processing
- 1 - Suspended tax processing for all invoices
- 2 - Suspended tax processing at the tax area level

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**Note:** The Suspended Tax A/P field only displays if the Suspended Tax field in the Accounts Payable Constants window was set to 2.

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Field	Explanation
Suspended Tax Processing	<p>A code that specifies whether the Suspended Tax Processing is active. This code is used at a System level, and optionally at a Company level.</p> <p>Valid values at the System level are:</p> <p>Blank Suspended Tax processing is not active. or '0'</p> <p>'1' Suspended Tax processing is active for all invoices/vouchers.</p> <p>'2' Suspended Tax processing is activated at a Company level.</p> <p>Refer to company constants as seen in Company Numbers and Names (P00105) for further indication of whether Suspended Tax processing is active for specific companies and associated invoices/vouchers.</p> <p>Valid values at the Company level are:</p> <p>Blank Suspended Tax processing is not active. or '0'</p> <p>'1' Suspended Tax processing is active for all invoices/vouchers.</p> <p>'2' Suspended Tax processing is activated at a Tax Area level.</p> <p>Refer to User Defined Code 00/XA for Tax Areas that require Suspended Tax processing.</p>

## Setting Up AAls for Suspended VAT Process

In addition to the standard AAI's available throughout Oracle JD Edwards World software, you must set up AAI's to process Suspended VAT Taxes.

From Automatic Accounting Instructions (P00121), set up the following AAI's:

- PLxxxx (where xxxx is the G/L class of the tax area) for VAT actual accounts for Accounts Payable.

- PTxxxx (where xxxx is the G/L class of the tax area ) for VAT receivable accounts for Accounts Payable.
- RIxxxx (where xxxx is the G/L class of the tax area) for VAT actual accounts for Accounts Receivable.
- RTxxxx (where xxxx is the G/L class of the tax area.) for VAT receivable accounts for Accounts Receivable.

## Setting Up Suspended Tax User Defined Codes

For the suspended tax program to run correctly, you must set up the following User Defined Codes (UDCs):

- Batch Types (98/IT)
- Document Types with Suspended Tax Hold (00/DH)
- Tax Areas with Suspended Tax Hold (00/TH)
- Tax Areas using Suspended Tax (00/XA)
- Document Type Invoices (00/DI)
- Document Type Vouchers (00/DV)

You can access these UDCs from the Advanced International Processing menu (G09319).

### Batch Types (98/IT)

Ensure there is a UDC of SV, Suspended VAT in the Batch Types UDC table.

Codes	Description
SV	Suspended VAT

### Document Types with Suspended Tax Hold (00/DH)

There may be situations that require the suspended tax accounting to be postponed. Rather than have the suspended tax processing for the receipts and payments occur automatically when the receipts or payment batch is posted, you can use batch (P09861) and interactive (P092501) programs to perform the suspended tax processing at a later date.

Set up the Document Types with Suspended Tax Hold to identify those invoice and voucher document types where all suspended taxes will be held until the batch or interactive program to process the taxes is run. For example, you might set up these values:

Codes	Description
PV	Vouchers
RI	Invoice

## Tax Areas with Suspended Tax Hold (00/TH)

Instead of using Document Types for Suspended Tax Hold (00/DH), the hold functionality may be activated for specific Tax Areas. Set up Tax Areas with Suspended Tax Hold to identify tax areas for which all suspended taxes will be held until the batch or interactive program to process the taxes is run. For example you might set up these values:

Codes	Description
IVA18	Tax suspended VAT
19	Suspended Tax Hold

## Tax Areas Using Suspended Tax (00/XA)

Set up the Tax Areas using Suspended Tax to identify the tax areas for which to hold taxes in suspense. This allows you the flexibility to limit suspended tax processing to only invoice and voucher pay items for specific tax areas (rather than all invoices and vouchers or all for one company). For example you might set up these values:

Codes	Description
IVA18	Tax suspended VAT

## Releasing Suspended Tax

There are two methods for releasing suspended tax on payments and receipts that were set on Hold (using UDC 00/DH or 00/TH). The methods are either batch or interactive.

Both the Batch and Interactive programs provide a processing option to allow you to bypass processing vouchers/invoices that have not been completely paid/received.

## To release suspended tax using a batch process (P09861)



From General Accounting (G09), enter 27  
From Advanced and Technical Operations (G0931), choose **Advanced International Processing**  
From Advanced International Processing (G09319), choose a selection under **Process Hold Payments Receipts**

### On Process HOLD Pmts/Rcpts BATCH

1. Select a version by entering 1 in the following field and press Enter. The Processing Options Revisions window displays:
  - Options
2. Enter the processing options and press Enter. The Data Selection window displays.
3. Enter any data selection, and then press Enter to submit the batch process.

## Processing Options

See [Suspended Tax - Process Hold Pmts/Rcpts \(P09861\)](#).

## Processing Options for Releasing Suspended Tax (Batch)

Processing Option	Description
Paid Voucher/Invoice	Enter a '1' to bypass processing of receipts/payments if the original invoice/voucher is not completely paid or received. If left blank, selected payments/receipts are processed regardless of pay status.



Processing Option	Description
Processed Date	Enter the date to be used as the 'Processed Date'. If left blank the system date is used. This date is used as the GL date of the journal entries created when the receipts (document type JM) or vouchers (document type JK) were released.

## To release suspended tax using an interactive process (P092501)



From General Accounting (G09), enter 27  
 From Advanced and Technical Operations (G0931), choose **Advanced International Processing**  
 From Advanced International Processing (G09319), choose a selection under **Process Hold**  
**Pmts/Recpts INTER**

### 1. Complete the following fields:

- Invoice/Voucher Number/Type – Enter the number identifying the invoice or voucher and the code identifying the document type of the invoice or voucher.
- Processed (1/0) – Enter 0 for unprocessed only, or 1 for processed and unprocessed.
- Pmt/Rcpt Number/Type – Enter the number identifying the payment or receipt and the code identifying the document type of the payment or receipt.
- System (03/04) – Enter the system code: 03 for Accounts Receivable or 04 for Accounts Payable.
- Account Number – Enter the number of the account from which the invoice or voucher was drawn.
- Supplier/Customer – Enter the address book number identifying the supplier or customer to whom the invoice or voucher was made.

### 2. Enter 4 in the following field and press Enter to select the payment or receipts to process.

- Options

### 3. Press Enter.

The selected payments and receipts are processed and the suspended tax accounting is performed. The system updates the Date Processed so these transactions cannot be processed more than once. The post of the suspended VAT batches is automatically updated.

## Reviewing and Posting Suspended Vat Tax Batches

Once you have processed the receipts and payments, you must post the resulting SV type batch in order to relive the suspense tax account and move the tax amounts to the actual tax accounts.

You may first review the batches via Suspended VAT Journal Review. Use the standard journal review program (P00201).

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# European Union Activities

## About European Activities

Generally, day-to-day activities for European Union (EU) members are the same as those for non-members. The VAT calculations, automatic accounting instructions, and general ledger accounting are the same. When EU members receive accounts payable invoices from other EU countries and assign the appropriate tax rate/area, the system calculates VAT on the invoices at the applicable rate in the receiving country. The voucher enters and reverses VAT. Tax explanation code V enters a + (positive) rate and a – (negative) rate netting to zero. Each general ledger offset could be pointed to a different account. The posting to the general ledger correctly distributes tax entries to the appropriate accounts linked to the general ledger offset accounts and updates the Tax Work file (F0018).

There are, however a few differences for the European Union members. This document assesses some of those differences.

## Purging the Sales Order Management System

Using the JD Edwards World Sales system and the Update Sales program (P42800), you cannot purge the detail to history files until after you run the VAT reports. The history file is not a keyed file and therefore the system cannot use it to upload information to F0018T.

You have two options:

1. To purge the Sales Order Detail file (F4211) frequently, run the Tax File Batch Update program (P0018G1) prior to the Update Sales program. You can then purge history through the Update Sales program. Consider using Sleeper to run the tax update prior to the sales update.
2. If you do not need to purge F4211 frequently, set the processing option in the Update Sales program to keep the records in F4211. Using this process, you can rerun the batch upload programs at any time. In addition, you can update F0018T on a daily basis and then purge the Sales Order Detail file (F4211).

## Uploading Information to F0018T for the Intrastat Report



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **EU VAT Processing**.  
From the EU VAT Processing menu (G00211), choose either **Update Extra Tax File-Sales** or **Update Extra Tax File-Purchases**

The Intrastat reports uses information from the Extra Tax File Adjustments file (F0018T).

If you have the JD Edwards World Sales and Purchasing systems, you can extract and upload information from existing files and move it to F0018T. Use the following batch programs (on menu A0022) do this:

- Update Extra Tax File-Sales. This program updates F0018T with information from the Sales Order Detail file (F4211).
- Update Extra Tax File-Purchases. This program updates F0018T with information from the Purchase Order Receiver file (F43121).

## What You Should Know About

### Purging the Sales Order Detail file (F4211)

Do not purge the Sales Order Detail file (F4211) when you run the Sales Update program (P42580). If you purge at that time, you cannot update F0018T. (This is because the history file is user defined and therefore has no key.) After you update F0018T, you can purge the detail to a history file.

## Manually Entering/Updating Information in F0018T for the Intrastat Report

If you do not have the JD Edwards World Sales Order and Procurement Management systems, you can either create a custom program to load information to F0018T or your supplier can provide the Intrastat report. Another alternative is to enter information manually with the Direct Extra Tax File Adjustment screen.

Using the The Direct Extra Tax File Adjustment (P0018T) you can add, change, and delete information in F0018T for the Intrastat report. You can use this program for several situations:

- When you do not have the JD Edwards World Sales Order and Procurement Management systems (you cannot use the two batch programs described above to upload information to F0018T).
- When the countries involved in the transaction require information that cannot be uploaded with the two batch programs. This information includes: statistical value amount, port of entry/exit, nature of VAT regime, nature code, process indicator, and transport extension.

## Direct Extra Tax File Adjustment (P0018T)



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), choose **EU VAT Processing**  
 From the EU VAT Processing menu (G00211), choose **Direct Extra Tax File Adjustment**

You can inquire on, add, change, and delete information in F0018T.

### Fields Not Highlighted

If you have the JD Edwards World Sales Order and Procurement Management systems, you can use the batch upload programs described earlier. The programs load information for these fields to F0018T.

With processing options, you control whether the batch upload programs can overlay these fields.

### Highlighted Fields

If the countries involved in the EU transactions require the highlighted information, you must manually enter it. At this time, the Nature Code and Process Indicator fields do not appear on the Intrastat report. The Transport Extension field is needed in certain countries such as France. You must manually specify the X (to append to the Condition of Transport field) in the Transport Extension field.

The batch upload programs never overlay these fields.

## Procedures

### To inquire on direct extra tax file adjustments

To view information in F0018T, you can use the roll keys and scroll through all information in the file.

Another alternative is to inquire on a specific order and type information.

#### 1. Complete the following fields:

- Order Number
- Order Type

- Order Suffix
- Line Number

2. Press Enter.

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**Note:** If you are unsure about the suffix or line number, these are generally 001 (suffix) and 1 (line number).

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## To add lines

Using the Line Number field, you can specify multiple lines for the same document.

Complete the following field:

- Line Number

Assign numbers beginning with the number 1

## To Change or update the direct extra tax file adjustment

If you rerun the batch update programs more than once for the same time period, you can overwrite information in some fields (depending how you set the processing options for the batch update programs).

You can never overwrite information in the following fields:

- Stat Value Amount
- Port of Entry/Exit
- Nature of VAT Regime
- Nature Code
- Process Indicator
- Transport Extension

## What You Should Know About

### **Purging the Sales Order Detail file (F4211)**

Do not purge the Sales Order Detail file (F4211) when you run the Sales Update program (P42580). If you purge at that time, you cannot update F0018T. (This is because the history file is user defined and therefore has no key.) After you update F0018T, you can purge the detail to a history file.

## EU Intrastat Tax File Batch Update

You use Extra Tax File Batch Update to enter or update certain types of information for the European Union 1993 Intrastat report (P0018I).

The Extra Tax File accommodates European Union 1993 VAT requirements for Intrastat Sales and Purchase reporting. The system updates the information in this file from the sales and purchase order detail information.

If you are not using the JD Edwards World Sales or Purchasing systems, you might have to enter the information using Extra Tax File Revisions or your customized version of the Extra Tax File Batch Update - Sales (P0018G1) and Extra Tax File Batch Update - Purchasing (P0018G2) programs.

The Extra Tax file updates the Intrastat report (P0018I).

When you run the Batch Update programs (P0018G1 and P0018G2), some fields are not updated. You change these fields on Extra Tax File Revisions.

The system overrides any information that you enter when you regenerate the F0018T file. If you run the update more than once for the same date range, and the record already exists in the F0018T file, the information will not be updated.

You can update the fields if you assign a program to update the information to the F0018T file. The processing options are located on the two update programs.

## Using Extra Tax File Revisions

The table below describes the fields on Extra Tax File Revisions. When the guideline includes the term:

- “System supplies,” you can use Extra Tax File Batch Update to copy data to the Extra Tax File, provided you have performed the proper setup associated with that field.
- “System does not supply,” the current database does not store the current information. If you need this information on your report, you must enter it manually using the maintenance program.

Field	Explanation
Process Indicator	A field that defines whether goods were processed in a different EU member state. Use 1 if goods were processed in another state. Use 0 if they were processed domestically.
Nature Code	A field required for reporting in some EU member states. The system does not supply the values. They must be entered manually, if needed.
Commodity Code	A 15-character field on Extra Tax File used as an extension for the 8-character PRP1 user-defined code 41/E. because certain countries use up to nine characters plus imbedded blanks.
Statistical Value	The nominal cost covering the transportation and insurance costs of shipments to the exit point of a country. Traditionally, a statistical value is a fixed cost per order and/or percentage of the order amount. For EU tax-reporting purposes, the user must enter this data manually. It is a field often required for reporting in France but used by other countries as well.

Field	Explanation
Nature of Transaction	Defines whether the movement of goods is for sale, lease, and so on. For EU VAT reporting, you can input the code using one of the user defined codes on Sales or Purchase Order Details. Use S1 and S5 for Sales. Use P1 and P5 for Purchases. Because you can use any of the category codes, the F1 inquiry feature on Extra Tax File Updates uses an alternate user defined code. UDC 00/NT should contain the Nature of Transaction code that you are using. Therefore, when you are reviewing or changing information, you can use F1 to view the allowable values.
Nature of VAT Regime	A code similar to the Nature of Transaction code, applicable to certain countries, such as France. The system does not supply this information. The codes should be entered using the maintenance program.
Net Mass in KG	Specifies the item weight.
Supplementary Unit of Measure	A total of the secondary unit of measure when the net mass in kilograms is zero.
Conditions of Transport	A one-character field used to define the conditions of transport, also known as the terms of delivery. To access the required three-character explanation for EU reporting, use the second explanation of the user defined code 42/FR. To access F1, enter 00/TC. The F1 function is valuable when reviewing or maintaining the information on Extra Tax File. It is difficult to use this form without allowed values and explanations. As a result, you must maintain the second explanation of FRTH and OO/TC with correct information.
COTX	A one-character field used to provide further explanation of the conditions of transport, used in certain countries, such as France.
Port of Exit or Entry	Certain countries require information on the port of exit or entry. The system does not supply this information. You must enter it manually.

## Invoice for the A/R System

If you set up a VAT registration number for your customers and suppliers, the system prints them on accounts receivable invoices (P03505) and sales order invoices (P42565). All invoices must show both the VAT registration number of the supplier and customer. If the number is not present for the customer, the supplier should charge tax to the customer.

JD Edwards World assumes that the supplier uses preprinted forms that include the correct VAT number. The only additional printing is for the customer's VAT number. The system prints the ship to address (not the invoice address). The



company must be registered in the country to which the goods are shipped or else tax should be charged.

## Review of EU Responsibilities

You must assign VAT registration numbers to your customers and suppliers, set up tax rate/areas, translate the reports into the appropriate language, ensure that post processing options are set to update the Tax Work file (F0018), and modify user defined codes. In addition, you can use the batch upload programs and the Direct Extra Tax File Adjustment screen before generating the Intrastat report.



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# Italian IVA Activities

## About IVA Activities

Generally, the tax activities for Italy are the same as those for other countries. The IVA tax calculations (VAT calculations), automatic accounting instructions, general ledger accounting, and so on are the same.

Activities for Italy and those for other countries differ because Italian tax authorities require annual tax reporting for suppliers, customers, and customs authorities. The differences are described in detail later in this chapter and summarized below.

- You must build the Annual IVA file (F00900). This file summarizes the detailed tax information in the Tax Work file (F0018) and is necessary for the annual IVA reports.
- Optional. You can add and change information in F00900 with the Annual IVA File Revision screen.
- Optional. You can add and change information for tapes with the Address Book Additional Information screen. You can submit either tapes or preprinted IVA forms to the tax authorities on an annual basis.

## Annual IVA File Build (P00911)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**  
From the Italian IVA Processing menu (G00213), choose **Annual IVA File Build or Annual IVA File Revisions**

This DREAM Writer program uses information from the Tax Work file (F0018) and summarizes it by supplier, customer, and customs authority. For each supplier, customer, and customs authority, the program does the following:

- Creates a record with the total number of invoices or vouchers, the total tax amount, total taxable, and total non-taxable. For suppliers, the program also includes the total non-taxable “8 comma 2.”
- Uses user defined codes (system 00, type IV) to differentiate types of information. It assigns 1 to customer records, 2 to supplier records, and 5 to customs authority records.

## Processing Options

The first processing option controls whether you process customer transactions or supplier and customs authority transactions. If you need to process all transactions, run this program twice - once for customers and once for suppliers and customs authorities.

The second option controls whether you clear previous transactions from F00900. Generally, you will clear the file when you begin a new fiscal year. If you run this program several times in a fiscal year, do not clear the file. The program adds amounts to the previous amounts in F00900.

## Annual IVA File Revisions (P00900)

You can use the Annual IVA File Revision program to view, add, change, and delete information in the Annual IVA file (F00900).

If you convert to the JD Edwards World software in the middle of a year, you can use the Annual IVA File Revision program to manually enter/update tax information in F00900.

After you make the revisions, you can perform standard processing.

### To display annual IVA file revisions information

You can view, add, change, and delete information using Annual IVA File Revisions F00900.

You can view information in the file in either of two ways:

- Use the roll keys to scroll through all information.
- Inquire on specific records.

### On Annual IVA File Revisions

1. Complete the following fields:
  - Action Code
  - Company
  - Information Type
  - Address Number
  - Invoice Date - CTRY
  - Invoice Year
2. Press Enter

## Creating a Tape Copy of IVA Information



From the Master Directory menu (G), type **29**  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**.  
 From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**  
 From the Italian IVA Processing menu (G00213), choose one of the following: **Address Book**  
**Additional Info**, **IVA Tape File Creation**, or **Copy to Tape**

After you build F00900, you can either send annual tax information to the Italian tax authorities on tape or on preprinted IVA forms. This chapter describes how to create a tape. To view the reports, see the chapter *Italian IVA Tax Reports*.

### To send tax information on a tape

1. Mount a tape on your tape drive
2. Create a file for the tape
3. Copy the file to the tape.

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**Note:** You can also add supplemental address book information prior to creating the file.

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## Adding Supplemental Address Book Information (P0091)

You can use the Address Book Additional Information program to view, add, change, and delete address information for the tapes.

## To view address book information

You can view, add, change, and delete address information in F00900.

You can view information in the file in either of two ways:

- Use the roll keys to scroll through all information
- Inquire on specific records

On Address Book Additional Info

1. Complete the following fields:

- Action Code
- Address Number

2. Press Enter

## Creating File for Tape

This DREAM writer program has five processing options. They identify the current year for processing, address book information, and supplier (or customer) master information. For example, they indicate which line in the address book is used for the continuation of the name and address, the person/corporate code, and tape density. Tape density can be 800, 1600, or 6250 BPI.

## Coping File to Tape

After you create a file, you can copy the file to the tape. This screen has two fields. One identifies tape density and the second identifies the tape drive. The tape density you specify on this screen *must* match the density you specified earlier when you created the file.

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**Note:** Before you use this screen, insert a tape in the tape drive.

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## A/P Year-End Report

Each year, Italian companies print IVA supplier totals on the Supplier IVA Form (P00917). The information on this form must be summarized. This summary must include the tax identification number of the supplier. When two customers have the same tax identification number, that is, when a parent company has several subsidiaries, you must enter all addresses on the same supplier record.

Other required information on the summary includes:

- The supplier name (address book line #1 or the parent and the address book line from P.O. #2)
- The street (address book line from P.O. #3)
- The postal code
- The city (the last non-blank address book line)
- The province
- The tax identification number
- The total taxable amount of vouchers for the current year
- The total taxable amount of vouchers for the previous year
- The total tax amount of vouchers for the current year
- The total tax amount of vouchers for the previous year
- The total non-taxable amount of vouchers for the current year
- The total non-taxable amount of vouchers for the previous year

## DREAM Writer Considerations

Consideration	Definition
Processing option 1	Enter the current year. This determines what the system calculates in the current year and what the system calculates for the previous year.
Processing option 2	Enter any additional name information on the address book line.
Processing option 3	Enter the street where your customer is located on the address book line.

Consideration	Definition
Processing option 4	<p>Determine what company information to print on the top of the form including:</p> <ul style="list-style-type: none"><li>▪ Person/corporate code (2 characters)</li><li>▪ Company/business (5 characters)</li><li>▪ Business description (25 characters)</li></ul> <p><b>Note:</b> You determine whether the system prints a supplier or customer information type in Data Selection.</p>



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# Japanese Consumption Tax Activities

## About Japanese Consumption Tax

Generally, day-to-day activities for Japan are the same as those for other countries. The consumption tax calculations (VAT calculations), automatic accounting instructions, general ledger accounting, and so on are the same.

Day-to-day activities for Japan and those for other countries differ because Japanese tax authorities require tax reporting by categories of business operations (generally broad categories in the income and expense accounts). For taxes in Japan you must:

- You must upload information to the Consumption Tax file (F00189). This file is necessary for all consumption tax reports. The Tax Work file (F0018) that is used for other VAT reports is insufficient because it does not include information at an account level. The Account Ledger file (F0911) is also insufficient because it does not contain tax information.

F00189 is a file that contains information from F0018 (transactions with tax explanation code, tax rate/area, tax authority, taxable amount, tax amount, non-taxable amount, and so on) and F0911 (transactions with account-level information).

- You need to balance the Consumption Tax file if there are data errors. For system-generated entries, everything should balance. For manually-generated entries (such as journal entries where you must enter a pay item), there may be data entry errors creating an imbalance. There may be an imbalance between F0018 and F0911 files for the same document number, document type, and pay item, for example.

## Upload Information to F00189 for Reports



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **Japanese Consumption Tax**  
From the Japanese Consumption Tax menu (G00212), choose **Build Consumption Tax Workfile**.

This DREAM Writer program (P00189) builds the Consumption Tax file (F00189) from information in the Tax Work file (F0018) and the Account Ledger file (F0911). To build the file, the program prorates information as shown below.

### Balanced Example

F0018:

Order Number	Order Type	Pay Item	Taxable	Non-Taxable	Tax
123	PV	001	500	0	50
123	PV	002	2000	0	200

F0911:

Document Number	Doc Type	Pay Item	Account	Amount
123	PV	001	1111-1	200
123	PV	001	2222-2	300
123	PV	002	3333-3	500
123	PV	002	4444-4	600
123	PV	002	5555-5	900

F00189:

Document Number	Doc Type	Pay Item	Account	Taxable	Non-Taxable	Tax
123	PV	001	1111-1	200	0	20
123	PV	001	2222-2	300	0	30
123	PV	002	3333-3	500	0	50
123	PV	002	4444-4	600	0	60
123	PV	002	5555-5	900	0	90

The tax information from each F0018 record is distributed to F00189 according to the corresponding F0911 accounts' percentage of the pay item total.

An example for document 123, document type PV, pay item 001 is shown below.

F0018 has \$50 tax for pay item 001

F0911 has two accounts (1111-1 and 2222-2) for pay item 001

Account 1111-1 is 40% of the pay item total ( $200/500 = .40$ )

Account 2222-2 is 60% of the pay item total ( $300/500 = .60$ )

F00189 has two accounts (1111-1 and 2222-2) for pay item 001

Account 1111-1 has \$20 tax ( $.40 \times 50 = 20$ )

Account 2222-2 has \$30 tax ( $.60 \times 50 = 30$ )

### Unbalanced Example

For system-generated entries, the workfile will always balance. For manual entries, (such as journal entries where you must enter a pay item), there may be data errors

and the workfile may not balance for the document number, document type, and pay item. There are two types of data errors:

- The F0018 amount for the pay item exceeds the F0911 pay item amount. For this data error, the system creates a balancing entry in F00189 that has a blank account number. The example below shows an unbalanced taxable amount for \$200 and an unbalanced tax for \$18.
- The F0911 pay item amount exceeds the F0018 amount for the pay item. For this data error, the system creates a balancing entry in F00189 and lists the amount in a field called Unbalanced Tax. The example below shows an unbalanced taxable amount for \$200.

F0018:

Order Number	Order Type	Pay Item	Taxable	Non-Taxable	Tax
2794	RI	000	1000	0	90
2794	RI	001	2000	0	180
2794	RI	002	3000	0	270

F0911:

Document Number	Doc Type	Pay Item	Account	Amount
2794	RI	000	1111-1	800
2794	RI	001	2222-2	1200
2794	RI	001	3333-3	1000
2794	RI	002	4444-4	2000
2794	RI	002	1111-1	900
2794	RI	002	2222-2	100

F00189:

Document Number	Doc Type	Pay Item	Account	Taxable	Tax	Unbal Taxable	Unbal Tax
2794	RI	000	1111-1	800	72		
2794	RI	000				200	18
2794	RI	001	2222-2	1200	108		
2794	RI	001	3333-3	800	72	200	
2794	RI	002	4444-4	2000	180		
2794	RI	002	1111-1	900	81		
2794	RI	002	2222-2	100	9		

You can analyze both types of errors with the World Writer Consumption Tax Workfile Edit Report and correct them with the Direct Workfile Adjustment screen.

## Consumption Tax Workfile Edit Report

The system automatically prints this report if the information in the Tax Work file (F0018) and the Account Ledger file (F0911) do not balance.

00189		J.D. Edwards & Company					Page - . . . 1	
							Date - . . . 2/22/94	
The following records from Consumption Tax work file F00189 are out of balance								
Or Ty	Order Number	Pay Its	Taxable Amount	Non-Taxable Amount	Tax Amount	Un-Balanced Taxable	Un-Balanced Tax	G/L Date
-----								
RI	321654 01218 000		88.38-		11.70-	11.70-		05/01/94
	From F0911			Business Unit.	1218	Obj. . . 1215	Sub. . .	
RI	321654 01218 001		132.45-		17.55-	17.55-		05/01/94
	From F0911			Business Unit.	1218	Obj. . . 1218	Sub. . .	
RI	321654 01218 002		176.60-		23.40-	23.40-		05/01/94
	From F0911			Business Unit.	1218	Obj. . . 1222	Sub. . .	
RI	321654 01218 003		44.15-		5.85-	5.85-		05/01/94
	From F0911			Business Unit.	1218	Obj. . . 1224	Sub. . .	

The report above shows some examples where the F0911 pay item amount exceeds the F0018 amount for the pay item. The system creates a balancing entry in F00189 that has a blank account number and the description *From F0911*.

If the system prints the Review the Consumption Tax Workfile Edit Report, correct the unbalanced amounts as described below with the Direct Workfile Adjustment screen.

## Update Information in F00189 for Reports



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), select **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), select **Japanese Consumption Tax**  
 From the Japanese Consumption Tax menu (G00212), select **Direct Workfile Adjustment**

You can use the Direct Workfile Adjustment program (P00108) to review or change an existing document in the F00189 file. You cannot use it to add or delete documents.

The program shows data errors as follows:

- If the F0018 amount for the pay item exceeds the F0911 pay item amount, then the system creates a balancing entry in F00189 that has a blank account number. The Remark field is *From F0018*.
- If the F0911 pay item amount exceeds the F0018 amount for the pay item, then the system creates a balancing entry in F00189 and identifies the amount in the Un-balanced Tax field. The Remark field is *From F0911*.

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Error	Description / Resolution
From F0018	<p>If the F0018 amount for the pay item exceeds the F0911 pay item amount, then the system creates a balancing entry in F00189 that has a blank account number.</p> <p>To correct an imbalance when F0018 exceeds the F0911 pay item amount, correct the amount for the non-blank account numbers and then blank out the entry without an account number. For pay item 000 on the screen above, for example, change the Taxable Amount field to \$1000, change the Tax Amount field to \$90, and blank out the Un-Balanced Taxable and Un-Balanced Tax fields.</p>
From F0911	<p>If the F0911 pay item amount exceeds the F0018 amount for the pay item, then the system creates a balancing entry in F00189 and identifies the amount in the Un-balanced Tax field.</p> <p>To correct an imbalance when F0911 exceeds the F0018 pay item amount, correct the amount. For pay item 001 on the screen above, for example, change the Taxable Amount field to \$1000, manually calculate the tax, change the Tax Amount field, and then blank out the Un-Balanced Taxable field.</p>



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# Date Translation Generation

Date translation generation is useful when you use World Writer to print date information from the database.

With Date Translation Generation (P00365) you create a file that contains different date formats. These formats are derived from the Julian date used by the system. For example, when you run a date translation generation, a system date of 010131 appears in the following formats:

Date	Format
Month	01
Day	31
Year	01
Century	20
System Date	01/31/01
Month Name	January
Date Text	January 31, 2001





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## 4 Tax Report



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# Overview to Tax Report

## Before You Run Reports

For all tax reports, you must perform the following actions to ensure that all transactions are in the Tax Work file (F0018). For more information, see the chapters *Posting for A/P, A/R, Purchase Orders, Sales Orders* and *Tax Work File*.

- For A/P vouchers and A/R invoices, you must ensure that the processing options for the post are set to update the Tax Work file.
- For purchase orders, the Tax Work file is updated after you post vouchers. (The purchase order vouchers were transferred to the A/P voucher file after you used the Voucher Entry with Receipts Match program.)
- For sales orders, the Tax Work file is updated after you post invoices.
- For journal entries, the Tax Work file is automatically updated after you enter a journal entry with the Journal Entry with VAT Tax program.

For the European Union Instrastat report, you must ensure that all transactions are in the Tax Work file and also upload information to the Extra Tax File Adjustment file (F0018T). For more information, see the chapter *European Union Activities*.

For the Japanese consumption tax reports, you must ensure that all transactions are in the Tax Work file and also upload information to the Consumption Tax file (F00189). For more information, see the chapter *Japanese Consumption Tax Activities*.

## Reports

### General Reports

Report	Description
Use/VAT Tax Report	This report can be generated at a detail or a summary level. For each tax rate/area, the report lists tax information such as gross amount, taxable amount, and tax.
Sales Tax Reports	This menu option automatically generates three reports: the Sales/VAT Tax Detail Report by Company, the Sales/VAT Tax Authority Report Summary by Company, and the Sales/VAT Tax Authority Report Detail by Sales Order.

Report	Description
VAT Journal Report	This report can be generated for sales orders, for purchase orders, or for both sales and purchase orders. The report lists information in a user-defined format. You can define up to five column headings and each column can include up to 12 tax rate/areas. You can also control whether the columns lists tax amounts or taxable amounts.
VAT Exceptions Report	For each tax authority, the report lists any differences between the user-entered VAT/GST amount and the system-calculated VAT/GST amount.

## Canadian Tax Report

Report	Description
GST and PST Tax Report	This 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.

## European Union Tax Reports

Report	Description
EU Sales Listing	This report is required in some countries and must be submitted quarterly if your company exceeds the threshold of intra-community trade as defined by each country's tax authority. The report lists the customer by VAT number, country of destination, and the total amount in local currency.
EU Intrastat Reports	These statistical reports list details about product dispatches and arrivals among the EU countries. They are submitted to the customs tax authorities on a monthly basis if your company exceeds the intra-community trade limits set in your country. In addition to the standard intrastat reports, there are formats specifically for Belgium, France, the United Kingdom, and Germany.

## Italian Tax Reports

These reports list the same VAT information. The differences among the reports are the way information is sequenced. Reports include the following:

Report	Description
IVA by Tax Area Code	This report is required in some countries and must be submitted quarterly if your company exceeds the threshold of intra-community trade as defined by each country's tax authority. The report lists the customer by VAT number, country of destination, and the total amount in local currency.
Monthly IVA Reports	There are two versions of this report. One lists A/R transactions and the other lists A/P transactions.
Annual IVA Control Reports	There are three versions of this report. One is for suppliers, one for customers, and one for customs authorities.
Annual IVA Forms	There are two versions of this preprinted form. One summarizes voucher information by supplier number and the other summarizes invoice information by customer number.

## Japanese Consumption Tax Reports

JD Edwards World does not provide these reports. Because government requirements vary widely, you must create these reports using World Writer and the Consumption Tax file (F00189).



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# Use/VAT Tax Reports

## About Use/Vat Tax Reports

This report lists tax information by tax rate/area and tax explanation code. You can print either a detail or a summary level report and you can print all tax explanation codes or just the V (VAT/GST) tax explanation code.

The detail report lists each transaction and, for each tax rate/area, totals the taxes, the taxable amounts, and the non-taxable and tax-exempt amounts. The summary report lists only the totals.

## Use/VAT Tax Report (P0018P)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose Tax Processing & Reporting  
From the Tax Processing & Reporting menu (G0021), choose Use/Vat Tax.

This report has four versions. You can print all tax explanation codes or only the V (VAT/GST) tax explanation code and you can print transactions in a detail or summary format. The following reports show all tax explanation codes.

Versions include:

- Version XJDE0001 lists all transactions in detail and includes all tax explanation codes. This report was shown earlier in this chapter.
- Version XJDE0002 summarizes all transactions and includes all tax explanation codes. This report was shown earlier in this chapter.
- Version XJDE0003 lists transactions in detail and includes only V tax explanation codes (VAT/GST).
- Version XJDE0004 summarizes the transactions and includes only V tax explanation codes.

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**Note:** The following reports show all tax explanation codes.

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## Detail Report

00189	J.D. Edwards & Company										Page	=	2
99993 - A Model Company	Tax Detail Report										Date	=	2/28/94
Tax Area							Document		Dates		T Address		
Rate Code	Description	Gross Amount	Taxable Amount	Tax		Number	Ty	Co.	Its	Service	Q/L	Ex C Number	
CBTL	GST/PST, 2% Non R	267.50-	250.00-	17.50-		26 RI 99993	000	02/28/94	01/28/94	C		2727	
	Tax Rate/Area	267.50-	250.00-	17.50-									
CBT	GST/PST Tax on Ta	110.21-	100.00-	10.21-		25 RI 99993	000	02/28/94	01/28/94	C		2727	
	Tax Rate/Area	110.21-	100.00-	10.21-									
CO	Colorado State &	6,886.00-	6,500.00-	386.00-		21 RI 99993	000	02/26/94	01/26/94	E		2727	
CO	Colorado State &	2,675.00-	2,500.00-	175.00-		24 RI 99993	000	02/28/94	01/28/94	E		2727	
	Tax Rate/Area	8,561.00-	8,000.00-	560.00-									
CAN	GST/PST Tax	222.00-	200.00-	22.00-		23 RI 99993	000	01/28/94	02/28/94	C		2727	
	Tax Rate/Area	222.00-	200.00-	22.00-									
BE14	Belgium - VAT Rat	176.25-	150.00-	26.25-		22 RI 99993	000	02/25/94	01/25/94	V		4001	
	Tax Rate/Area	176.25-	150.00-	26.25-									
	Invoice	8,335.96-	8,700.00-	635.96-									
CBTL	GST/PST, 2% Non R	2,195.29	2,110.06	147.76		15 DV 99993	001	02/28/94	02/28/94	E		2727	
	Tax Rate/Area	2,210.62	2,110.06	147.76									
CO	Colorado State &	1,007.75				16 DV 99993	001	02/28/94	02/28/94	E		2727	
	Non-Taxable Amount	-		1,007.75									
CO	Colorado State &	107.00	100.00	7.00		1 DV 99993	001	02/25/94	01/25/94	E		2727	
CO	Colorado State &	159.06	150.00	10.00-		10 DV 99993	001	02/25/94	02/25/94	V		2727	
CO	Colorado State &	251.10	248.59	17.40-		13 DV 99993	001	02/28/94	02/28/94	V		2727	
	Tax Rate/Area	1,485.49	498.64	20.90-		Total Non-Taxable		-	1,007.75				
CAN	GST/PST TAX	2,149.46	1,981.72	217.99		12 DV 99993	001	02/28/94	02/28/94	E		1002	
	Non-Taxable Amount	-		20.02									
	Tax Rate/Area	2,219.73	1,981.72	217.99		Total Non-Taxable		-	20.02				
BE15	VAT Rate - Tax on	472.43	402.07	70.36		14 DV 99993	001	02/28/94	02/28/94	V		2727	
	Tax Rate/Area	472.43	402.07	70.36									
BE14	Belgium - VAT Rat	235.20	200.17	35.03		11 DV 99993	001	02/25/94	02/25/94	V		2014	
	Tax Rate/Area	235.20	200.17	35.03									
	Voucher	6,671.47	5,193.46	450.24		Total Non-Taxable		-	1,027.77				
	A Model Company	2,664.49-	3,506.54-	185.72-		Total Non-Taxable		-	1,027.77				
	Grand Total	2,664.49-	3,506.54-	185.72-		Total Non-Taxable		-	1,027.77				

**Note:** An \* (asterisk) in the TO (Tax Override) field indicates that VAT/GST has been overridden.

## Summary Report

The fields on the detail and summary formats are almost the same. The summary report, however, has one additional field. The Tax Variance amount identifies the difference between the user-entered tax amount and the system-calculated tax amount.



001001	J.D. Edwards & Company				Page	-	2
39993 - A Model Company	Tax Summary Report				Date	=	2/28/94
Rate Code	Description	Gross Amount	Taxable Amount	Tax	Non-Taxable Amt	Ex	Tax Variance Amount
ONT1	GST/PST, 24 Non Recoverable		250.00-	17.50-			
	GST/PST, 24 Non Recoverable	267.50-	250.00-	17.50-			
ONT1	GST/PST, 24 Non Recoverable		100.00-	10.21-		C	
	GST/PST Tax on Tax	110.21-	100.00-	10.21-			
ONT	GST/PST Tax on Tax		5,590.00-	385.00-		C	
CO	Colorado State & Regional Tax		2,590.08-	175.00-		S	
	Colorado State & Regional Tax	8,540.00-	8,000.00-	540.00-			
CO	Colorado State & Regional Tax		100.00-	22.00-		S	
	GST/PST Tax	222.00-	200.00-	22.00-			
CAN	GST/PST Tax		150.00-	26.25-		C	
	Belgium - VAT Rate	176.25-	150.00-	26.25-			
	Invoice	9,335.96-	8,700.00-	635.96-			
BE14	Belgium - VAT Rate		2,110.86	147.76		Y	
	GST/PST, 24 Non Recoverable	2,258.62	2,110.86	147.76			
ONT1	GST/PST, 24 Non Recoverable				1,037.75	B	
CO	Colorado State & Regional Tax		100.00	7.00		S	
CO	Colorado State & Regional Tax		150.00	16.50-		S	
CO	Colorado State & Regional Tax		248.53	17.40-		U	
	Colorado State & Regional Tax	1,485.45	498.64	20.50-	1,807.75		
CO	Colorado State & Regional Tax		1,981.72	217.99	20.02	U	
	GST/PST Tax	2,219.73	1,981.72	217.99	20.02		
CAN	GST/PST Tax		402.07	70.36		B	
	VAT Rate - Tax on Tax	472.43	402.07	70.36			
BE15	VAT Rate - Tax on Tax		380.17	36.03		Y	
BE14	Belgium - VAT Rate		1,007.75	185.00		Y	8.64
	Belgium - VAT Rate	1,427.95	1,207.92	220.03			8.64
	Voucher	7,864.22	6,201.21	635.24	1,827.77		8.64
	A Model Company	1,471.74-	2,498.78-	.72-	1,827.77		8.64
	Grand Total -	1,471.74-	2,498.78-	.72-	1,827.77		8.64

## What You Should Know About

### Tax Work file

The report lists tax information for each transaction in the Tax Work file. To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately.

## See Also

- For more information, review the chapters *Posting for A/P*, *A/R*, *Purchase Orders*, *Sales Orders* and *Tax Work File*.



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# Sales Tax Reports

## About Sales Tax Reports

The information on this report contains actual tax data by Company and Order Type for each Tax Rate/Area. This report lists tax information from the Tax Detail file (F0018) based on DREAM Writer selection and sequencing.

This program also automatically prints two other tax reports:

- Tax Summary by Tax Authority (P0018P3)
- Tax Detail by Tax Authority (P0018P5)

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**Note:** Processing options are provided to select the DREAM Writer version for each of these reports.

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To print these two reports, the system automatically executes the Tax Authority Report – Workfile Build program (P0018P4) to refresh two workfiles. The Sales Tax Workfile by Tax Authority (F0028) is refreshed before printing the Tax Summary by Tax Authority report. The Sales Tax Workfile by Tax Authority and Document (F0029) is refreshed before printing the Tax Detail by Tax Authority report.

## Sales Tax Reports



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), choose **Sales Tax**.

### Sales/VAT Tax Authority Report by Company

001093		J.D. Edwards & Company		Page	- 2
A Model Distribution Company		Sales/VAT Tax Authority Report		Date	- 6/10/92
Employee, Oregon		Summary by Company			
Tax Auth	Description/Rate	Sales/Returns	Taxable/Non-Taxable	Tax Exempt	Tax Amount
1001 J.D Edwards & Company	5.000	3,695.00	3,500.00		150.00
	Tax Authority	3,695.00	3,500.00		150.00
1002 Edwards & Edwards	3.000	3,680.00	5,000.00	1,500.00	105.00
	Tax Authority	3,680.00	5,000.00	1,500.00	105.00
	Employee, Oregon	7,375.00	8,500.00	1,500.00	255.00
	A Model Distribution Company	7,375.00	8,500.00	1,500.00	255.00
	Grand Total -	7,375.00	8,500.00	1,500.00	255.00

## Sales/VAT Tax Detail Report by Company

001892		J.D. Edwards & Company										Page	-	3
99993 - A Model Company		Sales/VAT Tax Detail Report										Date	-	2/28/94
		By Company												
Tax Area	Rate	Ex	Taxable Amount	Tax	Non-Taxable Tax-Exempt	Document Ty	Number	Item	Company	Dates GL/Grvc	Trans	Address Number		
CO	7.000	U Self-Asses	150.05	10.50-		FV	10	001	99993	02/25/94	02/25/94	2727		
CO	7.000	U Self-Asses	248.59	17.40-		FV	13	001	99993	02/25/94	02/28/94	2727		
Tax Rate/Area. . . . .			498.64	20.90-	1,007.75									
CAN	11.000	E Value Adde	1,981.72	217.99	20.02	FV	12	001	99993	02/28/94	02/28/94	1003		
Tax Rate/Area. . . . .			1,981.72	217.99	20.02									
BE15	17.500	V Value Adde	402.07	70.36		FV	14	001	99993	02/28/94	02/28/94	2727		
Tax Rate/Area. . . . .			402.07	70.36										
BE14	17.500	V Value Adde	200.17	35.03		FV	11	001	99993	02/25/94	02/25/94	2014		
BE14	17.500	V Value Adde	1,007.75	186.06		FV	19	001	99993	02/28/94	02/28/94	2727		
Tax Rate/Area. . . . .			1,207.92	220.03										
Voucher			4,203.21	636.24	20.02	1,007.75								
A Model Company			9,498.79-	590.72-	20.02	1,007.75								
Grand Total -			9,498.79-	590.72-	20.02	1,007.75								

## Sales/VAT Tax Authority Report by Sales Order

001895		J.D. Edwards & Company			Page	-	2
SALES/VAT Tax Authority Report		Date - 6/10/92					
J.D. Edwards & Company							
Detail by Sales Order							
Order No	Tax Authority / Rate	Sales>Returns	Taxable/Non-Taxable	Tax Exempt	Tax Amount		
28433	J.D. Edwards & Company	1,050.00	1,000.00		50.00		
5.000							
28450	J.D. Edwards & Company	525.00	500.00		25.00		
5.000							
28468	J.D. Edwards & Company	1,080.00	1,000.00		50.00		
5.000							
28476	J.D. Edwards & Company	540.00	500.00		25.00		
5.000							
28484	J.D. Edwards & Company	500.00	500.00				
5.000							
Tax Authority		3,695.00	3,500.00		150.00		

001825		J.D. Edwards & Company		Page - 3	
SALES/VAT Tax Authority Report		Date - 4/10/92			
Edwards & Edwards					
Detail by Sales Order					
Order No	Tax Authority / Rate	Sales/Returns	Taxable/Non-Taxable	Tax Exempt	Tax Amount
28468 Edwards & Edwards 3.000		1,080.00	1,000.00		30.00
28476 Edwards & Edwards 3.000		840.00	800.00		25.00
28484 Edwards & Edwards 3.000			800.00	800.00	
28492 Edwards & Edwards 3.000		1,030.00	1,000.00		30.00
28505 Edwards & Edwards 3.000		1,030.00	1,000.00		30.00
28513 Edwards & Edwards 3.000			1,000.00	1,000.00	
Tax Authority		3,680.00	8,000.00	1,800.00	185.00
Employee, Oregon		7,375.00	8,500.00	1,500.00	255.00
A Model Distribution Company		7,375.00	8,500.00	1,500.00	255.00
Grand Total -		7,375.00	8,500.00	1,500.00	255.00

## What You Should Know About

### Processing Options

The reports list tax information for each transaction in the Tax Work file. To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately.

Two processing options are provided to select the DREAM Writer versions for the Tax Summary by Tax Authority (P0018P3) and Tax Detail by Tax Authority (P0018P5) reports. If a version is not specified, JD Edwards World demo version ZJDE0001 will be used.

### Data Selection

Optional selections are provided by selecting on any field in the Tax Detail file (F0018).

**Note:** The most common selection is Print \*NE Y

### Report Sequence

The selected codes can be sorted by any field in the Tax Detail file (F0018). The most common sort is by:

- Company
- Order Type
- Tax Rate Area

## See Also

- For more information, review the chapters *Posting for A/P, A/R, Purchase Orders, Sales Orders and Tax Work File*

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# VAT Journal Reports

## About VAT Journal Reports

You can use JD Edwards World software to track and reconcile VAT by revenue and expense account by classifying each transaction as taxable or non-taxable. You can also give various reasons for the classification of each transaction.

The system stores the tax information for transactions in the Sales/Use/VAT Tax table (F0018). Run the VAT Journal program to print a VAT report. The VAT report includes all of the records in the Sales/Use/VAT Tax table that meet your data selections and processing option criteria.

You can customize the tax information that prints on VAT reports by defining up to five columns of tax information from the Sales/Use/VAT Tax table. Each column can represent up to twelve different Tax Rate and Areas. You can also specify whether a column contains taxable or tax amounts.

## VAT Journal



From the Master Directory menu (G), type **29**  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **VAT Journals**

This report has three versions. You can print:

- VAT taxes for sales
- VAT taxes for purchases
- VAT taxes for both sales and purchases

Version	Description
XJDE0001	Lists transactions in the VAT journal. This report was shown earlier in this chapter and lists all document types with V, V+, and VT tax explanation codes.
XJDE0002	Lists transactions in the sales journal. It lists only sales and receivable document types (SO and RI) with V, V+, and VT tax explanation codes.
XJDE0003	Lists transactions in the purchase journal. It lists only payable document types (PV) with V, V+, and VT tax explanation codes.

The following report shows VAT for both sales and purchases.

00320	J.D. Edwards & Company VAT Journal						Page No. 1 Date - 03/15/98.
Company 00000 J.D. Edwards & Company VAT Registration Number							
From	To						
Document D	Batch B	Q/L	Address	Name	Gross	Taxable	
Number T	Number T	Date	Number		Amount	Amount	
						Total VAT	
						Amount	
						French Area1	
						Tax/Taxable	
						French Area2	
						Tax/Taxable	
3	PV	26093 V	08/05/98	7002 JDE France	88,000.00	78,571.43	
4	PV	26093 V	08/05/98	7002 JDE France	9,900.00	8,319.33	
5	PV	26093 V	08/05/98	7002 JDE France	45,688.88	38,325.33	
6	PV	26093 V	08/05/98	7004 European Motors	7,990.00	7,044.64	
7	PV	26093 V	08/07/98	7004 European Motors	123,456.45	103,744.92	
8	PV	26093 V	08/07/98	7004 European Motors	7,897,878.90	6,636,873.83	
9	PV	26093 V	08/08/98	7005 De Vyd. S.A./N.V.	454,560.00	405,857.14	
10	PV	26093 V	08/08/98	7005 De Vyd. S.A./N.V.	789,000.00	683,025.21	
11	PV	26093 V	08/08/98	7005 De Vyd. S.A./N.V.	7,894,568.88	6,634,084.03	
12	PV	26098 V	08/08/98	7002 JDE France	88,000.00	78,571.43	
13	PV	26098 V	08/08/98	7002 JDE France	9,988.88	8,319.33	
14	PV	26098 V	08/08/98	7002 JDE France	45,600.00	38,319.33	
15	PV	26098 V	08/08/98	7004 European Motors	7,890.00	7,044.64	
16	PV	26098 V	08/08/98	7004 European Motors	123,456.45	103,744.92	
17	PV	26098 V	08/07/98	7004 European Motors	7,897,878.90	6,636,873.83	
18	PV	26098 V	08/08/98	7005 De Vyd. S.A./N.V.	454,560.00	405,857.14	
19	PV	26098 V	08/08/98	7005 De Vyd. S.A./N.V.	789,000.00	683,025.21	
20	PV	26098 V	08/08/98	7005 De Vyd. S.A./N.V.	7,894,560.00	6,634,084.03	
21	PV	26098 V	08/08/98	7005 De Vyd. S.A./N.V.	7,894,560.00	6,634,084.03	
Voucher					35,410,690.70	29,814,703.33	
						5,595,987.37	
						29,330,544.76	
						484,158.57	
146	RI	26080 I	08/01/98	7001 JDE Europe	100.00-	89.29-	
147	RI	26080 I	08/01/98	7001 JDE Europe	200.00-	178.58-	
148	RI	26080 I	08/01/98	7001 JDE Europe	300.00-	252.10-	
149	RI	26080 I	08/02/98	7000 Eurocart	4,000.00-	4,000.00-	
150	RI	26080 I	08/02/98	7000 Eurocart	5,950.00-	5,000.00-	
151	RI	26080 I	08/02/98	7000 Eurocart	5,950.00-	5,000.00-	
152	RI	26080 I	08/02/98	7006 International Tra	5,950.00-	5,000.00-	
153	RI	26080 I	08/02/98	7007 International Int	5,950.00-	5,000.00-	
154	RI	26080 I	08/02/98	7007 International Int	67,200.00-	60,000.00-	
155	RI	26080 I	08/02/98	7006 International Tra	83,300.00-	70,000.00-	
Invoice					179,380.00-	154,509.46-	
						24,870.54-	
						94,509.46-	
						60,000.00-	
A Model Multi-National Company					35,231,310.70	29,660,193.87	
						5,571,116.83	
						29,235,756.48-	
						428,428.57-	

## What You Should Know About

### Tax on sales or purchases

You can print VAT reports to review the taxes on sales or the taxes on purchases.

To specify taxes on sales or purchases, include Document Type in the data selection. For example, to print a VAT report for purchases, specify Document Type PV

### Multiple currencies

If you print a VAT report that includes multiple currencies, the system does not print a grand total. To see grand total amounts, print separate VAT.

### Unspecified tax rate/area

If you have a transaction in a tax rate/area that is not included in one of the five columns you specified, the system prints the transaction and leaves the columns blank. Generally, this indicates that you have not set up your columns accurately or that your DREAM Writer data selections are not set up correctly.

### Processing options

The report lists tax information for each transaction in the Tax Work file. To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately. For more information, review the chapters *Posting for A/P*, *A/R*, *Purchase Orders*, *Sales Orders* and *Tax Work File*.

### Column headings

To change or define the column headings, add or copy a new version of the report. As part of the version setup, you will define your column headings and select your tax rate/areas on the Consolidating Values Input page.

## See Also

- For more information, review the chapters *Posting for A/P*, *A/R*, *Purchase Orders*, *Sales Orders* and *Tax Work File*



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# VAT Exception Reports

## About VAT Exception Reports

The VAT Exception Report prints the detail information of the VAT tax variances in the Tax Detail file (F0018) based on DREAM Writer selection and sequencing. The information on this report contains actual tax data by Company and Order Type for each Tax Rate/Area.

The Tax Summary Report has a column to print Tax Variance Amounts for VAT tax (Tax Explanation Code if 'V'). For every Tax Rate/Area, there is an amount which is the total of the Tax Variance of all records. The VAT Exception report provides the detail to support these totals.

## VAT Exception Report (P0018P7)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **VAT Exceptions**.

0018P7		J.D. Edwards & Company				Page N 2		
		VAT Exception Report				Date - 2/28/94		
		by Tax Area						
Tax Rate		EE14		Belgium - VAT Rate				
Document Number	Document Tp/ Co.	Expl Code	G/L Date	Taxable Amount	VAT Amount	Calculated VAT	Variance Amount	Variance %
11	PV 99993	V	02/25/94	200.17	35.03	35.03		
22	RI 99993	V	02/25/94	150.00-	26.25-	26.25-		
19	PV 99993	V	02/28/94	1,007.75	185.00	176.36	8.64	.8
Tax Rate/Area. . . . .				1,057.92	193.78	185.14	8.64	

Field	Explanation
VAT Amount	Identifies the amount of VAT/GST the user entered for the transaction.
Calculated VAT	Identifies the amount of VAT/GST the system calculated for the transaction.
Variance Amount	Identifies the difference between user and system amounts.
Variance %	field indicates the percentage difference between the user and system amounts.

## What You Should Know About

<b>Source of Report Information</b>	The report lists tax information for each transaction in the Tax Work file. To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately.
<b>F0018 Fields Updated</b>	The post program updates the tax variance amount (TXVA). It also updates the override tax amount flag (OVTX) in F0018 with an * (asterisk) if the user-entered amount differs from the system-calculated amount. The VAT Exception report updates the percentage variance amount (TXVR).
<b>Print Exceptions Only.</b>	To print only the exceptions, on the Dream Writer Data Selection screen, specify a tax variance amount (TXVA) equal to zero.
<b>Data Selection</b>	<p>Optional selections are provided by selecting on any field in the Tax Detail file (F0018).</p> <p>The most common selection is:</p> <ul style="list-style-type: none"><li>▪ Tax Explanation = V</li></ul>
<b>Report Sequence</b>	<p>The selected codes can be sorted by any field in the Tax Detail file (F0018). The most common sort is by:</p> <ul style="list-style-type: none"><li>▪ Tax Rate Area</li></ul>

## See Also

- For more information, review the chapters *Posting for A/P, A/R, Purchase Orders, Sales Orders* and *Tax Work File*.

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# Canadian GST and PST Tax Reports

## About Canadian GST and PST Tax Reports

The GST and PST Tax Report lists Canadian tax information from the Tax Detail file (F0018) based on DREAM Writer data selection and sequencing. The information on this report contains actual tax data by Company and Order Type for each Tax Rate/Area.

This program provides a report to separate GST and PST amounts.

## GST and PST Tax Report (P0018P8)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose Tax Processing & Reporting  
From the Tax Processing & Reporting menu (G0021), choose GST/PST Tax

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

- Taxable Amount
- Non-Taxable
- Tax-Exempt
- Tax - GST
- Self-Assessment Tax
- Sales Tax

001858		J.D. Edwards & Company								Page - . . . 3	
		GST and GST Tax Report								Date - . . . 2/28/94	
Document Number	Do Ty	Co.	Item	G/L Date	Co	Ex Taxable Amount	Non-Taxable Tax-Exempt	Tax	GST	Self Assessment Tax	Sales Tax
-----											
Address Number . . . . . 1002											
12	FV	99993	001	02/28/94	B	1,981.72	20.02	217.99	138.72	79.27-	
Value Added - Self-Assess						1,981.72	20.02	217.99	138.72	79.27-	
Edwards & Edwards						1,981.72	20.02	217.99	138.72	79.27-	
-----											
Address Number . . . . . 2014											
11	FV	99993	001	02/25/94	V	200.17		35.03	35.03		
Value Added (input) Tax						200.17		35.03	35.03		
Action Energy						200.17		35.03	35.03		
-----											
Address Number . . . . . 2727											
15	FV	99993	001	02/28/94	B	2,110.86		147.76	82.74	63.33-	
Value Added - Self-Assess						2,110.86		147.76	82.74	63.33-	
23	RI	99993	000	02/28/94	C	200.00-		22.00-	14.00-		8.00-
25	RI	99993	000	02/28/94	C	100.00-		10.21-	7.80-		3.21-
26	RI	99993	000	02/28/94	C	250.00-		17.50-	9.80-		7.50-
Value Added - Sales Tax						550.00-		49.71-	30.80-		10.71-
16	FV	99993	001	02/28/94	E		1,007.75				
Value Added Tax Exempt							1,007.75				
1	FV	99993	001	02/25/94	S	100.00		7.00			7.00
21	RI	99993	000	02/25/94	S	5,500.00-		385.00-			385.00-
24	RI	99993	000	02/28/94	S	2,500.00-		175.00-			175.00-
Sales or VAT (output) Tax						7,900.00-		553.00-			553.00-
10	FV	99993	001	02/25/94	U	150.05		19.50		10.50-	
13	FV	99993	001	02/28/94	U	248.59		17.40		17.40-	
Self-Assessment (use) Tax						398.64		27.90		27.90-	
14	FV	99993	001	02/28/94	V	402.07		79.36	70.36		
Value Added (input) Tax						402.07		79.36	70.36		
Acme Drilling						5,638.43-	1,007.75	354.49-	122.33	91.23-	571.71-
-----											
Address Number . . . . . 4001											
22	RI	99993	000	02/25/94	V	150.00-		26.25-	26.25-		
Value Added (input) Tax						150.00-		26.25-	26.25-		
Ready MIX Co						150.00-		26.25-	26.25-		
Grand Total						3,506.54-	1,027.77	129.92-	269.89	178.50-	571.71-

Field	Explanation
Tax	The sum of GST, self-assessed PST, and seller-assessed PST.
Self-Assessment Tax	The total payable to provincial governments for self-assessed PST.
Sales Tax	The total payable to provincial governments for seller-assessed PST.

## What You Should Know About

### Processing Options

- The first option controls whether the system updates the Print field with a Y so that subsequent reports will not list the previously printed transactions.

**Note:** Your data selection must include the statement Print NE Y.

- Using the Tax Identification option you can print the Tax ID, Additional Company Tax ID, or Additional Individual Tax ID on the report. If left blank, no tax identification prints on the report.
- Using the Self Assessment Taxes option you can print the self assessment (use) taxes as positive amounts instead of negative amounts as found in the Tax Detail file (F0018).

### Transaction in the work file

The report lists tax information for each transaction in the Tax Work file. To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately.

## See Also

- For more information, review the chapters *Posting for A/P, A/R, Purchase Orders, Sales Orders* and *Tax Work File*.



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# European Union Tax Reports

## About European Union Tax Reports

JD Edwards World uses two primary reports for EU tax reporting:

- The EU Sales Listing report
- The Intrastat Reports

The EU Sales Listing report lists the customer by VAT number, country of destination, and the total amount in local currency.

The Intrastat Reports are statistical reports that list details about product dispatches and arrivals among EU countries.

### Before you Begin

Before you generate the EU Sales Listing report or Intrastat reports, verify the following:

- Ensure that all transactions are in the Tax Work file (F0018) by setting the processing options for the post programs appropriately. For more information, see the chapter *Posting for A/P, A/R, Purchase Orders, Sales Orders*.
- For the Intrastat reports, upload sales and purchase order information to the Extra Tax File Adjustment file (F0018T) as described in the chapter *European Union Activities*.

## EU Sales Listing (P0018S)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **EU VAT Processing**  
From the EU VAT Processing menu (G00211), choose **EU Sales Listing**

The report lists the customer by VAT number, country of destination, and the total amount in local currency.

Some countries require you to submit the EU Sales Listing report quarterly if your company exceeds the threshold of intra-community trade as defined by each country's tax authority.

- You must submit the report if you are registered for VAT in an EU country and you:
- Make supplies of goods to a person registered for VAT in another EU country

- Send goods to a person registered for VAT in another EU country for process
- Return goods after processing them to a person registered for VAT in another EU country
- Transfer your goods from your EU country to another EU country in the course of your business.

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**Note:** Ensure that each customer has a VAT registration number and a country code. The processing options in the post program are set to automatically update the Tax Work file (F0018).

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EU Sales Listing

Date - 2/28/94

VAT Registration Number : 94-0745393

Company : 00001 A Model Company

Reporting Period From : 01 / 94

To : 02 / 94

Branch ID :

Telephone : 32 2 647 0800

Telefax : 32 2 647 7992 FAX

Contact Person :


Line Number	Country of Destination	Customers VAT Registration Number	Sales Amount in local Currency
1	FR	123-456-789-0123	15,550.00-
2			150.00-
A Model Company			15,700.00-
Grand Total . . . . .			15,700.00-

Field	Explanation
VAT Registration Number	Number assigned to the supplier or customer or one of your companies for VAT purposes. You assigned this number on either the Supplier Master Information screen or the Customer Master Information screen.
Company	Address book number of the company responsible for submitting VAT reports to the appropriate agencies.
Reporting Period From Reporting Period To	Dates that identify the period for which VAT is due. Reporting Period To is the last month of the quarter. You specify these dates in the processing options.
Branch ID	Field that identifies a branch. You specify information for this field in the processing options. This field is required for some countries.
Telephone 1 and 2	Fields that identify telephone numbers for the company responsible for submitting VAT reports.
Contact Person	Person at the company to contact for additional information.
Line Number	Number the system assigns. Numbering is sequential.



Field	Explanation
Country of Destination	User defined code (system 00, type CN) that identifies the EU country where goods were shipped. If you have not identified a country for the customer or supplier (on the Customer Master Information screen or Supplier Master Information screen), the system uses the country you set up for a blank code (the country specified in the Description-2 field).
Customers VAT Registration Number	VAT registration number assigned to the customer for EU VAT purposes. You assigned this number on either the Customer Master Information screen or Supplier Master Information screen.
Sales Amount in Local Currency	Total value of the goods (excluding VAT).

## Intrastat Reports

	<p>From the Master Directory menu (G), type 29</p> <p>From the General Systems menu (G00), choose <b>Tax Processing &amp; Reporting</b></p> <p>From the Tax Processing &amp; Reporting menu (G0021), choose <b>EU VAT Processing</b></p> <p>From the EU VAT Processing menu (G00211), choose any of the following: <b>EU Intrastat Report</b>, <b>Belgian Format Intrastat</b>, <b>French Format Intrastat</b>, <b>German Format Intrastat</b>, or <b>U.K. Format Intrastat</b> or <b>Austrian Format Intrastat</b></p>
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The Intrastat Reports are statistical reports that list details about product dispatches and arrivals among EU countries. The reports list information in the Tax Work file (F0018) and Extra Tax File Adjustments file (F0018T).

You submit these reports to the customs authorities on a monthly basis if your company exceeds the intra-community trade limits set in your country.

Although the information that is required to appear on the Intrastat report is common for most all European Union members, report formats vary from country to country. JD Edwards World base software includes Intrastat report formats for the following countries:

- Belgium
- France
- Germany
- United Kingdom
- Austria

To print an Intrastat report for a country with different country-specific format requirements, such as Italy, you must create a custom World Writer report or use a specialized software package.

The reports list information in the Tax Work file (F0018) and Extra Tax File Adjustments file (F0018T).

**Note:** You can extract information for the reports from existing databases and move it to the Extra Tax File Adjustments file (F0018T) using two batch programs: The Update Extra Tax File-Sales updates F0018T with information from the Sales Order Detail file (F4211) and The Update Extra Tax File-Purchases updates F0018T with information from the Purchase Order Receiver file (F43121).

You can manually enter information on the Direct Extra Tax File Adjustment screen.

## EU Intrastat Report

This report summarizes products by the Customs Tariff commodity code with the detailed dispatch/arrival information. Information for this report is from the JD Edwards World Sales Order and Procurement Management systems. JD Edwards World provides two versions of this report: one for sales orders and one for purchase orders.

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J.D. Edwards & Company  
EEU Intrastat Tax Report  
Sales Transactions

Page - 2  
Date - 2/28/94

VAT Registration Number : 84-0745393

Company : 99993      A Model Manufacturing Company  
Avenue Louise, 480  
1050 Brussels      EE

Reporting Period : 06 / 98

Branch ID :  
Telephone : 32 2 647 0800  
Telefax : 32 2 647 7992

Line Number	Commodity Code	Country Orig or Destn	Nature of Trans.	Cond of Tran	Mode of Tran	Country of orig.	Values in local currency	Net Mass in KG	Supplemental Units	Statistical Value	VAT Type	Port Exit Entry
1	0208 10 100	FR	10	FOB	3	BE	5,500.00	1,375.0000				
2	0208 10 100	GB	10	FOB	3	BE	150.00	37.5000				
3	0210 11 310	FR	10	FOB	3	BE	200.00	50.0000				
4	2008 20710	DE	10	FOB	3	BE	2,500.00	625.0000				
Totals for							8,350.00	2,087.5000				
Totals for							8,350.00	2,087.5000				
Totals for Company. . . . . 99993							8,350.00	2,087.5000				
Totals for							8,350.00	2,087.5000				

Field	Explanation
VAT Registration Number	Number assigned to the supplier or customer or one of your companies for VAT purposes. You assigned this number on either the Supplier Master Information screen or Customer Master Information screen.
Company	Address book number of the company responsible for submitting VAT reports to the appropriate agencies.
Reporting Period	Date that identifies the period for which VAT is due. You specify this date in the processing options.
Branch ID	Field that identifies a branch. You specify information for this field in the processing options. This field is required for some countries.

Field	Explanation
Telephone 1 and 2	Numbers that identify the telephone number of the company responsible for submitting VAT reports.
Line Number	Number the system assigns. Numbering is sequential.
Commodity Code	<p>User defined code (system 41, type E) that identifies the products dispatched from or arriving in your country. The Description-2 field identifies the EU commodity code that customs authorities require. For more information, see <i>Modify Commodity Codes for EU</i> in the chapter <i>European Union Setup</i>.</p> <p><b>Note:</b> You maintain commodity codes on the Branch/Plant Item Information screen (on menu A411). From that screen, press F5 to access the Branch/Plant Class Codes screen and view the commodity codes.</p>
Country Orig or Destn (Country of Origin or Destination/Dispatch)	User defined code (system 00, type CN) that identifies the EU country where goods originated. For sales orders, this is the country code linked to the ship-to address. For purchase orders, this is the country code linked to the address of the supplier and is from the Purchase Order Receiver file (F43121). In the event of triangulation, you can change the country code on the purchase order header to reflect the true country of origin.
Nature of Trans (Nature of Transaction)	User defined code that identifies whether the movement of goods is for sale, lease, or some other reason. You specify information for this field in the processing options. Some codes (system 41, type S1 to S5) are for sales orders. Others (system 41, type P1 to P5) are for purchase orders.
Cond of Tran (Conditions of Transport)	User defined code (system 42, type FR) that identifies freight information. The Description-2 field, positions 1 to 3, identifies the conditions of transport and how freight is to be paid. For more information, see <i>Modify Commodity Codes (Add Conditions of Transport)</i> and <i>Example for Conditions of Transport and Modes of Transport</i> in the chapter <i>European Union Setup</i> .
Transport Indicator (not labeled on the report)	<p>Code that indicates the status of the goods. This field is required for some countries. Values are:</p> <p>1      Work in process</p> <p>0      Finished goods</p> <p>You specify this information with the Direct Extra Tax File Adjustment screen. The batch programs do not upload this information from the Sales Order and Procurement Management systems.</p>

Field	Explanation
Mode of Tran (Mode of Transport)	User defined code (system 42, type FR) that identifies freight information. The Description-2 field, position 5, identifies the conditions of transport and how freight is to be shipped. For more information, see <i>Modify Commodity Codes (Add Conditions of Transport)</i> and <i>Example for Conditions of Transport and Modes of Transport</i> in the chapter <i>European Union Setup</i> .
Country Orig Origin (Country of Original Origin)	Field that identifies the country in which the goods originated. This information is from the Item Master file (F4101).  <b>Note:</b> You maintain this information on the Branch/Plant Item Information screen (on menu A411).
Values in local currency	Number that identifies the value of the transaction in local currency. This is the invoice price excluding VAT.  For dispatches and sales, this is the price of the item multiplied by the quantity. The unit of measure is also considered for this calculation. For example, the item may be priced by the case but you sold one item. The system calculates the correct taxable value for the sales order line.  For purchasing, this information is from the Match Voucher to Open Receipt screen where the value of the arrival is registered. Conversion to local currency of foreign currency values is at the transaction rate.
Net Mass in KG (Quantity in Kilos)	Quantity specified in the receiver details for purchase orders and in the sales order detail for sales orders. This information is from the Item Master file (F4101) which contains weights and measures information.  <b>Note:</b> You maintain this information with the Primary UOM (Unit of Measure) field on the U/M (Units of Measure) Conversion Information screen (on menu A41324).
Supplemental Units (2nd quantity measure)	Field that identifies a second quantity measure. The system uses supplemental units only if the Net Mass in KG field is zero. The total number of units on the order is calculated.
Statistical Value	Number that identifies the value of the dispatch or arrival that estimates the freight and insurance costs incurred in that country. In France, for example, the statistical value of a dispatch is the cost of freight and insurance up to the port of exit of the country. This is usually a nominal value. This field is required for some countries.  You specify this information with the Direct Extra Tax File Adjustment screen described in the chapter <i>European Union Activities</i> . The batch programs do not upload this information from the Sales Order and Procurement Management systems.

Field	Explanation
VAT Type (Regime Code)	<p>Code that is similar to the Nature of Transaction code. This information is required only for France.</p> <p>You specify this information with the Direct Extra Tax File Adjustment screen described in the chapter <i>European Union Activities</i>. The batch programs do not upload this information from the Sales Order and Procurement Management systems.</p>
Port Exit Entry (Port of Exit or Entry)	<p>For shipments, this field identifies where the goods left the country. For arrivals, this field identifies where the goods entered the country. This can be a city, port, airport, and so on. This information is required for some countries.</p> <p>You specify this information with the Direct Extra Tax File Adjustment screen described in the chapter <i>European Union Activities</i>. The batch programs do not upload this information from the Sales Order and Procurement Management systems.</p>
Region Orig or Destn (Region Origin or Destination)	Field that identifies where goods originated or were shipped. For sales orders, this is the ship-to address. For purchase orders, this is the supplier's address. This information is required for some countries.
Customers VAT Registration	Number assigned to the supplier or customer or one of your companies for VAT purposes. You assigned this number on either the Supplier Master Information screen or Customer Master Information screen. For suppliers, this is from the ship-to address.
Traders Reference	Document number (such as sales order number or purchase order number) that the system assigns. This information is required for some countries.

## EU Intrastat Report (for Purchase Transactions)

The report listing purchase transactions has the same format and processing options as those for sales transactions.

## Belgian Format Intrastat Report

There are two versions of this report, one for imports and the other for exports.

00181B

J. D. Edwards & Co  
INTRASTAT Report - Import - Belgian

Page . 2  
Date - 10/14/94

Ne de T.V.A. : PRIMARY TAX ID

Société : 99991 Test Company Période : 10 / 94  
Test Company  
5052 Colorado Parkway

Centre Cout: 991  
Telephone : 303 555-1100  
Telefax :

No Ligne	Pays de Proven.	Pays de Origine	Mode de Tran.	Port	Nature de Trans.	Code Marchandise	Poids Net en KG	Unité Supplémentaire	Valeurs Statistiques
1	USA	UK	1	SANFEN	70	A118999A	100.0000	10.00	26.25
Total for Country of Origin. . . . USA							100.0000	10.00	26.25
2	Can	Can	4	NEWYRK	90	A12A899	300.0000	20.00	27.00
Total for Country of Origin. . . . Canada							300.0000	20.00	27.00
Total for Company. . . . . Test Company 1							400.0000	30.00	53.25

## French Format Intrastat Report

There are two versions of this report, one for imports and the other for exports.

00181F

J. D. Edwards & Co  
INTRASTAT Report - Import - French

Page - 2  
Date - 10/14/94

Immatriculation TVA : PRIMARY TAX ID

Société : 99991 Test Company Période Déclaration : 10 / 94  
Test Company

Division :

Téléphone : 303 555-1100

Téléfax :

No Ligne	Nomenclature de produit	Pays Dest/ Prov	Valeur fiscale (en Francs)	Régime	Valeur Statistique (en Francs)	Masse Nette en KG	Unités Suppléments.	Nature de Trans.	Cond en Livr	Mode de Trans	Départ de Orig/ origin	Pays Dest	Immatriculation TVA Acquéreur C.E.E
1	A118999A	USA	25.00	AA	26.25	100.0000	10.00	70	FOB	1	PE	UK	123467891011121
Total Country of Origin . . . USA			25.00		26.25	100.0000	10.00						
2	A12A899	Can	300.00	TR	27.00	300.0000	20.00	90	DDP	4	AB	Can	123467891011121
Total Country of Origin . . . Canada			300.00		27.00	300.0000	20.00						
Total Company . . . . . Test Company 1			325.00		53.25	400.0000	30.00						

## U.K. Format Intrastat Report

There are two versions of this report. One is the PPS format and the other SEMDEC Message.

00181E	J. D. Edwards & Co		Page - . . . 2			
	INTRASTAT Report - Import - English		Date - . . . 10/14/94			
Declaration - Arrivals						
Tax ID . . . . .		PRIMARY TAX ID	Business Unit . . . 991			
Test Company						
Test Company						
5052 Colorado Parkway						
Phone Number . . 303		555-1100	Date . . . . . 10/14/94			
			G/L Period Number. 10 / 94			
Line Number	Commodity Code	Value in local Currency	Nature of Deliv. Terms	Net Mass in KG	Supplementa Units	
		CNTY of DESP	Mod of TRN	CNTY of ORIG	No. of CONS	Traders Reference
1	Al18899A	25.00	POB3 70	100.0000	10.00	
		USA	1	UK		22933 80
Country of Origin. USA		25.00		100.0000		
2	Al12A899	300.00	DDP7 90	300.0000	20.00	
		Can	4	Can		4340 CP
Country of Origin. Canada		300.00		300.0000		
Company. . . . .		325.00		400.0000		
Test Company 1						

## German Format Intrastat Report

You can either generate a printed report or a diskette for the German customs authorities. Because the German Intrastat report prints on a preprinted form, it is not shown here.

## Austrian Format Intrastat Report

There are four versions of this report, two for report by import and export and two for diskette for import and export.





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# Italian IVA Tax Reports

## About IVA Reports

The VAT reports (Imposta sul Valore Aggiunto or IVA reports) print on legal forms which have been approved by the tax authorities in Italy.

### Before You Begin

- Files for the IVA by Tax Area Code Report and the Monthly IVA Reports. These reports list tax information for transactions in the Tax Work file (F0018). To ensure that all transactions are in the Tax Work file, set the processing options for the post appropriately.
- Files for the Annual IVA Control Reports, the Annual Supplier IVA Form, and the Annual Customer IVA Form. These reports list tax information in the Annual IVA file (F00900), a file created from the Tax Work file (F0018). Before you run these reports, use the Annual IVA File Build program (P00911) to build F00900. If you find errors on the reports, you can use the Annual IVA File Revision program (P00900) or Address Book Additional Information Control Revisions (P010513) to correct them.

## IVA Reports

### IVA by Tax Area Code (P00400)



From the Master Directory menu (G), type 29  
From the General Systems menu (G00), choose **Tax Processing & Reporting**  
From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**.  
From the Italian IVA Processing menu (G00213), choose **By Tax Area Code**

Use the Processing options to specify a general ledger date range.

00400	J.D. Edwards & Company					Page - . . . 2	
IVA Report by Tax Area Code					Date - . . . 2/21/94		
Italy							
-----							
Tax Area	% IVA	Description	C l i e n t		V e n d o r		
			Taxable Amount	Tax Amount	Taxable Amount	Tax Amount	
-----							
ITAL12	12.000	Italy - 12% IVA rate	6,408,929-	769,071-	98,294,642	11,795,358	
ITAL19	69.000	Italy - 19% IVA 50% non-rec	7,516,807-	1,428,193-	221,320,413	42,050,877	
ITAL19100	19.000	Italy - 19% IVA 100% non-rec	1,525,210-	289,790-	2,661,855,278	505,752,502	
Total			15,450,946-	2,487,054-	2,981,470,333	559,598,737	

## Monthly IVA Reports (P004051)



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**.  
 From the Italian IVA Processing menu (G00213), choose **Monthly IVA Report**

JD Edwards World provides two versions of this report - one for monthly A/R transactions and one for monthly A/P transactions.

One processing option controls if you print the reports in either proof or final mode. JD Edwards World recommends that you always run the reports in proof mode and verify information before you run the reports in final mode and update files. Final mode marks transactions as processed in the Tax Work file (F0018) and does not print them on subsequent reports.

Other options control whether A/R transactions have a negative sign, control formatting (whether report headings and page numbers print) and control whether a blank line is inserted when the tax rate/area changes. When you print on legal forms, omit formatting and blank lines. An option also identifies a general ledger date range. If you leave the dates blank, the system processes information from inception through the current date.

J. D. Edwards & Co MONTHLY A/P VAT REPORT *** FINAL ***											
Voucher Number	Do CL Ty Date	Invoice Number	Invoice Date	Description	Alpha Name	Gross Amount	Taxable Amount	Tax	Tax Amount	Tax Code/Area	Tax Description
1020 PV	02.08.98	IT200	02.08.98	Voucher	JDE France	100.500	84.454	19	16.046	ITA19100	Italy 19%/5% - IVA
1021 PV	03.08.98	IT300	03.08.98	Voucher	European Motors	95.200.000	80.000.000	19	15.200.000	ITA19	Italy 19% - IVA
1022 PV	01.08.98	IT1000	01.08.98	Voucher	JDE Europe	150.000	133.929	12	16.071	ITA12	Italy 12% - IVA
1023 PV	02.08.98	IT2001	02.08.98	Voucher	JDE France	5.890.000	4.949.580	19	940.420	ITA19	Italy 19% - IVA
Total . .						101.340.500	85.167.963		16.172.537		

J. D. Edwards & Co MONTHLY A/P VAT REPORT *** FINAL ***							
Tax Area	Tax %	Taxable Amount	Tax Amount	Credit taxable	Credit tax	Non-recov.	Non-Rec. tax
ITA19100	Italy 19%/5% - IVA	19,000	42.227	8.023		42.227	8.023
ITA19	Italy 19% - IVA	19,000	84.949.580	16.140.420			
ITA12	Italy 12% - IVA	12,000	133.929	16.071			
Total . .			85.125.736	16.164.514		42.227	8.023
Credit							
A/P Net Tax			85.125.736	16.164.514			

## Annual IVA Control Reports - Italian IVA Reports (P00910)



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**.  
 From the Italian IVA Processing menu (G00213), choose **Annual IVA Control Reports, Supplier IVA Form, or Customer IVA Form**

JD Edwards World provides several versions of this report - one for suppliers, one for customers, and one for customs authorities and the equivalent for scaling.

**Note:** A processing option controls whether amounts are scaled by 1000.

The reports can help you do the following:

- Balance amounts with those in the Tax Work file (F0018)

- Verify amounts before you create the annual IVA tape
- Verify amounts before you print on the preprinted annual forms.

## Annual Supplier IVA Form (P00917) and Annual Customer IVA Form (P00916)



From the Master Directory menu (G), type 29  
 From the General Systems menu (G00), choose **Tax Processing & Reporting**  
 From the Tax Processing & Reporting menu (G0021), choose **Italian IVA Processing**.  
 From the Italian IVA Processing menu (G00213), choose **Supplier IVA Form**, or **Customer IVA Form**.

You can either send annual tax information to the Italian tax authorities on tape or on the preprinted IVA forms.

There are two preprinted forms. One summarizes voucher information by supplier number and the other summarizes invoice information by customer number. If two suppliers (or customers) have the same tax identification number (for a parent and subsidiary, for example), the program combines information for the two.

Before you run these forms, use the Annual IVA File Build program to build F00900. JD Edwards World also recommends that you run the Annual IVA Control reports to verify information and correct errors prior to printing on the forms.

There are four processing options. They identify the current year for processing, address book information, and supplier (or customer) master information. For example, they indicate which line in the address book is used for the continuation of the name and address, which is the address, and whether to print the person/corporate code, company business code, or business description at the top of the form.

The following information prints on the Supplier IVA Form:

- Supplier name (first line in Address Book or the parent plus the Address Book line indicated in the processing options)
- Street (Address Book line indicated in the processing options)
- Postal code
- City (the last non-blank line in the Address Book)
- Province
- Tax identification number
- Total taxable amount of vouchers for the current year
- Total taxable amount of vouchers for the previous year
- Total tax amount of vouchers for the current year
- Total tax amount of vouchers for the previous year
- Total non-taxable amount of vouchers for the current year
- Total non-taxable amount of vouchers for the previous year
- Total non-taxable "8 comma 2" for the current year

- Total non-taxable “8 comma 2” for the previous year

The same information (but for invoices) prints on the Customer IVA Form.

## See Also

- For more information, review the chapter *Italian IVA Activities*.
- For more information, review the chapters *Posting for A/P, A/R, Purchase Orders, Sales Orders* and *Tax Work File*.

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# Japanese Consumption Tax Reports

## About Japanese Consumption Tax Reports

### Before you Begin

Before you generate Japanese consumption tax reports, verify the following:

- Ensure that all transactions are in the Tax Work file (F0018) by setting the processing options for the post programs appropriately. For more information, see the chapter *Posting for A/P, A/R, Purchase Orders, Sales Orders*.
- Upload information to the Consumption Tax file (F00189). This file is necessary for all consumption tax reports. The Tax Work file (F0018) that is used for other VAT reports is insufficient because it does not include information at an account level. The Account Ledger file (F0911) is also insufficient because it does not contain tax information.

F00189 is a file that contains information from F0018 (transactions with tax explanation code, tax rate/area, tax authority, taxable amount, tax amount, non-taxable amount, and so on) and F0911 (transactions with account-level information).

For more information, see the chapter *Japanese Consumption Tax Activities*.

- Correct any errors listed on the Consumption Tax Workfile Edit report with the Direct Workfile Adjustment screen. For more information, see the chapter *Japanese Consumption Tax Activities*.

## Reports for Government



From the Master Directory (G), choose **World Writer Reporting**  
From the World Writer menu (G82), choose **General Ledger**

JD Edwards World does not provide these reports. Because the government does not require standard information from companies and requirements can differ widely, you must create the reports from the specifications that the government sends to you. JD Edwards World recommends that you use World Writer and the F00189 file to generate reports. For more information, see the *World Writer Guide*.

Create the report using the F00189 file and the appropriate fields.



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## 5 Processing Options





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# Setup Processing Options

## Tax Rates & Areas (P4008)

Processing Option	Processing Options Requiring Further Description
0. DISPLAY OPTIONS: 1. Enter a '1' to suppress tax area related Item Number fields. 2. Enter a '1' to suppress the Maximum Unit Cost Field.	
ITEM NUMBER VALIDATION: 3. Enter a '1' to ignore validation of the Item Number field. 4. Enter a default Expiration Date to be used when adding a new tax rate/area and leaving the Exp. Date blank.	



# Daily/Periodic Activity Processing Options

## Speed Voucher Entry (P041015)

Processing Option	Processing Options Requiring Further Description
<p>FIELD DISPLAY CONTROL:</p> <ol style="list-style-type: none"> <li>Enter '1' to select the following capabilities of this program: Sales/Use/VAT Tax Processing PO Number Entry Extra Date for Service/Tax</li> <li>You may activate certain capabilities by entering a '1' for the following: Approver Number Entry Category Code 07 Entry</li> </ol>	
<p>FORMAT CONTROL:</p> <ol style="list-style-type: none"> <li>Enter sequence numbers (1-5) to indicate which formats will appear and in what order.  If all are left blank, all formats will appear in the order shown below: Standard Speed Voucher Entry Voucher Entry with Subledger Voucher Entry with F/A Number Voucher Entry with Units Voucher Entry with Phase Code  <b>Note:</b> This is used with the Format Selection function key.</li> </ol>	
<ol style="list-style-type: none"> <li>Enter a 1 to review the Voucher Category Codes with an Add or Change.</li> </ol>	
<p>TWO CYCLE OPTION:</p> <ol style="list-style-type: none"> <li>Enter a '1' for 2 Cycle processing.</li> </ol>	

Processing Option	Processing Options Requiring Further Description
<p>DREAM WRITER VERSIONS:</p> <p>Enter the version of each program:</p> <p>If left blank, ZJDE0001 will be used.</p> <p>6. A/P Voucher Processing (XT0411Z1)</p> <p>7. Journal Entry Processing (XT0911Z1)</p> <p>8. Supplier Ledger Inquiry (P042003)</p> <p>9. Supplier Master Information (P01054)</p> <p>10. Name Search (P01200)</p> <p>11. Voucher Category Code Review(P0411W)</p> <p>12. Organization Structure Revs (P0150)</p>	
<p>FIELD PROTECTION CONTROL:</p> <p>13. Enter a '1' to protect the Pay Status field.</p> <p>If left blank the Pay Status field will be unprotected.</p> <p>14. Enter a '1' to protect the Exchange Rate field.</p> <p>If left blank, the Exchange Rate will not be protected.</p>	

## Voucher Entry (P04105)

Processing Option	Processing Options Requiring Further Description
<p>FIELD DISPLAY CONTROL:</p> <p>1. You may activate certain capabilities by entering a '1' for the following:</p> <p>Sales/Use/VAT Tax Processing</p> <p>PO Number Entry</p> <p>Extra Date for Service/Tax</p> <p>Approver Number Entry</p> <p>Category Code 07 Entry</p> <p>Payment Instrument</p>	
<p>FORMAT CONTROL:</p>	

Processing Option	Processing Options Requiring Further Description
2. Select the default screen format: ' ' = Standard Voucher Entry '1' = Voucher Entry with Taxes '2' = Alternate Payee	
3. Enter a 1 to review the Voucher Category Codes with an Add or Change.	
TWO CYCLE OPTION:	
4. Enter a '1' for 2 Cycle data entry.	
PREPAYMENT OPTIONS:	
5. Enter the G/L offset to use for creating prepayment pay items. You must enter a value to allow automatic creation of prepayment pay items.	
6. Enter the default payment status for prepayment pay items. If blank, prepayment pay items will default to a payment status of 'H'.	
7. Enter the number of days to add to the due date of the prepayment pay items.	
VOUCHER LOGGING:	
8. Enter a '1' if you wish to perform Voucher Logging from within Voucher Entry. <b>Note:</b> When doing Voucher Logging, processing options for Prepayments will be ignored.	
9. Enter a '1' if you want the system date to be defaulted to the G/L date and protected from being overridden.	
DREAM WRITER VERSIONS:	
10. Enter the version for each program: If left blank, ZJDE0001 will be used. A/R and A/P Journal Entries (P03101) A/P Voucher Processing (XT0411Z1) Supplier Ledger Inquiry (P042003) Supplier Master Information (P01054) Name Search (P01200) Voucher Category Code Review (P0411W) Organization Structure Revs (P0150)	

Processing Option	Processing Options Requiring Further Description
<p><b>FIELD PROTECTION CONTROL:</b></p> <p>11. Enter a '1' to protect the Pay Status field. If left blank the Pay Status field will be unprotected.</p> <p>12. Enter a '1' to protect the Exchange Rate field. If left blank, the Exchange Rate will not be protected.</p>	

## Speed Invoice Entry (P031015)

Processing Option	Processing Options Requiring Further Description
<p><b>FIELD DISPLAY CONTROL:</b></p> <p>1. Select method for entry of sales credit (G/L distribution) amounts:  '' = Credit amounts appear and are entered as negative numbers  '1' = Credit amounts appear and are entered as positive numbers.  For both methods, the amounts are stored negative in the A/R Ledger file (F0311).</p> <p>2. Enter '1' to select the following capabilities of this program:  Sales/Use/VAT Tax Processing  PO Number Entry  Extra Date for Service/Tax</p>	
<p><b>TWO CYCLE OPTION:</b></p> <p>3. Enter a '1' for 2 cycle data entry.</p>	
<p><b>FORMAT CONTROL:</b></p>	

Processing Option	Processing Options Requiring Further Description
<p>4. Enter sequence numbers (1-4) to indicate the order in which formats will appear.</p> <p>If all are left blank, all formats will appear in the following order:</p> <p>Standard Speed Invoice Entry</p> <p>Invoice Entry with Subledger</p> <p>Invoice Entry with F/A Number</p> <p>Invoice Entry with Units</p> <p><b>Note:</b> This is used with the Format Selection function key.</p>	
<p>5. Enter a '1' to review the Invoice Category Codes with an Add or Change.</p>	
DREAM WRITER VERSIONS:	
<p>Enter the version for each program:</p> <p>If left blank, ZJDE0001 will be used.</p> <p>6. A/R Invoice Processing (XT0311Z1)</p> <p>7. Journal Entry Processing (XT0911Z1)</p> <p>8. Cust. Ledger Inquiry-w/SQL (P032002)</p> <p>9. E-Mail (P012401)</p> <p>10. Cust. Master Information (P01053)</p> <p>11. Name Search (P01200)</p> <p>12. Category Code Window (P0311W)</p>	
<p>FIELD PROTECTION CONTROL:</p> <p>13. Enter a '1' to protect the pay status field.</p> <p>If left blank, this field will be unprotected.</p> <p>14. Enter a '1' to protect the Exchange Rate field.</p> <p>If left blank, the Exchange Rate field will not be protected.</p>	

## Invoice Entry (P03105)

Processing Option	Processing Options Requiring Further Description
FIELD DISPLAY CONTROL:	

Processing Option	Processing Options Requiring Further Description
<p>1. You may activate certain capabilities by entering a '1' for the following:</p> <p>Sales/Use/VAT Tax Processing</p> <p>PO Number Entry</p> <p>Extra Date for Service/Tax</p> <p>Payment Instrument</p>	
<p>TWO CYCLE OPTION:</p> <p>2. Enter a '1' for 2 Cycle data entry.</p>	
<p>FORMAT CONTROL:</p> <p>3. Enter sequence numbers (1-6) to indicate which formats will appear and in what order when using the format selection function key.</p> <p>Standard - Net Due Date</p> <p>Standard - Discount Due Date</p> <p>Tax Amounts - Net Due Date</p> <p>Tax Amounts - Discount Due Date</p> <p>G/L Offset - Net Due Date</p> <p>G/L Offset - Discount Due Date</p> <p>4. Enter a '1' to review the Invoice Category Codes with an Add or Change.</p>	
<p>DREAM WRITER VERSIONS:</p>	
<p>Enter the version for each program:</p> <p>If left blank, ZJDE0001 will be used.</p> <p>5. A/R and A/P Journal Entries (P03101)</p> <p>6. A/R Invoice Processing (XT0311Z1)</p> <p>7. E-Mail (P012401)</p> <p>8. Customer Ledger Inquiry (P032002)</p> <p>9. Customer Master Revisions (P01053)</p> <p>10. Category Code Window (P0311W)</p>	
<p>FIELD PROTECTION CONTROL:</p> <p>11. Enter a '1' to protect the Pay Status.</p> <p>If left blank, the Pay Status will be unprotected.</p>	



Processing Option	Processing Options Requiring Further Description
<p>12. Enter a '1' to protect the Exchange Rate field.</p> <p>If left blank, the Exchange Rate will not be protected.</p>	

## Order Entry (P4311)

Processing Option	Processing Options Requiring Further Description
<p>DEFAULT VALUES:</p> <p>1. Order Type (Required)</p> <p>2. Line Type (Optional)</p> <p>3. Status Code (Required)</p> <p>4. Override Next Status (Optional)</p> <p>5. Unit of Measure (Optional)</p> <p>6. Line Increment (Optional)</p> <p>7. Enter a '1' to default the primary unit of measure from the item master into the transaction unit of measure.</p> <p>If left blank, the purchasing unit of measure from the item master will be used.</p> <p>8. Enter the Landed Cost Rule to be used.</p> <p>If left blank, it will default from either the "Ship-to" or the "Supplier" purchasing instructions.</p> <p>9. Enter a '1' to automatically load header values to the detail lines after a change.</p> <p>If left blank, it must be done manually.</p>	<p>The default line type for new order lines. If you leave this option blank, you must manually enter line types on the order; however, if you enter an inventory item on an order line, the system retrieves the line type from item/branch information (F4102).</p> <p>The beginning status code for order detail lines.</p> <p>The next status code on new order lines. If you leave this option blank, the default next status code comes from Order Activity Rules (P40240).</p>
<p>10. Enter a '1' to calculate Promise Date from Average Leadtime.</p> <p>If left blank, today's date is used.</p>	<p>Enter 1 to have the program add the number of Average Leadtime days to the Order Date to determine a Promised Delivery Date. You can view Average Leadtime for an item in Routing Analysis Revisions (P43090) in the fold area.</p>

Processing Option	Processing Options Requiring Further Description
<p>ORDER DUPLICATION DEFAULT VALUES:</p> <p>11. Order Type</p> <p>12. Beginning Status</p> <p>13. Override Next Status (Optional)</p> <p>14. Enter text duplication selection:</p> <p>'1' to copy line text</p> <p>'2' to copy line and order text</p> <p>'3' to copy order text</p>	<p>When you press F21 to copy an order to create a new order, these are the default values for the new order.</p>
<p>WORK ORDER DEFAULT VALUES:</p> <p>15. Enter the status to update the work order to when the quantity or promised date on the purchase order changes.</p>	
<p>PROMPTING CONTROL:</p> <p>16. Enter the Screen Format:</p> <p>1 = Item, Quantity, Price</p> <p>2 = Item, Quantity, Description</p> <p>3 = Account Number, Description</p> <p>4 = Account Number, Item Number</p> <p>(If left blank, format 1 is used.)</p> <p>Enter a '1' to:</p> <p>17. Display Headings first.</p> <p>18. Be prompted to accept the order.</p> <p>19. Allow the addition of a Supplier Master record, if not set up.</p>	<p>The video (screen) format you choose should correspond to the line types you will enter on the order; for example, if you use this version of order entry for stock items, you'll want to use format 1 or 2 for easy access to the Item Number field. If you order goods or services via an expense account, you'll want to use formats 3 or 4 for access to the Account Number field.</p> <p>You set this option to 1 if you want the Supplier Master screen to automatically display when you enter a supplier address number for which master information doesn't exist. If you set this option to 1, you must add master information for the address number before the system will accept the order.</p>

Processing Option	Processing Options Requiring Further Description
<p>20. Enter which Item Search screen is to be used to return items:</p> <p>1 = Item Search Window allowing the return of multiple items</p> <p>2 = Full Item Search screen with Query capabilities</p> <p>3 = Supplier Item Selection with the return of multiple catalog items</p> <p>(If left blank, the Item Search screen allowing the return of a single item will be used.)</p>	
<p>FIELD DISPLAY CONTROL:</p> <p>21. Enter a '1' to suppress canceled or closed lines.</p> <p>22. Enter a '1' to protect prices, or a '2' to make prices non-display.</p> <p>23. Enter a '1' to protect status codes.</p> <p>24. Enter a '1' to protect the order type field.</p> <p>25. Enter the next status at which detail lines cannot be changed.</p> <p>The detail line will be protected if the next status is greater than or equal to this status.</p> <p>If left blank there is no restriction.</p>	
<p>APPROVAL PROCESSING:</p>	

Processing Option	Processing Options Requiring Further Description
<p>26. Enter where the approval route code should be defaulted from, OR enter a specific route code value.</p> <p>If left blank, no approval processing will be performed.</p> <p>1 = Originators Address Book Number  2 = Originators User Profile  3 = Branch/Plant Route Code  4 = Default Locations Route Code</p> <p>27. Enter the Awaiting Approval status.</p> <p>28. Enter the Approved status.</p>	<p>Enter the specific approval route name  This is the unique route name that you assigned when you created the route.</p> <p>Enter a 1 - Originators Address Book Number  Set up an approval route that is named the same as each person's address book number. This is useful when you want each user to have a separate route code.</p> <p>Enter a 2 - Originators User Profile  Set up an approval route that is named the same as each person's user profile. This is the same as the previous option, however the system uses the user profile rather than the address book number.</p> <p>Enter a 3 - Branch/Plant Route Code  The approval route is attached to the branch/plant in the branch/plant constants screen on page 1. You can attach the same approval route to more than one branch/plant. This option is useful when you have different branch managers heading various groups.</p> <p>Enter a 4 - Default Locations Route Code  The approval route is attached in the Default Location and Printers. The route will be associated to the terminal/user ID. This allows groups of users to be attached to the same approval route code.</p> <p>You set up status codes for approval processing in Order Activity Rules (P40204). If, for example, you set up a certain document/line type so the last and next status codes are 220/230 for Order Entry and 230/240 for Approval Processing, order lines remain at statuses 220/230 until fully approved, at which time the statuses change to 230/240. Based on this scenario, the Awaiting Approval status is 230 and the Approved Status is 240.</p>
<p>PRINT CONTROL:</p> <p>29. Enter a '1' to automatically print POs via the subsystem.</p> <p>30. Enter the version of Print P.O.  On-Demand to call when the function key is pressed.</p>	<p>Set this option to 1 to automatically call the Print Purchase Order program via the subsystem each time you create or change an order. You must set up and activate program J43500S in the subsystem to use this option.</p>
INTERFACES:	

Processing Option	Processing Options Requiring Further Description
<p>31. Enter a '1' to validate the Branch against the Branch/Plant Constants file. If left blank, the Cost Center Master file will be used.</p> <p>32. Enter a '1' to bypass PBCO warning.</p> <p>33. Enter a '1' to bypass PACO warning.</p>	
<p><b>BUDGET CHECKING:</b></p> <p>34. Enter a '1' if Budget Checking is desired. If left blank, ALL other options related to budgeting will be omitted.</p>	<p>Budgeting functionality only applies to detail lines that have a line type with an Inventory Interface of A or B.</p>
<p><b>BUDGETING DEFAULT VALUES:</b></p> <p>35. Budget Hold Code</p> <p>36. Budget Tolerance Limit (10 = 10%)</p> <p>37. Level of Detail to accumulate the budget (5-9). If left blank, 9 will be used.</p> <p>38. Budget Ledger Type</p> <p>39. If Financial Budgeting, specify the budget total method (1-3). If left blank, method 1 will be used: 1 = Original Budget + Period Amounts for current year + Prior year postings (same as Job Cost budget calculation). 2 = Sum of period amounts for current year (standard financial budget). 3 = Original budget + period amounts for current year (standard financial spread with changes).</p>	<p>The hold code you enter here must be set up in UDC table 42/HC. The standard code is B1. If you enter a code here and you don't have a budget set up for the account, the order will go on hold.</p> <p>The number you enter here establishes a percentage by which you can exceed a budget amount without the order going on hold.</p> <p>Enter a value here to indicate the level of detail the system uses to check your chart of accounts to find an available budget. If the account on the order doesn't have a budget amount set up for it and the level of detail for the account is greater than the one specified in this processing option, the system looks upward in the chart of accounts to find the first account number, at the level of detail specified in the option, above the account on the detail line of the PO.</p> <p>Use this processing option to indicate the ledger type for which to check the budget. For financial budgets the standard ledger type is BA and for Job Cost the standard ledger type is JA.</p> <p>To compute the available budget, the system will check against the F0902 file for budget amounts.</p>

Processing Option	Processing Options Requiring Further Description
<p><b>BUDGET PROCESSING:</b></p> <p>Enter a '1' to:</p> <p>40. Accumulate the budget through the current period. If left blank, the budget will accumulate for the total year.</p> <p>41. Receive warning that a detail line amount will exceed budget.</p>	<p>Enter a value here only if you have selected method 2 in the previous processing option. It is used to provide flexibility when budgets for the accounts are set up on a period basis. A value of 1 will add all available budgets from the beginning of the year to the current period. A value of 2 will indicate to the system to check the total year budget for the account.</p>
<p><b>CROSS REFERENCE INFORMATION:</b></p> <p>42. Enter the cross reference code for retrieving item substitutions.</p> <p>43. Enter the cross reference code for retrieving item replacements for obsolete items.</p>	
<p><b>KIT PROCESSING:</b></p> <p>Enter a '1' to:</p> <p>44. Display kit component lines.</p>	<p>The system always writes kit component lines to the detail file (F4311). This option determines whether the components actually display on the screen.</p>
<p><b>ITEM AVAILABILITY:</b></p> <p>45. Enter a '1' to update the "Quantity on Other PO's" field (OT1A) in the Item Branch or Location files (i.e. Requisitions and Blanket orders). If left blank, the "Quantity on PO" field (PREQ) will be updated.</p> <p><b>Warning:</b> If PO Generation performs the automatic blanket order release processing, enter a '1'.</p>	<p>This option applies to stock items only. You indicate if you expect to receive the items you enter via this version of Order Entry. Receipts are based on order type, that is, you normally expect to receive items on a purchase order, but not those on a requisition, blanket, or quote order, as these are usually pre-requisites to actual purchase orders.</p> <p>The system maintains item quantities you expect to receive in the Quantity on PO bucket and those you don't expect to receive in the Quantity on Other PO's bucket. You can view both quantities in Detailed Availability (P41023).</p> <p>You must set this option to 1 when you enter blanket orders that are subsequently released to purchase orders via the automatic Blanket Order Release window; otherwise, the on receipt quantity will be counted twice, once on the blanket and again on the PO. The Blanket Order Release program is accessible from multiple programs, including PO Generator (P43011).</p>
<p><b>CHANGE ORDER PROCESSING:</b></p>	

Processing Option	Processing Options Requiring Further Description
<p>46. Enter a '1' to function as Change Order Entry, which only allows changes to existing purchase orders.</p> <p>Enter a '2' to function as Change Order Entry, which allows changes to purchase orders and the addition of new purchase orders.</p> <p>If left blank, no change order processing is performed.</p> <p>47. Enter the next status to start processing all changes made to a purchase order as a change order.</p> <p>If left blank, all changes will be processed as change orders.</p> <p>48. Enter a '1' to automatically allow text entry when a change order is entered.</p>	<p>You set this option to 1 or 2 if you use this version of Order Entry to send changed orders back through the approval process. This causes the system to update the Next Status code on changed order lines to the Override Status you enter in processing option 4.</p> <p>When you activate change order processing, you enter 1 in this option to have the system display a window when you make changes to a detail line so you can document a reason for the changes.</p>
<p>DREAM WRITER VERSIONS:</p> <p>Enter the version for each program:</p> <p>If left blank, ZJDE0001 will be used.</p> <p>49. Open Order Inquiry (P430301)</p> <p>50. Supply/Demand Inquiry (P4021)</p> <p>51. Supplier Analysis (P43230)</p> <p>52. Supplier Master (P01054)</p> <p>53. SMS Rate &amp; Route server (PSMR9300)</p> <p>54. Approval Review called using the function key from E-Mail (P43080).</p>	<p>Persons responsible for approving orders can access the Approval Review screen (P43080) by pressing F15 in Approval Notification (P012501) or via e-mail if system setup allows. You use this option to specify beforehand the appropriate version of P43080 that displays when the user presses F15.</p>
<p>BLANKET/QUOTE PROCESSING:</p> <p>55. Enter a '1' for automatic access to the blanket/quote release processing. The cost on the released order will be used.</p> <p>Enter a '2' for automatic access to the blanket/quote release processing using special pricing.</p> <p>If left blank, no automatic blanket/quote release processing will be performed.</p>	

Processing Option	Processing Options Requiring Further Description
<p>ORDER TEMPLATE PROCESSING:</p> <p>56. Enter a '1' to perform automatic order template processing.</p> <p>If blank, no order template processing will be performed.</p>	
<p>SUPPLIER ANALYSIS:</p> <p>57. Enter a '1' to capture supplier analysis information.</p> <p>If left blank, no Supplier analysis information is captured.</p>	<p>Enter 1 to have the system create a record in the Supplier/Item Relationship file (F43090) if it doesn't already exist, and also to update order information to the file.</p>
<p>CURRENCY PROCESSING:</p> <p>58. Enter a tolerance limit percentage to warn of radical currency rate changes (15.0 = 15% +/-).</p>	
<p>ENCUMBRANCE CHECKING PROCESSING</p> <p>59. Enter a '1' to warn if extended amount is less than vouchered amounts</p> <p>Enter a '2' to stop entry of an extended amount less than the vouchered amounts</p> <p>If left blank, no check will be made.</p>	<p>Set this option to 1 or 2 to have the program edit changes you make to amounts on existing lines to partial vouchers already created for the line. This option only applies if you track commitments or encumbrances, in which case the line type for the order line has an inventory interface of A or B.</p>

## Journal Entries with Tax (P09106)

Processing Option	Processing Options Requiring Further Description
<p>DW VERSION FOR JOURNAL ENTRY PROCESSOR:</p> <p>1. To override standard journal entry processing (DREAM Writer XT0911Z1, version ZJDE0001), enter an override version number. This should only be changed by persons responsible for system wide setup.</p>	
<p>EXCHANGE RATE:</p> <p>2. Enter a '1' to protect the Exchange Rate field.</p> <p>If left blank, the Exchange Rate will not be protected.</p>	



Processing Option	Processing Options Requiring Further Description
<p>FORMAT CONTROL:</p> <p>3. Select default screen format:</p> <p>BLANK = Exclusive Tax</p> <p>'1' = Inclusive Tax</p>	

## General Ledger Post (P09800)

Processing Option	Processing Options Requiring Further Description
<p>BATCH SELECTION:</p> <p>1. Enter Batch Number or Batch Date or Batch User ID</p>	
<p>PRINT SELECTION:</p> <p>2. Identify how to print amount fields on Post Journal:</p> <p>'1' = to Millions (w/ commas)</p> <p>'2' = to Billions (w/o commas)</p> <p>Blank (Default) = No Journal Printed.</p> <p>3. Identify which account number to print on report:</p> <p>'1' = Account Number</p> <p>'2' = Short Account ID</p> <p>'3' = Unstructured Account</p> <p>'4' = (Default) Number Entered During Input</p>	
<p>FIXED ASSETS:</p> <p>4. Enter a '1' to post F/A entries to Fixed Assets.</p> <p><b>Note:</b> DREAM Writer version ZJDE0001 of Post G/L Entries to Assets (P12800) is executed when this option is selected. All transactions selected from that DREAM Writer will be posted rather than just the current entries being posted to G/L.</p> <p>5. Enter a 'Y' if you wish to explode parent item time down to the assembly component level. Component billing rates will be used. (This applies to batch type 'T' only.)</p>	

Processing Option	Processing Options Requiring Further Description
<p>CASH BASIS ACCOUNTING:</p> <p>6. Enter a '1' to create and post Cash Basis accounting entries. (Applies to batch type G, K, M, W, &amp; R only.)</p> <p>7. Enter units ledger type for Cash Basis Accounting entries. (Default of blank will use "ZU" ledger type.)</p>	
<p>ACCOUNTING FOR 52 PERIODS:</p> <p>8. Enter a '1' for 52 Period Post.</p> <p><b>Note:</b> DREAM Writer data selection is used for 52 period posting ONLY. It is NOT used for the standard post to the F0902. Additionally, 52 period date patterns must be set up.</p>	
<p>TAX FILE UPDATE:</p> <p>9. Identify when to update the Tax Work file (F0018):  '1' = V.A.T. or Use Tax only  '2' = for All Tax Amounts  '3' = for All Tax Explanation Codes  Blank (Default) = No Update to File</p> <p><b>Note:</b> When using Vertex Taxes the Vertex Tax Register file will be updated instead of the Tax Work file for methods '1', '2', and '3'.</p> <p>10. Adjust VAT Account for Cash Receipt Adjustments and Write Offs. Tax explanation must be a 'V'.  '1' = update VAT amount only  '2' = update VAT amount, extended price and taxable amount</p> <p>11. Adjust VAT Account for Discount Taken. The Tax Rules file must be set to Calculate Tax on Gross Amount, including Discount and Calculate Discount on Gross Amount, including Tax. Tax explanation must be a 'V'.  '1' = update VAT amount only  '2' = update VAT amount, extended price and taxable amount</p>	

Processing Option	Processing Options Requiring Further Description
<p>PROPERTY MANAGEMENT:</p> <p>12. Enter DREAM Writer version of Property Management G/L Transaction Creation to be executed.</p> <p>Default is version ZJDE0001. (This applies to batch types '2' and '/'.)</p>	
<p>UPDATE OPTION:</p> <p>13. Enter '1' to update short ID number, company, fiscal year/period number, century, and fiscal quarter in unposted transaction records selected for posting. (May be required for custom input programs.)</p>	
<p>REPORT FORMAT:</p> <p>14. Enter a '1' to print the Posting Journal in a 198 character format.</p> <p>The default of blank will print the format with 132 characters.</p>	
<p>DETAILED CURRENCY RESTATEMENT:</p> <p>15. Enter a '1' to create currency restatement entries. This creates records in the XA, YA, and/or ZA ledgers depending on the version you are running.</p> <p>16. Enter the version of the Detailed Currency Restatement (P11411) to execute.</p> <p>Default of blank will execute ZJDE0001.</p>	
<p>RECONCILIATION FILE PROCESSING:</p> <p>17. Enter a '1' to update the Cross-Environment Reconciliation file. Blank will not update the reconciliation file.</p> <p><b>Note:</b> The Cross-Environment Reconciliation file can also be updated through the stand-alone Cross-Environment File Creation program.</p>	

Processing Option	Processing Options Requiring Further Description
<p>REVERSING JOURNAL ENTRIES:</p> <p>18. When normal number of periods = 12 or 13 and posting a reversing entry into period 12 or 13, enter a '1' to create reversing journal entries to the first period of the following year. This is to avoid posting reversing entries to an adjusting period.</p> <p>Example: Normal number of periods = 12. Period 12 ends 12/30/xx and period 13 ends 12/31/xx. Journal Entry date of 12/30/xx will post reversing entry to period 01 of next year if processing option is set to '1'.</p>	
<p>BATCH TYPE SELECTION:</p> <p><b>Note:</b> This option should NOT be changed by User.</p>	

## Suspended Tax - Process Hold Pmts/Rcpts (P09861)

Processing Option	Processing Options Requiring Further Description
<p>PAID VOUCHER/INVOICE:</p> <p>1. Enter a '1' to bypass processing of receipts/payments if the original invoice/voucher is not completely paid or received.</p> <p>If left blank, selected payments/receipts will be processed regardless of pay status.</p>	
<p>PROCESSED DATE:</p> <p>2. Enter the date to be used as the 'Processed' date.</p> <p>If left blank, the System Date will be used.</p>	

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## 6 Appendices



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# Appendix A – Vertex Tax System

## Overview to the Vertex™ Tax System

To apply sales taxes automatically, you can use Vertex™ software in conjunction with the JD Edwards World system. You can use the Vertex Sales Tax Compliance system with the following JD Edwards World systems:

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

Vertex software can coexist with the JD Edwards World tax calculator software, which means that you can perform tax calculations using either or both of them. If, however, you want to perform a tax-only calculation, you must use the JD Edwards World software.

## How Vertex Software Works

Vertex software calculates the tax for customers and suppliers based on the GeoCode™ (U.S. jurisdictions) and other special considerations, such as tax-exempt status or non-standard tax rates.

When tax laws change, the Vertex software accesses the new requirements for each taxing authority so that you can apply the taxes correctly. Vertex software:

- Reduces the setup required for multiple tax rate areas
- Reduces processing time and rate maintenance
- Creates tax compliant records

Vertex calculates tax based on the standard rates and rules for the U.S., its territories and possessions, and Canada. To perform all other foreign tax calculations, you have two options:

- Use the JD Edwards World Tax Calculation software
- Use the Vertex system, but maintain tax rates for foreign locations using the Vertex Tax Decision Maker

## The Components of JD Edwards World/Vertex Interface

The JD Edwards World/Vertex Sales Tax interface transfers selected JD Edwards World parameters to Vertex and then returns sales tax information to JD Edwards World systems.

### JD Edwards World Tax Calculator Components

The standard JD Edwards World tax calculator software has the following components:

Component	Description
Tax authorities	<p>You use tax authorities within JD Edwards World software to define the government agencies that assess and collect taxes. If you use Vertex, you define tax authorities in the Address Book system only for foreign tax authorities because those for the U.S. and Canada are stored by Vertex.</p> <p>Although foreign tax authority addresses cannot be stored in Vertex, they are represented on Vertex register reports.</p>
Tax rates and tax areas	<p>For U.S. and Canadian taxes, you specify a GeoCode for each tax rate and tax area to allow Vertex to identify the correct taxing jurisdictions.</p>
Tax explanation codes	<p>Tax explanation codes control how a tax is assessed and how it is distributed to the general ledger revenue and expense accounts. JD Edwards World software provides a number of tax explanation codes. Because the tax explanation code is a user defined code (system 00, type EX), you can set up additional codes to meet specific business needs.</p> <p>In the Vertex software, you can use the tax explanation code to make a customer or a specific transaction tax exempt. For example, a customer with a tax explanation code of E is exempt. Any sales order or accounts receivable invoice line item can be coded with E to make that specific transaction exempt.</p> <p>Other available codes are U (use) for use in Procurement and Accounts Payable, and S (sales) for use in Sales Order Management and Accounts Receivable.</p>
Automatic Accounting Instructions (AAIs)	<p>For U.S. and Canadian taxes, you use the AAI code TXX on the Vertex Tax Constants form.</p> <p>For foreign taxes, you assign an AAI to each taxing authority within each tax rate/area.</p>



Component	Description
Tax rules by company	<p>You can define tax rules for the Accounts Receivable, Accounts Payable, Sales Order Management, Procurement, and General Accounting systems. When you enter transactions for these systems, taxes are calculated according to these rules. The system uses these tax rules to:</p> <ul style="list-style-type: none"> <li>▪ Calculate discounts on a gross amount that already includes tax</li> <li>▪ Calculate tax on a gross amount that includes the discount amount</li> <li>▪ Control when the system displays a warning message (or rejects a transaction altogether) when someone enters a tax that differs from the system-calculated tax</li> </ul> <p>This feature applies to foreign, U.S., and Canadian taxes.</p>
Tax date flexibility	<p>You can define the sales tax service date selection by customer or by company. The tax date can be one of the following:</p> <ul style="list-style-type: none"> <li>▪ Order Date</li> <li>▪ Invoice Date</li> <li>▪ Ship Date</li> </ul> <p>The system calculates tax based on the information you set up in the customer billing instructions for the Ship To address. If you do not specify tax information in the customer billing instructions, the system applies the tax rules that you setup for the header branch/plant in the Tax Rules by Company form.</p>

## Vertex Components

The Vertex Sales Tax Compliance system includes the following components:

Component	Description
Data Module	<p>The Data Module stores tax rates and other pertinent jurisdictional tax data for all U.S. and Canadian tax authorities, which include over 60,000 locations. All states and counties are on file, as well as all cities with populations over 250. If a city has a population less than 250 and levies a tax, that city is also included in the Data Module.</p> <p>Vertex researches and maintains the data contained in the file by remaining in constant contact with all jurisdictions that levy a tax. Every month, Vertex updates its internal databases and issues a new Data Module file to its subscribers.</p>

Component	Description
Calculation Module	<p>The Calculation Module interfaces with JD Edwards World Sales Order Management, Procurement, Accounts Receivable, and Accounts Payable systems.</p> <p>When a JD Edwards World program calls the Calculation Module, the Calculation Module determines</p> <ul style="list-style-type: none"><li>▪ Whether the transaction is interstate or intrastate</li><li>▪ The transaction's taxing jurisdiction</li><li>▪ The appropriate tax rate</li><li>▪ The maximum tax base</li><li>▪ Excess amounts, if applicable</li></ul> <p>The Calculation Module then:</p> <ul style="list-style-type: none"><li>▪ Retrieves the appropriate tax rate</li><li>▪ Calculates tax amounts</li><li>▪ Returns the amount to the calling program</li></ul> <p>The module can also store tax history for an audit trail, and management reports and returns preparation (as an independent function outside the scope of JD Edwards World generated reports). Because the Data Module isolates the state, county, city, and district rates, Vertex can calculate the four levels individually.</p> <p>See the Vertex <i>Sales Tax Data/Calculation</i> manual for more information.</p>
Calculation Module	<p>You can customize the Vertex system for your special needs. You use the Calculation Module in conjunction with the Tax Decision Maker (TDM) to automate (separately or in combination) product, customers, or jurisdictional tax exceptions. TDM lets you set up and maintain tax exceptions. You can also override customer and product exemptions from sales order entry and purchase order entry.</p> <p>From the Sales Tax Register file, the Calculation Module produces detail and summary sales tax register reports sequenced by state, county, and city for any billing period. You generate these reports from Vertex menus.</p> <p>See the Vertex <i>Sales Tax Data/Calculation</i> manual for more information.</p>
Quantum Returns Module	<p>The Returns Module completes the sales tax cycle by automating state and local returns preparation. Data is downloaded from the Sales Tax Register file to a PC into the Returns Module, which automatically generates signature-ready sales and use tax forms and check requests.</p> <p>See the Vertex <i>Sales Tax Data/Calculation</i> manual for more information.</p>

## Considerations for Using the JD Edwards World/Vertex Interface

Before you set up the JD Edwards World-Vertex Sales Tax Interface to reflect your environment, carefully consider the specific conditions and requirements of the company, the product, the customer or supplier, and foreign tax obligations.

### Company and Divisional Considerations

You should understand any special dispensations that the company has arranged with state or local jurisdictions for collecting sales and use taxes at a reduced rate. Then, consider if tax returns are filed for just one company or for multiple companies.

### Product Considerations

You should understand the business and how products fit into appropriate tax categories. For example, rebuilt machinery might be taxed differently than spare parts for the same machinery. Decide how the company intends to code the taxing policies for JD Edwards World and Vertex software.

### Customer and Supplier Considerations

You must properly identify the tax category to which customers and suppliers belong. For example, a customer might be a provider of goods or services, a reseller, a charitable organization, or other tax grouping. Decide how you will code customers and suppliers into both the JD Edwards World and Vertex software modules.

### Foreign Tax Considerations

Be aware of foreign tax obligations. Know whether to use the JD Edwards World Tax Calculation software or Vertex to manage and process foreign tax transactions.

### See Also

- *Vertex Sales Tax Compliance System Reference Guide*
- *Vertex GeoCode Master List*
- *Vertex National Sales Tax Rate Directory*
- *Vertex Tax Decision Maker Taxability Guide*

### What You Should Know About

#### **Tax only calculations**

For tax only calculations, use tax types ST (sales tax) and UT (use tax) along with the JD Edwards World tax rate/area code. You cannot use these tax types with a GeoCode.

For records with these tax types, records will not be written to the Vertex Tax Register file, even if Vertex is active.

**Returns Module**

If you plan to use the Vertex Sales Tax Returns Module, you should install it after performing all other setup steps.

See the *Vertex Sales Tax Returns Module* guide for information on its installation and operation.

## Setting Up the JD Edwards World/Vertex Interface

Setting up Vertex consists of:

- Activating Vertex
- Assigning GeoCodes
- Assigning Non-Stock Product Categories to order Types
- Defining Tax Information for Items

### Before You Begin

- Review the Calculate Tax on Gross and Calculate Discount on Gross fields on Tax Rules by Company. See JD Edwards World *Tax Reference Guide*.
- Review order line types. See *Setting Up Order Line Types*.
- Review order activity rules. See *Setting Up Order Activity Rules*.
- Verify that each ship to and ship from address has a corresponding Vertex record.
- Verify that each customer address book record has a corresponding record in customer master information, and that all suppliers have a record in supplier master information. Both are necessary for you to be able to use the Sales Update program without errors.
- Read the *Vertex Sales Tax Compliance System Modules and Reference Manuals* for more information about installation.

## Activating Vertex



From Master Directory menu, type G73 From M&D Strategic Complementary Products (G73), choose <b>Vertex Sales and Use Tax</b> From Vertex Sales and use Tax (G731), choose <b>Vertex Tax System Constants</b>
--

You must activate the Vertex feature before you can use GeoCodes to perform tax calculations.

For more information about installation, read the *Vertex Sales Tax Compliance System Modules* and reference manuals.

---

**Note:** Distribution clients who process sales and purchase orders use item balance category.

---

## Before You Begin

Verify that the following libraries are in your library list:

- VGEOLIB The GeoCoder System
- VSTAX.O SalesTax Calculation Module-Object
- VSTAX.D SalesTax Calculation Module-Data

---

**Note:** These libraries should exist on the system once the Vertex software is properly installed. A fourth library, VSTAX.S will also exist. This is the source library and is not required to be in the user's library list for Vertex to function. If these libraries do not exist on the system the customer should contact the Vertex customer support line.

---

## To Activate Vertex

On Vertex Tax System Constants (G731/2)

The screenshot shows the 'Vertex Tax System Constants' form in the Oracle JD Edwards World application. The form is titled '7301 Vertex Tax System Constants'. It includes a toolbar with icons for help, error, functions, exit, and clear screen. The form fields are organized into sections:

- Action Code:** A single character field.
- Use Vertex System:** A checkbox field.
- U.S. Country Code:** A text field.
- Canada Country Code:** A text field with 'CA' entered and 'Canada' displayed.
- G/L Offset:** A text field with '4400' entered.
- Sales Tax Category Codes:**
  - Address Book Categ:** A text field with '01' entered.
  - Item Balance Categ:** A text field with 'SRP9 Sales Reporting Code 9' entered.
- Use Tax Category Codes:**
  - Address Book Categ:** A text field with '01' entered.
  - Item Balance Categ:** A text field with 'PRP9 Purchasing Reporting Code 9' entered.

At the bottom right, there is a button labeled 'F24=More Keys'.

1. Enter Y in the following field to activate Vertex processing:
  - Use Vertex System
2. Complete the following fields, as needed:
  - U.S. Country Code
  - Canada Country Code

Use these fields when assigning GeoCodes to address book records. They must match the country codes used in the address book. Typically, US is blank here, to match the blank value for US in UDC 00/CN used in address book.

3. Complete the following fields for sales tax category codes:

- Address Book Category

This field tells the system which address book category code to use from the address book record of the header branch for the Vertex division. The division code is used by the Tax Decision Maker (TDM) and for various reporting needs.

If a category code exists in the address book record of the branch for the category code designated above, then you must set up all TDM to use the division code field. TDM tables set up with company only will not be used.

---

**Caution:** The Address Book Category Code cannot be blank. If you do not want to set up TDMs by division, this must be a category code NOT used.

---

- Item Balance Category

This field tells the system which category code to use from the item branch record for the Vertex product category. Use this field when setting up PT product exceptions in TDM.

4. Complete the following optional fields for use tax category codes:

- Address Book Category

This field is used in the purchase order management

- Item Balance Category

This field tells the system which category code to use from the item branch record for the Vertex product category. Use this field when setting up PT product exceptions in TDM.

5. Do not complete the following fields (they are not applicable):

- Canada Country Code

- G/L Offset

This field specifies the G/L class code that will be used on AAI table *4250* to determine the tax liability account.

6. Press Enter.

## Assigning GeoCodes

After you activate the Vertex Sales Tax Compliance system, you must assign GeoCodes to existing address book records. The Calculation Module uses GeoCodes to calculate sales and use taxes for each customer and specific location.

A GeoCode is a nine-digit code that represents a taxing jurisdiction in the US and Canada. GeoCodes are codes assigned to each taxing jurisdiction in the US and Canada and are assigned to each customer, supplier, ship-to, ship-from and order-acceptance address in the Customer Master or Supplier Master in the Tax Rate/Area field.

All GeoCodes are defined and maintained by Vertex. Each GeoCode has the following format:

xyyyzzzz, where:

xx = state or Canada:

yyy = county, parish, or province

zzzz = city or district

Code	Description
01 – 51	States + Washington DC
70	Canada
77	Foreign
	<b>Note:</b> Must set up TDM to establish rates.
79	Error code

The GeoCode is what Vertex uses to pull the proper tax rates for each jurisdiction. The GeoCode populates the Tax Rate/Area field (TXA1) in World software.

To distinguish GeoCodes from the standard World tax rate/area codes, the system will prefix the nine-digit GeoCode with "V", "M", or "O" within JD Edwards World systems.

The V is typically used. The M is assigned in a multi-county situation, where based on the zip code, the address could exist in more than one county. The O is used when the address is not physically located within the city limits.

If you are using both standard World taxation and Vertex taxation, you cannot have any tax rates & areas set up in P4008 that begin with V, M, or O.

A GeoCode should be assigned to every customer, supplier, ship-to, and branch address in the address book. GeoCodes are assigned to Customer Master and Supplier Master records in the Tax Rate/Area (TXA1) field. At a minimum, Vertex requires the ship-to GeoCode. However, to be compliant, Vertex requires the following three GeoCodes to accurately calculate taxes:

- Order Acceptance GeoCode
- Ship To GeoCode
- Ship From GeoCode

For Sales	GeoCode Comes from the Customer Master of:
Ship To GeoCode	Ship to on Order Header
Ship From GeoCode	Address Book of Detail Branch
Order Acceptance GeoCode	Address Book of Header Branch
For Purchasing	GeoCode Comes from the Supplier Master of:
Ship To GeoCode	This depends on processing option #7 of P4311, and can be either supplier or ship-to on order header
Ship From GeoCode	Supplier

For Purchasing	GeoCode Comes from the Supplier Master of:
Order Acceptance GeoCode	Supplier

## GeoCodes Defaults

For Sales Orders, the GeoCode defaults from the customer master records to the tax rate/area field on the sales order header the same as for standard World taxing. The tax explanation code defaults from the Sold To field, and the tax rate/area defaults from the Ship To field.

For Purchase Orders, the tax rate/area defaults into the purchase order header from either the Ship To or the Supplier based on processing option 7. Tax is calculated based on the GeoCode in the order, unless it is changed at voucher match.

## What You Should Know About

### Foreign jurisdictions

Vertex has not defined GeoCodes for non-U.S. or non-Canadian jurisdictions, and does not maintain tax rates for these jurisdictions. However, you can create foreign GeoCodes, each beginning with “77” (in the state part), which lets you create records in TDM for each foreign jurisdiction.

Additionally, you can set up the Vertex Override table to maintain tax rates for each foreign taxing authority.

## See Also

- *Manually Assigning GeoCodes to Address Book Records* for more information about these prefix characters.

## Assigning GeoCodes Globally to Address Book Records

You can assign GeoCodes to address book records globally using a batch program or manually. You should start with the batch program to complete as many address book records as possible. Then, after reviewing the resulting report, you can use the manual process to change GeoCodes, if necessary. You can also use the manual process to assign a GeoCode to a new address book record.

After you activate the Vertex Sales Tax Compliance system, you must assign GeoCodes to existing address book records. To accomplish this, you complete three steps that use a combination of JD Edwards World and Vertex programs. The following describes the purpose of these steps and programs:

### Populate the Vertex Disk File (P73041)

This JD Edwards World program moves the address book records for suppliers and customers to the Vertex CUSTEXT file. Vertex then uses this file to locate records that have matching GeoCodes.



The address book records you want to move into the CUSTEXT file are defined by search type in a user defined code list (73/ST).

### **Populate the Outfile with Vertex Information with Geocoder System Operations**

These Vertex programs do the following:

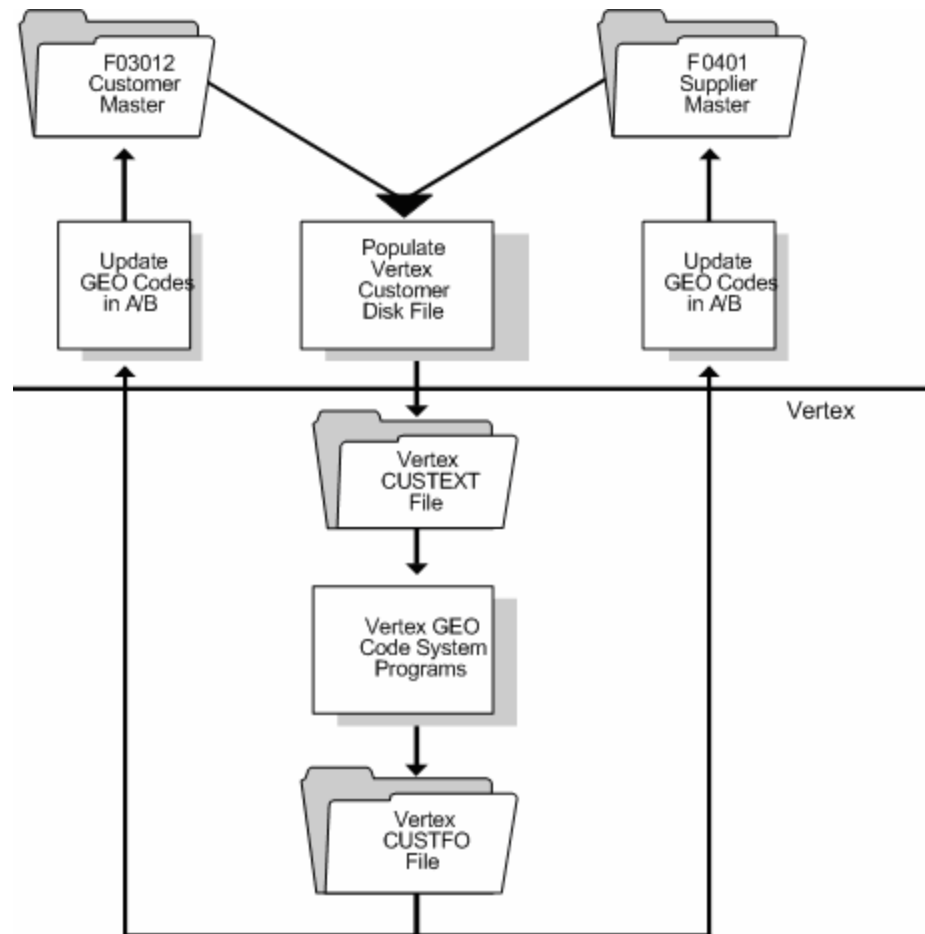
- Process records from the CUSTEXT file identifying GeoCodes
- Move the information to the Vertex CUSTFO file
- Create records with the GeoCodes that are assigned or records without GeoCodes that need to be researched

### **Update the Address Book with GeoCodes (P73042)**

This is a JD Edwards World program that moves supplier and customer information with GeoCodes from the CUSTFO file to the customer master and supplier master records. It loads the Tax Rate/Area field on these records with the GeoCode. This program updates the Customer Master (F03012) and Supplier Master (F0401) files.

The system produces reports that show both unmatched records and records that you might want to match. Use these reports to identify any address book records that did not get updated with GeoCodes. You will need to manually update those records.

The following graphic illustrates how the system updates the address book records with GeoCodes.



## Batch GeoCode Assignment

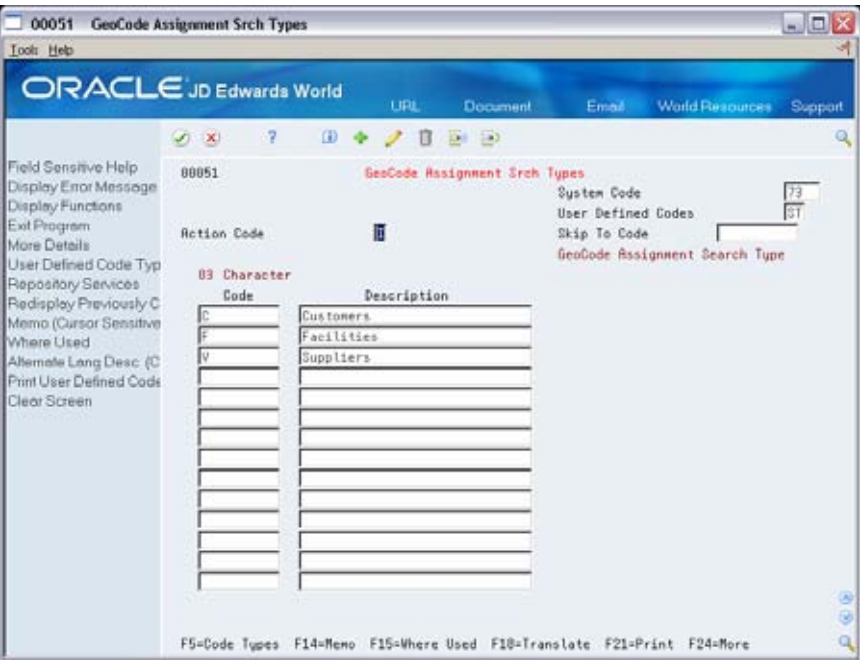
The batch GeoCode assignment is a four-step process from menu G731:

- Select address book search types.
- Populate the Vertex Customer Disk extract file.
- Run options from the GeoCoder System to reformat the customer file, match the customer file to the GeoCoder file, and write the GeoCodes to a reformatted customer file.
- Update customer master and supplier master records with GeoCodes.

### To select GeoCode assignment search types


	From Master Directory (G), type G73 From M&D Complementary Products (G73), choose <b>Vertex Sales and Use Tax</b> From Vertex Sales and Use Tax (G731), choose <b>Select GeoCode Assignment Srch Types</b>
--	--

On GeoCode Assignment Srch Types



Add the address book search types to this UDC table for those search types that you want to assign GeoCodes. If using the interface for sales/accounts receivable, enter the search type for your customers. If using the interface for purchasing/accounts payable, enter the search type for your suppliers. In both cases, you will want to add your facilities or branches because the system requires a GeoCode on the branch address book numbers.

To populate the Vertex Customer Disk file (P73041)

	From Master Directory (G), type G73 From M&D Complementary Products (G73), choose <b>Vertex Sales and Use Tax</b> From Vertex Sales and Use Tax (G731), choose <b>Populate Vertex Disk File</b>
---	---

This program selects address book records based on UDC 73/ST and writes these records to the Vertex Customer Disk File (CUSTEXT). You must have all object authority to run this program.

On Populate Vertex Disk File

98300 Populate Vertex Disk File

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Return to Menu  
Display Last Execution  
Repository Services  
Display All Versions/Us  
Display Report Illustrat  
Display DREAM Writer I  
Rename Version (Cursc  
Clear Screen

98300 Populate Vertex Disk File Form P73841

Skip to Version:

0	Version	Description	User	Chg Date
0	0	Populate Vertex Customer Disk File	DEMO	02/12/98
1				
2				
3				
4				
5				
6				
7				
8				
9				

Opt: 1=Run 2=Chg 3=Add 4=Rpt Dist 5=Cover 6=Prt Ovr 8=Repair 9=Dlt

Run the program to populate the Vertex Customer Disk file.

To run operations for the customer file



From Master Directory (G), type G73  
From M&D Complementary Products (G73), choose **Vertex Sales and Use Tax**  
From Vertex Sales and Use Tax (G731), choose **GeoCoder System Operations**

This is a Vertex menu. Run operations from the this menu to reformat the customer file, match the customer file to the GeoCoder file, and write the GeoCodes to a reformatted customer file.

On Vertex Inc. GeoCoder System



1. Enter 5 (Match GeoCoder File With Customer File) in the following field:

- Enter Option

The system runs a series of programs. These programs read the CUSTEXT file, reformat the file, call the GeoCoder search engine VGEO100 to find a valid GeoCode for each record, and write out the same records with GeoCodes added to the CUSTFO file.

Two reports are generated, the Matched Records Report and the Possible Matched and Unmatched Records Report. Unmatched records usually consist of multi-county situations and addresses that are either misspelled or incorrect (like Denver, CA instead of Denver, CO). Correct these addresses in the address book record.

2. Enter 6 (Choose Assign or Change GeoCodes) in the following field:

- Enter Option

The ENTER RECORD SEQUENCE NUMBER screen displays.

The screenshot shows the Oracle JD Edwards World application window. The title bar includes 'Tools: Help'. The main menu bar contains 'JFRL', 'Document', 'Email', 'World Resources', and 'Support'. On the left, a sidebar lists 'Field Sensitive Help', 'Display Error Message', and 'Display Functions'. The main area displays the prompt 'ENTER RECORD SEQUENCE NUMBER:' in red text, with a small input field below it. The date '3/26/07' is in the top right corner. At the bottom right, there is a green button labeled 'END-03 RETURN'.

3. Enter the sequence number in the following field:

- ENTER RECORD SEQUENCE NUMBER:

The screenshot shows the 'ASSIGN OR CHANGE GEO-CODES' screen in the Oracle JD Edwards World application. The title bar includes 'Tools: Help'. The main menu bar contains 'JFRL', 'Document', 'Email', 'World Resources', and 'Support'. On the left, a sidebar lists 'Field Sensitive Help', 'Display Error Message', and 'Display Functions'. The main area displays a list of fields and their values:

CUSTOMER ID	00000523
CITY NAME	NORTHGLENN
STATE CODE	06
STATE ABBREV	CO
STATE NAME	COLORADO
ZIP CODE	90230
MATCH CODE	1
GEO CODE	000001000
RECORD SEQUENCE	000001
MULTI COUNTY CODE	0
POSSIBLE CODE	
# OF CHAR IN ITEM 13	09
COMPRESSED CITY NAME	NORTHGLENN

The date '3/26/07' is in the top right corner. At the bottom right, there is a green button labeled 'END-03 RETURN'.

4. On ASSIGN OR CHANGE GEO-CODES, make changes to the CUSTFO file as needed, and choose Enter.

The system generates a List of Manually Matched Records report.

## To update Address Book GeoCodes



From Master Directory (G), type G73  
 From M&D Complementary Products (G73), choose **Vertex Sales and Use Tax**  
 From Vertex Sales and Use Tax (G731), choose **Update Address Book GeoCodes**

This program (P73042) takes the GeoCode from the CUSTFO file and writes it to the customer master record or supplier master record.

Run the program to update address book GeoCodes.

## See Also

- *Setting Up User Defined Codes (P00051) in the Address Book Guide*
- *Working with Basic Address Book Information (P01051) in the Address Book Guide*

## Assigning GeoCodes Manually to Address Book Records

After you run the batch GeoCode assignment program, you might have to manually change or assign GeoCodes because a multi-county situation exists for an address book record, or the address falls outside city limits.

When you run the update program that populates Address Book records with GeoCodes, the system produces reports you use to review unmatched records and records you might want to match.

## To assign GeoCodes manually to address book records



From Master Directory (G), choose **Address Book**  
 From Address Book (G01), choose **Address Book Revisions**

On Address Book Revisions

1. Locate the address book record with the GeoCode you want to change or add.
2. Access Address Book Additional Information.
3. On Address Book Additional Information, access Vertex GeoCode Select.
4. On Vertex GeoCode Select, choose the correct GeoCode for the address book record.

## What You Should Know About

### GeoCode Select form

When an address book record can have more than one GeoCode assigned to it, you use Vertex GeoCode Select to choose a GeoCode. The Vertex GeoCode Select form lists all possible GeoCodes that correspond to county names and postal code ranges.

**Allowed prefix codes**

When you manually assign a code, you must use the appropriate prefix character to the Vertex GeoCode. These prefix characters are:

- V     Vertex Geo Code
- M     Multi-County Situation
- O     Outside City Limits

A V prefix to the nine-digit GeoCode identifies the code as a literal Vertex GeoCode.

The system assigns M as the prefix to the GeoCode when you run the batch assignment program and it finds postal codes that cross two or more county boundaries. When this occurs, you must review the records and manually assign the appropriate GeoCode based on the county. After you assign the correct GeoCode, change the M to a V.


If an address specified in the address book record is not physically located within the city limits, and, therefore, is not subject to city tax, you must manually change the first character of the GeoCode from V to O. This indicates to Vertex not to calculate the city tax for that GeoCode.

See the *Vertex GeoCoder Geographical Coding System* manual and the *GeoCoder Master List*.

## Assigning GeoCodes to Customers

After you globally assign GeoCodes to your address book records, you might need to assign a GeoCode to a customer.

### To assign a GeoCode to a customer

	From Accounts Receivable (G03), choose <b>Customer &amp; Invoice Entry</b> From Customer & Invoice Entry (G0311), choose <b>Customer Master Information</b>
---	--



## On Customer Master Information

1. Enter basic customer information.  
See *Entering Customers*.
2. Choose Retrieve Vertex GeoCode (F15) to automatically load information in the following field:
  - Tax Rate/Area

Field	Explanation
Tax Rate/Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the customer's city, state, and zip code.</p>

## Online GeoCode Assignment

The address book record must contain a valid city, state, zip code, and country. A county is not required. Blank is usually a valid country - check UDC 00/CN. From the address book record, F15 exits to the Customer Master Program (P01053) and

F16 exits to the Supplier Master Program (P01054). From within both of these programs, F15 calls the GeoCode Retrieve/Select Program (P73GEO) to bring in a valid GeoCode to the tax rate/area (TXA1) field. If the address is a multi-county situation, the GeoCode Retrieve/ Select Window (V73GEO) displays and allows you to select the correct county and GeoCode.

## What You Should Know About

### Changing an address

When you change an address for a customer, the system updates the GeoCode if one was previously entered.

### To override GeoCodes on invoices



From Accounts Receivable (G03), choose **Customer & Invoice Entry**  
From Customer & Invoice Entry (G0311), choose **Standard Invoice Entry**

After you assign GeoCodes to your customers, the system uses the GeoCode to supply default tax information when you enter an invoice. If you need to override the tax information, you can do so when you enter the invoice.

### On Standard Invoice Entry

**03105 Standard Invoice Entry**

Field Sensitive Help  
Display Error Message  
Display Functions  
Toggle Display Format  
Exit Program  
Full Detail  
E-Mail  
Exit to Name Search  
Exit to Address Book  
Journal Entry Inquiry  
General Text View and  
Customer Ledger Inquiry  
Display Address  
Clear Screen  
Exit Out of Balance

**Standard Invoice Entry**  
Mode (F)

Account Number: 4244  
Invoice Number: 2232 RT 00100  
Invoice Amount: 26,818.80  
Invoice Date: 06/20/17  
G/L Date: 06/20/17  
Tax Amount:  
Taxable Amount:  
Remaining Amount:  
Batch Number: 6069194

Cliff Young's Stereo Warehouse  
Business Unit: 30  
Payment Terms: Net Instr  
Company: 00100 USD  
P.O. Number:  
Tax Expt Code:  
Tax Rate/Area:  
Serv/Tax Date: 06/20/17  
Currency Code: USD  
Exchange Rate:

Pay Itn	Gross Amount	Discount Available	Remark	Net Due Date	P
000	26,818.80	0	00002064 (Sales Order)	07/20/17	FF

F4=Detail F6=E-Mail F9=MS F11=Addr Book F16=Ldgr Inq F13=J.E. Inq F24=More

1. Choose Toggle Display Format (F2) to toggle to the alternate tax format.
2. Follow the steps to enter an invoice with taxes.  
*See Entering an Invoice with Taxes (P03105).*
3. Complete the following fields to override the default Customer Master Information:

- Tax Amount (optional)
- Tax Explanation Code (optional)

Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p><i>Form-specific information</i></p> <p>If you use Vertex, the system accepts only E (exempt), S (sales tax), and U (use tax) for GeoCodes. U is not used in Accounts Receivable.</p>
Taxable Amount	<p>The amount on which taxes are assessed.</p> <p><i>Form-specific information</i></p> <p>You can either enter an amount in this field and the system will calculate the tax for you, or you can enter an amount in the Tax Amount field. If you decide to type an amount in the Taxable Amount field, the system will validate it according to the tax rules you set up on Tax Rules by Company.</p>

---

**Note:** You may need to override the default tax information for specific situations. For example, if you normally uses the Vertex tax system with for sales taxes but you have an instance where you need to use the JD Edwards World tax system for a tax explanation code other than S (or E), you may override the tax explanation code and designate a tax rate/area from the JD Edwards World tax system for that customer/invoice.

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## What You Should Know About

### Use tax

The system makes accounting entries for use taxes when you post the invoice. AAI item RT (no G/L offset) points to the use tax account.

## Assigning GeoCodes to Suppliers

After you globally assign GeoCodes to your Address Book records, you might need to assign a GeoCode to a supplier.

### To assign a GeoCode manually to a supplier



From Accounts Payable (G04), choose **Supplier & Voucher Entry**  
From Supplier & Voucher Entry (G0411), choose an option

### On Supplier Master Information

**01054 Supplier Master Information**

Field Sensitive Help  
Display Error Message  
Display Functions  
Address Book Control F  
Exit Program  
Who's Who  
Memo  
Bank Codes  
Exit to Name Search  
Call Auxiliary Program  
Exit to Address Book  
Address Status Window  
Purchasing Instructions  
Category codes  
Retrieve Vertex GeoCode  
CIF Index  
Exit to A/P Co/Business  
Clear Screen

Action Type  
Supplier Number. 4010 Gourmet & More  
Long Address Number. Preferred Status ☐

Payment Information  
Credit Message  
Factor/Special P 4010 Gourmet & More  
Parent Number  
Logging Approver  
Payment Handling  
Payment Terms Net 30 Days  
Payment Instr T EFT CTX Format  
Reference  
Payment Method

Currency & Tax Information  
Withholding %  
Tax Expl Code Tax Rate/Area  
Tax Authority  
Currency  
Rst. Currency USD

Accounting Distribution Information  
G/L Class  
Default Exp Acct  
Model JE Type/Doc/Co

F5=Who F6=Memo F8=Bank codes F9=Search F11=Addr F14=Cat codes F24=More

1. Enter basic supplier information.  
See *Entering Suppliers (P01054)*.
2. Choose Retrieve Vertex GeoCode (F15) to automatically load information in the following field:
  - Tax Rate/Area

Field	Explanation
Tax Rate/ Area	<p>A code that identifies a tax or geographical area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province) and their rates.</p> <p>Typically, the U.S. sales and use taxes require multiple taxing authorities per tax rate/area, whereas value added taxes often require only one simple rate.</p> <p><i>Form-specific information</i></p> <p>The system uses this information as the default when you enter vouchers.</p> <p>If you use Vertex, the Vertex GeoCode appears in this field. The system retrieves the Vertex GeoCode based on the supplier's city, state, and zip code.</p>

## What You Should Know About

<b>Changing an address</b>	When you change an address for a supplier, the system updates the GeoCode if one was previously entered.
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## To override GeoCodes on vouchers

	<p>From Accounts Payable (G04), choose <b>Supplier &amp; Voucher Entry</b></p> <p>From Supplier &amp; Voucher Entry (G0411), choose <b>Standard Voucher Entry</b></p>
---	---

After you assign GeoCodes to your suppliers, the system uses the GeoCode to supply default tax information when you enter a voucher. If you need to override the tax information, you can do so when you enter the voucher.

#### On Standard Voucher Entry

The screenshot shows the 'Standard Voucher Entry' window in Oracle JD Edwards World. The window title is '04105 Standard Voucher Entry'. The left sidebar contains a list of functions like 'Field Sensitive Help', 'Display Error Message', etc. The main area is divided into several sections: 'Basic Information' (Action Code, Supplier Number, Invoice Number, Amount, Date, G/L Date, Tax Amount, Taxable Amount, Logging Approver), 'Tax Information' (Tax Expl. Code, Tax Area, Serv/Tax Date, Currency Code, Exchange Rate, Batch Number), and a 'Payment Schedule' table. The 'Payment Schedule' table has columns for Pay Itn, Gross Amount, Taxable Amount, Tax Amount, Tax Area, Tx Disc, and Due Date. The bottom of the window shows a status bar with function codes: F4=Details, F9=Name Srch, F11=Addr Book, F13=J.E. Inq, F16=Ledger Inq, F24=More.

1. Choose Toggle Display Format (F2) to toggle to the alternate tax format, if necessary.
2. Follow the steps to enter basic information for a standard voucher.  
See *Entering Standard Vouchers (P04105)*.
3. To override default Supplier Master information, complete the following fields:
  - Tax Amount (optional)
  - Tax Explanation Code (optional)
  - Taxable Amount

Field	Explanation
Tax Explanation Code	<p>A user defined code (00/EX) that controls how a tax is assessed and distributed to the general ledger revenue and expense accounts. You assign this code to a customer or supplier to set up a default code for their transactions.</p> <p>Do not confuse this with the taxable, non-taxable code. A single invoice can have both taxable and non-taxable items. The entire invoice, however, must have one tax explanation code.</p> <p><i>Form-specific information</i></p> <p>If you use Vertex, the system accepts only E (exempt), S (sales tax), and U (use tax) for GeoCodes.</p>

Field	Explanation
Taxable Amount	<p>The amount on which taxes are assessed.</p> <p><i>Form-specific information</i></p> <p>You can either enter an amount in this field and the system will calculate the tax for you, or you can enter an amount in the Tax Amount field. If you decide to type an amount in the Taxable Amount field, the system will validate it according to the tax rules you set up on Tax Rules by Company.</p>

**Note:** You may need to override the default tax information for specific situations where you normally use the Vertex tax system for sales or use taxes. For example, you may need to designate a tax explanation code other than S, U (or E). You can override the tax explanation code and designate a tax rate/area in the JD Edwards World tax system for that supplier and voucher.

The system makes accounting entries for Use taxes when you post the voucher. AAI item PT\_ \_ \_ \_ (no G/L offset) + Tax Rate/Area points to the Use tax account.

## What You Should Know About

### Use tax

The system makes accounting entries for use taxes when you post the voucher. AAI item PT\_ \_ \_ \_ (no G/L offset) points to the use tax account.

## Other Setup Considerations

Review the following setup considerations:

- Tax Explanation Codes
- Order Line Types
- Item Branch Sales/Purchasing Taxable Field

Tax Explanation Codes are set up in the customer master and supplier master records. Valid tax explanation codes when using the Vertex interface are S – Sales Tax, U – Use Tax, and E - Exempt. Vertex handles only sales and use tax. GST and PST are calculated by Vertex in the appropriate provinces. Value added taxes and other types of tax must be set up in standard World taxing.

An E tax explanation code on an order will override any set up in the Vertex software - the order will be exempt from taxes.

In Order Line Type Setup (P40205) there is a flag to indicate if the line type is subject to tax. If this flag is set to "N", the line type is nontaxable and the Vertex interface will not calculate tax nor will any TDM exemptions be looked at for this line.

In Item Branch, there are two fields that allow you to designate if an item is subject to sales tax (TAX1) or purchasing tax (TX). If these fields are set to N, when the item

is entered on an order, N will default into the Taxable field on the detail line of the order. These lines are nontaxable and the Vertex interface will not calculate tax nor will any TDM exemptions be looked at for the line. You can override this field with Y in the detail line of the order and taxes will apply.

## Reviewing Taxes on Sales Orders and Purchase Orders

Once an order is entered with a valid GeoCode, taxes can be calculated as needed throughout order processing. You can use the Online Invoice Program (P42230) to view tax information on a sales order or a purchase order.

### To view taxes on a sales order

On Sales Order Entry (P4211)

1. Access the Online Invoice Program (P42230) within Sales Order Entry (P4211) using F6, or on menu G42112 choosing option 3.

42230 Online Invoice

Oracle JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help 42230 Online Invoice From Status: 528 Thru 608

Display Error Message Based On Status

Display Functions Date to Display

Exit Program Include Backorders

More Details

Display Price or Weight

Text entry at Order level

Display Tax Summary

Display Discount Inform

Display Order Address

Display Invoices Assoc

Interactive Invoice Print

Clear Screen

Order	Description	UM	Quantity	Extended Price	T
06/30/12	Issei Pump Court Shoes	EA	500	67,500.00	Y
06/30/12	Air-Shaq Children's X-Trainer	EA	650	64,967.50	Y

Order Total 122,467.50

Taxable Amount Tax

Invoice Total 122,467.50

Opt: 5=Details F15=Tax Summary F16=Discounts F21=Print F24=More

The Taxable field (column T beside Extended Price) in standard World reflects the value from the detail line of the order, either Y or N. With Vertex activated, the value will be Y or O. The system uses a value of O if the detail line Taxable field is set to N, if an exception exists for the item in TDM, or if the line is backordered and taxes are not yet calculated on the line.

2. From on-line invoice, choose Tax Summary (F15).



The screenshot shows a window titled "42235 Tax Summary" with a menu bar containing "Functions", "Tools", and "Help". Below the menu bar is a toolbar with icons for a checkmark, a red X, a question mark, and a magnifying glass. The main area of the window contains a "Tax Summarization" field with a dropdown arrow. Below this field is a table with four columns: "Tax Group", "Tax Rate", "Taxable Amount", and "Tax Amount". The table has three empty rows below the header.

Tax Group	Tax Rate	Taxable Amount	Tax Amount

3. Enter one of the following the Tax Summarization field:

- 1 – Summary by Group ( taxable and nontaxable)
- 2 - Summary by Tax Area (by GeoCode, if using Vertex)
- 3 - Summary by Tax Authority or Jurisdiction.

This Tax Summarization field can be set to default in by setting the Tax Information processing option (7) of a version of On-Line Invoice (P42330) to 1, 2, or 3, and then attaching that version of P42230 to the On-Line Invoice processing option (59) of P4211.

## To view taxes on a purchase order

F6 from the detail of a purchase order displays Order Summary Information, which shows taxable amount, tax percentage, and tax amount. To see the detail of the calculated tax, you can print the purchase order, with processing option 4 of P43500 set to whatever level of detail you want to see, 1, 2, or 3.

## On Purchase Order Detail

43114 Purchase Order Detail 8

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
 Display Error Message  
 Display Functions  
 Display Purchasing Info  
 Exit Program  
 More Details  
 Exit to Order Templates  
 Exit to P.O. Summary  
 Exit to Landed Cost Cost  
 Exit to Quote Supplier E  
 Exit to Supplier Analysis  
 Exit to Address Book  
 Exit to Kit Inquiry  
 Display Text Associate  
 Exit to P.O. Header Rev  
 Print the P.O.  
 View/Update Order Adc  
 Exit to Complimentary P  
 Exit to Open Order Inqui  
 Item Flash Message (C)  
 Create/Duplicate a P.O.  
 Clear Screen

43114 Purchase Order Detail

Branch/Plant 10  
 Order Date 06/10/17  
 Cancel Date  
 G/L Date 06/18/17  
 Order Number 2026 0P

Action Code C  
 Supplier 4343 Vector Mfg  
 Ship To 1063 Modesto Warehouse #10  
 Requested 06/30/17 Account Number  
 Promised 06/30/17 Subledger Amount 26,720.00  
 Cost Rule Skip To Line #

Account Number	Item Number	Quantity	Unit Cost	0
	F3001	240	50.2500	
	F3002	340	43.1200	

F6-Summary F15-PO Header F24-More Keys Opt: 1-Detail 3-Text 9-Del

1. Choose Summary (F6). The Order Summary Information screen displays.

430114 Order Summary Information

Tools Help

ORACLE JD Edwards World

URL Document Email World Resources Support

Field Sensitive Help  
Display Error Message  
Display Functions  
Exit Program  
More Details  
Clear Screen

430114 Order Summary Information

Order Number 2026 OP  
Supplier 4243 Vector Mfg  
Ship To 1063 Modesto Warehouse #10

Description/ Item Number	Quantity	Extended Volu	Extended Weight	Extended Amount
Isael Pump Court Shoes	240		540.0000	12,060.00
Rir-Shaq Children's X-Tra	340		510.0000	14,660.00
Total			1,050.0000	26,720.00
Amount Taxable			*	
Order Total				26,720.00

F24=More Keys

## Activating Vertex Tax Decision Maker (TDM)

The Vertex Calculation Module is designed to tax all customers, all products, and all jurisdictions at the standard rates and rules found in the Data Module. The Vertex Tax Decision Maker - TDM - enables you to tailor your tax decision files for special product, customer, and jurisdiction taxing requirements. The customers, products, and jurisdictions that you set up in TDM are exceptions to this default taxability rule.

Most of the information you need to set up TDMs is found in Vertex documentation, particularly the *SalesTax User's Guide* and the *SalesTax Training Guide for Tax Professionals*. There is additional setup for Product TDMs to work with stock and non-stock items.

This section details specific information regarding setting up TDMs with JD Edwards World software, particularly product TDMs for both stock and non-stock products.

There are seven TDM tables you can set up in Vertex:

Table Name	Description
Master Table	by state
GeoCode Table	by jurisdiction
Product Table	by state, by product category
Customer Table	by state, by customer
Location Table	for Colorado only
Override Subtable	by product, and/or customer, and/or jurisdiction
Exemption Subtable	by customer - exemption certificate

**Note:** Each TDM table is specific to Company Code and Division Code.

### Before You Begin

- Set up system constants. See *To Activate Vertex*.

### To activate Vertex Tax Decision Maker



From Master Directory (G), type G73  
 From M&D Complementary Products (G73), choose **Vertex Sales and Use Tax**  
 From Vertex Sales and Use Tax (G731), choose **Vertex System Operations**

## On Sales Tax Calculation Menu Vertex Tax Decision File Processing.



## 1. Choose Tax Decision File Processing (20).



## 2. On Vertex Tax Decision Maker, complete the following:

- Company Code
- Division Code
- Table ID

Field	Explanation
Company Code	<p>This field is required.</p> <p>The company field is a 5-digit alpha-numeric field; therefore, company 100 must be entered specifically - usually as 00100. Company 100 is different than company 00100. Company 00000 is not a default company; it is a specific company. If you leave the company field blank when going to a table, it will default in as 00000.</p>
Division Code	<p>This field is optional.</p> <p>However, the division code must be used for TDM setup if there is a category code in the address book record of the branch for the category indicated in Address Book Category in Vertex Tax System Constants (G731, option 2). For example, per the setup above, Address Book Category Code is 01. Inquire on the address book record for branch 10 (address book record 1063). F14 to go to category codes. If this record has anything populated in category code 01, then TDM setup for sales orders or purchase orders for branch 10 must use that category for Division Code.</p>

## The Master Table

The Master Table (MT) is set up per state. If you are not registered to collect taxes in a state, you should set up a master table as all exempt.

The taxability flags are defined in Vertex documentation. In particular, G and J for Collect State, County, City, and District allow you to set up GeoCode Tables for specific GeoCodes for this state:

Taxability Flag	General Rule
G	No jurisdictions are taxed except the ones specified in the GeoCode Table.
J	All jurisdictions are taxed except the ones specified in the GeoCode Table.

The Intra-State Sale taxability flags:

Taxability Flag	Description
T	Ship-To location
F	Ship-From location
O	Order-Acceptance location
N	Do not calculate tax

The Physical Location flag applies only to Colorado. This must be set to Y to be able to create the required Location Tables (LT) for the cities and counties for your warehouses in Colorado.

Refer to Vertex documentation for interpretation of fields.

## The GeoCode Table

Some states have local jurisdictions that are responsible for administering their own taxes. The GeoCode Table (GT) enables you to set up exceptions for specific jurisdictions. The Master table for the state of the GeoCode must first be set up with G or J as the taxability flag at the corresponding county, city, and/or district level. See *Master Table* for specifics on G and J.

Taxability Flags:

Flag	Description
Y	Calculate tax at the standard rate.
N	Do not calculate tax.
O	Proceed to the Override Subtable for a special tax situation in this jurisdiction.
*	Default to the previously retrieved taxability information for this jurisdiction.

If O is entered as a taxability flag, The Tax If Override Not Found field displays:

Flag	Description
Y	Calculate tax at the standard rate in the Data Module.
N	Do not calculate tax.
*	Default to the previously retrieved taxability information for this jurisdiction.

## Assigning Non-Stock Product Categories to Order Types



From M&D Strategic Complementary Products (G73), choose **Vertex Sales and Use Tax**  
From Vertex Sales and Use Tax (G731), choose **Non-Stock Product Categories**

For non-stock order lines, for example, lines for freight charges or other miscellaneous charges, you must define non-stock product categories within the Vertex system. The JD Edwards World/Vertex interface uses these codes when you enter order lines to determine tax information.

You must specify a Vertex product category and a Vertex transaction type for each order type and line type combination. The Vertex product category is used for product exceptions in TDM. The Vertex transaction type indicates to Vertex the type

of transaction being processed, for example, sales, purchase, rental, or service, so Vertex can apply the appropriate tax type (sales, use, rental, or service). You define tax types on the Vertex TDM Override Sub-table form.

## To assign non-stock product categories to order types

On Non-stock Product Categories


Complete the following fields:

- Order Type
- Line Type
- Vertex Product Category
- Vertex Transaction Type

## See Also

- *Vertex Tax Decision Maker Taxability* guide for product and service taxability information. Other reference materials that are available from Vertex include:
  - The National Sales Tax Manuals
  - The National Sales Tax Manuals Topical Reference
  - Setting up a Product Table TDM for non-stock items.

## Defining Tax Information for Items

	From Inventory Management (G41), choose <b>Inventory Master/Transactions</b> From Inventory Master/Transactions (G4111), choose <b>Item Branch/Plant Information</b>
---	---

To apply tax to the sales or purchase of an item, you perform two tasks to specify that the item is taxable:

- Activate the tax fields for the item on Item Branch/Plant Information to yes
- Assign the item to a tax category

In Vertex, the tax category corresponds to product categories that you define in TDM for any special tax exceptions or overrides. For example, when you sell a stock item, the JD Edwards World Sales Order Management system passes the tax category code to the Vertex system.

Before Vertex calculates the tax, it compares the tax category code to TDM product categories. If it finds a match, the TDM setting for the category, for example, taxable, exempt, or otherwise, dictates how Vertex specifies a tax. If it does not find a match, Vertex taxes the item at the standard rate for that jurisdiction.

Taxes are calculated for items only if the customer is also taxable.

### See Also

- The *Vertex Sales Tax Data/Calculation Module Guide*
- The *Vertex Tax Decision Maker Taxability Guide* for product and service taxability information

### To define tax information for items

On Item Branch/Plant Information

1. Locate the item whose tax information you want to define.
2. Complete the following fields:
  - Sales Taxable
  - Purchasing Taxable
3. Access Item Branch Class Codes.
4. On Item Branch Class Codes, complete fields as follows:
  - For sales tax, the field whose data dictionary identifier corresponds to the value you specified in the Item Balance Category field under Sales Tax Category Code on Vertex Tax System Constants
  - For use tax, the field whose data dictionary identifier corresponds to the value you specified in the Item Balance Category field under Use Tax Category Code on Vertex Tax System Constants.



## The Product Table

With the Vertex interface, Product Table (PT) TDM exception setup is not based on the item name; rather, it is based on a category code. Setting up Product Table TDM exceptions is different for stock items than for non-stock items.

Product Table TDMs for stock items are based on the category codes assigned to items, not the items themselves.

Vertex Product TDM exceptions are based on the Item Balance Category Code set up in Vertex Tax System Constants for Sales and Use Tax. Sales tax is for system 42; use tax is for system 43. This identifies which category code is used in item/branch category codes (F5 from item/branch) for setting up exceptions. The following steps are necessary to set up Product TDMs:

- Establish Item Balance Category in Vertex System Constants.
- Add your stock item to item master and item/branch.
- Add a category code to the category established in step 1 to the item/branch record category codes.
- Set up the category code in step 3 as an item in item master

## The Customer Table

Customer exceptions are set up in the Customer Table (CT). Some customers may be exempt, some may be taxed at a lower rate, and some may have a unique status when purchasing certain products. The customer address book number is interfaced to the CT TDM, and is set up by state.

Taxability Flags:

Flag	Description
Y	Calculate tax at the standard rate.
C	Proceed to the Override Subtable for a special tax situation for this customer id.
P	Proceed to the Override Subtable for a special tax situation for this customer id and product id category combination.
B	Proceed to the Override Subtable for a special tax situation for this customer id and product id category combination. If not found, then look for customer id by itself.
E	Do not calculate tax - customer is exempt.
*	Default to the previously retrieved taxability information for this jurisdiction.

Tax If Override Not Found:

Flag	Description
Y	Calculate tax at the standard rate in the Data Module.

Flag	Description
N	Do not calculate tax.
*	Default to the previously retrieved taxability information for this jurisdiction.

Refer to Vertex documentation for interpretation of fields.

## The Location Table

The Location Table is used to correctly calculate Colorado's taxes for intrastate transactions. In this table, you identify your company's physical locations in Colorado - you must set up both the city and county GeoCodes.

## The Override Subtable

An Override Subtable gives you the ability to define tax exceptions such as override rates, surcharges, tax bases, and maximum or minimum tax amounts for specific customers, products, and GeoCodes. Override Subtables are dependent on Product Tables, Customer Tables, and/or GeoCode Tables.

You can find specific information on how to set up Override Subtables in Vertex's *Training Guide for Tax Professionals* and *SalesTax User's Guide*.

## The Exemption Subtable

The Exemption Subtable (ES) is used to define exemption certificate information for customers or customer/product combinations that are exempt from tax. If an exemption certificate is set up here, and the invoice date is between the issue date and expiration date, then the customer will be exempt from taxes at all jurisdictional levels (state, county, city, and district) for the GeoCode.

Exemption subtable field explanations and rules are explained in Vertex's *Training Guide for Tax Professionals* and *SalesTax User's Guide*.

An exemption certificate number entered here will override the Tax Id number passed from the customer master in the link/parm area. It is written to the VTSREG file. The Tax Id number in customer master has no exemption functionality, but the exemption certificate number in the ES setup does.

---

**Note:** a GeoCode is required for setup, but a product number is not.

---

## TDM Table Dependencies

The following table lists the tables that are required to support special tax situations:

When completing the	You must also complete these tables:
Master Table	None

<b>When completing the</b>	<b>You must also complete these tables:</b>
GeoCode Table	The Master Table with a G or J in the appropriate jurisdiction level.
Product Table	None
Customer Table	None
Location Table	The Master Table for Colorado with a Y for Physical Location Indicator
Exemption SubTable	None

When completing the Override SubTable:

<b>To identify the following tax situations</b>	<b>The following tables and taxability flags must exist:</b>
Customer and Jurisdiction	Customer Table for the jurisdiction with C or B at the appropriate jurisdiction level
Product by Jurisdiction	Product Table for the jurisdiction with O at the appropriate jurisdiction level
Customer and Product by Jurisdiction	Customer Table for the jurisdiction with P or B at the appropriate jurisdiction level
Jurisdiction	GeoCode Table with O at the appropriate jurisdiction level

## The TDM Hierarchy

More than one TDM exception may apply to a single transaction. The following hierarchy determines which TDM record is used in the tax calculation:

<b>Hierarchy</b>	<b>Table</b>	<b>Description</b>
1	Exemption Subtable	The system first searches for a customer/product combination in the Exemption Subtable. If the combination is not found, the system searches the Exemption Subtable again for the customer code alone.
2	Customer Table	The system searches the Customer Table for an exempt customer.
3	Customer Table	The system searches for a customer/product combination in the Override Subtable.
4	Customer Table	The system searches for a customer code in the Override Subtable.
5	Product Table	The system searches the Product Table for a nontaxable product.

Hierarchy	Table	Description
6	Product Table	The system searches for a product code in the Override Subtable.
7	GeoCode Table	The system searches the GeoCode Table for a GeoCode.
8	GeoCode Table	The system searches for a GeoCode in the Override Subtable.
9	Master Table	The system calculates taxes according to the taxability flags set in the Master Table or searches the GeoCode Table or the Location Table if indicated.
Hierarchy	Table	Description

## Common Troubleshooting Tips

The following tips may be helpful in troubleshooting some common questions or errors experienced when setting up Vertex.

### UDC Table 73/EC

When certain conditions exist in TDM, such as when you set up a customer exemption, Vertex passes an "error" to World. Use UDC 73/EC to set up acceptable error conditions to World. If the error is set up on this UDC table, it will be considered a soft error and taxes will be calculated in accordance to World and Vertex setup. If the error is not included on the UDC table, it is considered a hard error and taxes will not be calculated.

The following can be the cause as to why your TDM setup may not work:

- Check TDM hierarchy - one table might be overriding another.
- The TDM table company field is alpha/numeric, i.e.. company 1 is different than company 00001.
- Check the effective dates on the TDM table.
- Check for Division Code setup.
  - Check for a category code on the A/B record of the branch plant that coincides with the address book number in the Vertex system constants.
  - If there is one, TDM exemptions must be set up with a division code equal to the category code.
- Checking for TDM setup - run the TDM report from the Miscellaneous Report Menu, option 10.

## How to Print the Link/Parm Area

You can print the Link/Parm data structure “image” before and after the Vertex calculator is called. There is logic in the X4008C tax calculator that checks a flag in the Vertex Constants file, F7301, to see if the before and after image should be printed. By placing a 1 in the F7301 in #TJPRT field, and executing a sales program such as online invoice (P42230) or invoice print (P42565), a report will be generated with the before and after values of the Link/Parm for each line item.

---

**Caution:** Be careful about turning the flag on for everyone. If this is done, huge spool files will be generated for every detail line processed by several sales programs. Make sure to add the SAPLIB73 library to your library list and temporarily change the #TVPRT field, so the reporting will be isolated to anyone doing Vertex testing with this library.

---

To see the results of the print, WS on command line.

Option 7 on G731 does not affect printing.

## Proper Libraries Not in the Users Library List

Do a DSPLIBL and check for VGEOLIB, VSTAX.O and VSTAX.D. If they are not in the library list do an ADDLIBL. If these libraries are not on the system, contact Vertex.

## Customer Master or Supplier Master Vertex Issues

Use the Function key F15 to assign a GeoCode in customer master or supplier.

Also do the following:

- Check for the VGEOLIB library in the user’s library list.
- Check the country code. The country codes for US and Canada must match in address book and in Vertex System Constants.
- Check that the releases of World and Vertex are compatible.

## Vertex Tax Calculation is Different from the World Tax Calculation

Test in the Vertex software using option 40, On-line Register Entry, and compare to the online invoice in World.

## How to Write to a Different VTSREG file in CRP vs. Production

Create a new library. Copy VTSREG from VSTAX.D to the new library and put this new library at the top of the library list. This way you can share the TDM set up but write to a different register file.

## Sales order entry errors

- Error 057B - Vertex GeoCodes Inconsistent

Set up the address book number of the branch plant in the customer master and assign a GeoCode.

Make sure that the address book number for the branch plant in the branch plant constants is the same as the address book number of the branch plant in the business unit master (G09411 option 4 = Revise Single Business Unit).

- error 0272 - Tax Area Invalid

Investigate whether Vertex is activated and the proper libraries in the library list? If yes, test by manually entering the GeoCode in the header of the order. Test in the Vertex software option 45, Rate Inquiry.

All valid GeoCodes are stored in a master file called GEOMAST which is updated once per year (or more frequently depending on the client's agreement with Vertex). There may have been a change in the GeoCode that the client does not have.

## **Sales Update errors**

- error 0267 - Item Number Invalid

If using a product exemption table in TDM, the product category set up in the branch plant record of the item must be set up as an item master in the F4101.

- error 012M - Taxable Amount Must Be Entered

Check the UDC table 47/EC for proper values (see appendix B).

## **Customer/Supplier Master errors**

- error 4995 – warning - possible match.

If you use the F15 to assign a GeoCode and receive this error, check the address in the address book record. It may not be a valid address.

- error 4999 – Tax explanation for Vertex Tax Area Invalid

Only S, U, and E are valid for Vertex.

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## Appendix B – Understanding the Link/Parm Area

The Link/Parm area is the link between JD Edwards World files and the Calculation Module. All the information Vertex needs to accurately calculate taxes is passed from World to the Calculation Module and then all the appropriate information is passed back.

Vertex provides the link areas as an external interface to the Vertex Calculation Module, which carries selected information to Vertex and returns tax information to the user.

The following tables describe how JD Edwards World populates the Link/Parm Area. The columns in the tables contain information as follows:

- The I/O column identifies the field as an “input to” or an “output from” the Vertex system.
- The Field Name and the Field Description columns contain the file names and descriptions, respectively, for the Vertex parameters.
- The A/N/P column indicates a field’s attributes (alpha, numeric, or packed).
- The Comments column contains information about the Vertex field.

## GeoCode Conversion - Program VGEO100

The JD Edwards World/Vertex Sales Tax Interface passes address information from JD Edwards World to the Vertex GeoCoder system. The GeoCoder system determines the GeoCode(s) for the address and returns it to the JD Edwards World system.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
	LSTABB	State Abbr.	2	A	ABADDS	<p>Although the JD Edwards World field is a three-character field, only the first two characters of the JD Edwards World field are used.</p> <p>Special Processing (for Canadian addresses):</p> <p>If the country code (ABCTR) for the address is equal to the Canadian country code PSSVCN (passed as a parameter), substitute CN in this field.</p> <p><b>Note:</b> The Canadian country code field is set up in the Vertex Constants (F7301) table.</p>
I	LCITYN	City Description	30	A		Use the last non-blank line of the six address lines (ABADD1-ABADD6) for the city name. The city name is limited to 30 characters, whereas the JD Edwards World city name is up to 40 characters long.
I	LZIP	Postal Code	5	A/N	ABADDZ	Only the first five characters of this field are used.
O	LRETID	Return Code	5	A/N		<p>1 = Matched Records</p> <p>2 = Possible Matched Records</p> <p>3 = Unmatched Records</p> <p>4 = State Match Only</p> <p>5 = Print Report</p>
O	LFILL	Filler	2	A/N		Leave blank.
O	LGEO1	GeoCode #1	9	N		Mapped to PSTXA1 described above.
O	LCOUN1	County Name #1	10	A		Used for multi-county selection.
O	LMCO1	Multi-County Code #1	1	A/N		<p>If returned value of 1, assign tax area prefix of M for multi-county.</p> <p>If LMC01 = 1, the GeoCode Select Window (PVIGEO) displays so you can select the appropriate GeoCode.</p>



<b>I/O</b>	<b>Field Name</b>	<b>Field Description</b>	<b>Size</b>	<b>A/N/P</b>	<b>JD Edwards World Field Name</b>	<b>Comments</b>
O	LZIPR1	Postal Code Range #1	10	A/N		Used for multi-county selection.
O	LGEO2	GeoCode #2	9	N		Used for multi-county selection.
O	LCOUN2	County Name #2	10	A		Used for multi-county selection.
O	LMCO2	Multi-County Code #2	1	A/N		Unreferenced.
O	LZIPR2	Postal Code Range #2	10	A/N		Used for multi-county selection.
O	LGEO3	GeoCode #3	9	N		Used for multi-county selection.
O	LCOUN3	County Name #3	10	A		Used for multi-county selection.
O	LMCO3	Multi-County	1	A/N		Unreferenced.
O	LZIPR3	Postal Code Range	10	A/N		Used for multi-county selection.
O	LGEO4	GeoCode #4	9	N		Used for multi-county selection.
O	LCOUN4	County Name #4	10	A		Used for multi-county selection.
O	LMCO4	Multi-County Code #4	1	A/N		Unreferenced.
O	LZIPR4	Postal Code Range #4	10	A/N		Used for multi-county selection.
O	LGEO5	GeoCode #5	9	N		Used for multi-county selection.
O	LCOUN5	County Name #5	10	A		Used for multi-county selection.
O	LMCO5	Multi-County Code #5	1	A/N		Unreferenced.
O	LZIPR5	Postal Code Range #5	10	A/N		Used for multi-county selection.
O	LGEO6	GeoCode #6	9	N		Used for multi-county selection.
O	LCOUN6	County Name #6	10	A		Used for multi-county selection.
O	LMCO6	Multi-County Code #6	1	A/N		Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LZIPR6	Postal Code Range #6	10	A/N		Used for multi-county selection.
O	LCUSTN6	Customer ID	20	A/N		Used for multi-county selection.

## Sales Order Processing Tax Calculations - Program VTS110

### Jurisdiction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR01	Ship-to GeoCode	9	N		Pass field SDTXA1.
I	LJUR02	Ship-to inside or outside city limits	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is formatted by interpreting the prefix of SDTXA1: V = 1 - inside M = 1 - inside O = 0 - outside
I	LJUR03	Ship-from GeoCode	9	N		/* Retrieve the Address Book Number of the detail branch/plant */ Use XS41001 common subroutine to retrieve the branch/plant constants using SDMCU. If the return code is N, move *Blanks to the LJUR03 else /* Retrieve the Address Book record */ Use the XF0101 common subroutine to retrieve the address book record using the address book number (CIAN8) retrieved from the branch/plant constants. If the Return Code is normal, move A5TXA1 to LJUR03, else move blanks to LJUR03 End; End;

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR04	Ship-from-in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the A5TXA1 of the ship-from branch/plant.
I	LJUR05	Order Acceptance GeoCode	9	N	Defaults to the ship-from GEO	<p>/* Retrieve the address book number of the header branch/plant */</p> <p>Use XS41001 common subroutine to retrieve the branch/plant constants using SHMCU.</p> <p>If the return code is = N, move *blanks to the LJUR05 else /* Retrieve the address book record */</p> <p>Use the XF0101 common subroutine to retrieve the address book record using the address book number (CIAN8) retrieved from the branch/plant constants.</p> <p>If the return code is normal, move A5TXA1 to LJUR05 else, move blanks to LJUR05</p> <p>End;</p> <p>End;</p>
I	LJUR06	Order Acceptance in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the A5TXA1 of the order header branch/plant.

## Invoice Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LINV01	Invoice Number	12	A/N		SDDOC (Document Number), if not equal to zero. If SDDOC is equal to zero, use SDDOCO (Sales Order Number).
I	LINV02	Invoice Date	8	A/N	Required (the invoice date - CCYYMMDD)	Use SDIVD (Invoice Date) if not equal to zero. If SDIVD is zero, use SDTRDJ. If SDTRDJ is also equal to zero, use today's date (UPDATE).

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LINV03	Invoice Gross Amount	13,3	N	Three decimal places	The returned value is mapped to the JD Edwards World field #XAG (gross amount).
O	LINV04	Total Tax	13,3	N	Three decimal places	The returned value is mapped to the JD Edwards World field #XSTAM (Tax Amount).
O	LINV05	Combined Rate	6	N	Six decimal places	The returned value is mapped to JD Edwards World field #XTXR5 (Tax Rate Authority 5)
I	LINV06	Invoice Control #	5	A/N		SDDOCO (Sales Order Number).

## Customer Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCUS01	Customer Code/ID	15	A/N	A user defined field used to check the customer's taxability using the Tax Decision Maker Customer table.	SDSHAN (Ship to Customer Number).
I	LCUS02	Customer Exempt Flag	1	A/N	Blank = let Calculation Module determine taxability of customer using Tax Decision Maker  1 = Customer is tax-exempt  If a customer is tax-exempt, the entire invoice is exempt from tax.	If the order line is coded as tax exempt (SDEXR1 = E), pass 1.  Otherwise, pass blank.
IO	LCUS03	Customer Exempt Certificate. #	15	A/N	An input-output field that works in conjunction with field LCUS04. The exempt certificate numbers coded in the Vertex tables are not in the JD Edwards World Address Book.	Pass value of blanks. This field contains the returned certificate number.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCUS04	Customer Certificate Flag	1	A/N	1 = Calculation Module will retrieve certificate number from Exemption subtable and populate this field on the Vertex Tax Register table.	Pass 1 - The tax exempt certificate number is returned in JD Edwards World field LCUS03.

## Company Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCOM01	Company Code	5	A/N	Default = 00000	Use the company code of the ship-from business unit or branch/plant in the Sales Order Detail table (F4211).
I	LCOM02	Division/Store Code	5	A/N	Default = 00000	Based on the setup in the Vertex Constants table (F7301), retrieve the appropriate category code from the address book record of the ship-from business unit or branch/plant. For example, if the address book Category Code Number field is set to 5, use category code 5 (ABAC05) from the address book.
I	LCOM03	Register File Indicator	1	A/N	0 = No register record is written 1 = Register record is written 2 = Register record is rewritten if a duplicate record is encountered	0 for all programs except for the General Ledger Post (P09801). Use 1 for the General Ledger Post.
I	LCOM04	Filler	4	A/N		Blanks.
I	LCOM05	Filler	3	A/N	Reserved	Blanks.
O	LCOM06	Return Code	2	A/N	Reserved	If a value is returned, test against the table of warning messages. If it is a warning, accumulate the Gross Amount (#XAG). If an error, bypass the Gross Amount.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCOM07	File Access Mode	1	A/N	B = Batch mode (default) I = Interactive	B = batch programs I = interactive programs.
I	LCOM08	Number of occurrences	2	N	Default = 01	Blanks.
I	LCOM09	Filler	8	A/N	Reserved for future use.	Blanks.

## Transaction Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LTRN01	Taxed GeoCode Indicator	1	A/N	Taxes calculated for: T = ship-to location F = ship-from location O = order acceptance location	Unreferenced.
O	LTRN02	Status Code	1	A/N	To be defined.	Unreferenced.
I	LTRN03	Invoice Line Item #	5	A/N		SDLNID - move without decimals. For example, line number 1.010 in JD Edwards World should be moved as 1010.
I	LTRN04	Transaction Type	6	A/N	Possible values: PURCH SALE (default) LEASE RENTAL SERVIC	The passed values is determined by the order type/line type defined through Non-Stock Product Categories table (F7305). SALE = default value
I	LTRN05	Transaction Sub-Type	3	A/N	Further identifies the transaction type, for example, property, freight, expense, labor, and so on.	Blanks, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LTRN06	Transaction Code	1	A/N	N = normal (default) A = adjustment B = tax-only debit C = tax-credit R = distribute rate X = distribute tax	Blanks, unreferenced.
I	LTRN07	Transaction Date	8	N	default = current system date	Blanks, unreferenced.
I	LPRO01	Product Category Code	15	A/N/A	A user defined field used to check the product's taxability using the Tax Decision Maker Product table.	Based on the setup in the Vertex Constants table (F7301), retrieve the appropriate item category code from the Item Balance table (F4102) using the XF4102 file server. Also uses Non-Stock Product Category for non-stock items. Called Product Category/ID in the Tax Decision Maker.
I	LPRO02	Line Item Exempt Flag	1	A/N	1 = exempt this particular line item from tax  blank = let Calculation Module determine the line item's taxability	If SDTAX1 = Y, pass value of blank. (Allow TDM table to determine exempt status.)  If SDTAX1 = N, pass value of 1 = exempt.
I	LPRO03	State Taxability Flag	1	A/N	blank = Vertex determines state tax liability  0 = no state tax liability  1 = state tax liability	Blank, unreferenced.
I	LPRO04	County Taxability Flag	1	A/N	blank = Vertex determines county tax liability  0 = no county tax liability  1 = county tax liability	Blank, unreferenced.
I	LPRO05	City Taxability Flag	1	A/N	blank = Vertex determines city tax liability  0 = no city tax liability  1 = city tax liability	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LPRO06	District Taxability Flag	1	A/N	blank = Vertex determines district tax liability 0 = no district tax liability 1 = district tax liability	Blank, unreferenced.
I	LPRO07	Quantity	11,4	P	Four decimal places	SDSOQS quantity shipped (scrub to 4 decimals). Always pass a positive quantity (reverse sign for credits).
I	LPRO08	Extended Price Amount	13,3	P	Three decimal places	SDAEXP extended line price (scrub to 3 decimals).
I	LPRO09	State Tax Inclusion Flag	1	A/N	0 = State tax not included in amount (default) 1 = State tax included in amount	Blank, unreferenced. Applies only for Canada. If the tax is already included in the extended price, it needs to be distributed among state, county, city and district.
I	LPRO10	County Tax Inclusion Flag	1	A/N	0 = County tax not included in amount (default) 1 = County tax included in amount	Blank, unreferenced.
I	LPRO11	City Tax Inclusion Flag	1	A/N	0 = City tax not included in amount (default) 1 = City tax included in amount	Blank, unreferenced.
I	LPRO12	District Tax Inclusion Flag	1	A/N	0 = District tax not included in amount (default) 1 = District tax included in amount	Blank, unreferenced.
I	LPRO13	User Area	25	A/N	For customer use. This field shows on Vertex reports.	Blanks.



## State Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LSTA01	Taxed Amount	7	P	Three decimal places	The highest value of LSTA01, LCOU01, LCIT01, LDIS01 is mapped to JD Edwards World field #XATXA (Taxable Amount)
O	LSTA02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LSTA03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LSTA04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LSTA05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR1 (Tax Rate Authority 1)
O	LSTA06	Rate Indicator	1	A/N	C = current (default) P = previous	Unreferenced.
I	LSTA07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSTA08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT1 (Tax Amount Authority 1)

## County Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LCOU01	Taxed Amount	7	P	Three decimal places	See LSTA01.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LCOU02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCOU03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCOU04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCOU05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR2 (Tax Rate Authority 2)
O	LCOU06	Rate Indicator	1	A/N	C = current P = previous	Defaults to C.
IO	LCOU07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks; the Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCOU08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT2 (Tax Amount Authority 2)

## City Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT01	Taxed Amount	7	P	Three decimal places	See LSTA01.
O	LCIT02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCIT03	Exempt Reason Code	1	A/N	* = default	Unreferenced
O	LCIT04	Exempt Amount	7	P	Three decimal places	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR3 (Tax Rate Authority 3)
O	LCIT06	Rate Indicator	1	A/N	C = current P = previous Defaults to C	Unreferenced.
I	LCIT07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCIT08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT3 (Tax Amount Authority 3)

## District Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LDIS01	Taxed Amount	7	P	Three decimal places	See LDSA01.
O	LDIS02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LDIS03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LDIS04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LDIS05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR4 (Tax Rate Authority 4)
O	LDIS06	Rate Indicator	1	A/N	C = current (default) P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
IO	LDIS07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LDIS08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT4 (Tax Amount Authority 4)

## Intrastate Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE01	Taxed GeoCode	9	N		In the invoicing program P42565, if the returned field is not blank, format and display the individual tax authority amounts. Unreferenced in all other programs.
O	LSPE02	County Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE03	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE04	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE05	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE06	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE07	City Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE08	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE09	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE10	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE11	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE12	District Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE13	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE14	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE15	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE16	Tax	7	P	Three decimal places	See LSPEC01.
I	LSTA09	State Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LCOU09	County Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LCIT09	City Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LDIS09	District Non-taxed Reason Code	1	A/N	* = default	Blanks.
O	LDIS10	District Apply Flag	1	A/N	1 - District tax applies to the city 2 - District tax applies to the county	Unreferenced.

## Address Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LACTC	Action Code	2	A/N		Unreferenced.
O	LSHTO	Ship-to (state)	2	A/N	State Code	Unreferenced.
O	LSHTZP	Ship-to (Postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LSHTCT	Ship-to (city)	25	A/N	City name	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSHTCO	Ship-to (county)	15	A/N	County name	Unreferenced.
O	LSHTJI	Ship-to Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILLI	Filler	1	A/N		Unreferenced.
O	LSHRC	Ship-to Return Code	2	A/N		Unreferenced.
O	LSHFR	Ship-from (state)	2	A/N	State Code	Unreferenced.
O	LSFRZP	Ship-from (Postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LSFRCT	Ship-from (city)	25	A/N	City name	Unreferenced.
O	LSFRCO	Ship-from (county)	15	A/N	County name	Unreferenced.
O	LSFRJI	Ship-from Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL2	Filler	1	A/N		Unreferenced.
O	LSFRRT	Ship-from Return Code	2	A/N		Unreferenced.
O	LORST	Order Acceptance (state)	2	A/N	State Code	Unreferenced.
O	LORZP	Order Acceptance (postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LORCT	Order Acceptance (city)	25	A/N	City name	Unreferenced.
O	LORCO	Order Acceptance (county)	15	A/N	County name	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LORJI	Order Acceptance Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL3	Filler	1	A/N		Unreferenced.
O	LORRTC	Order Acceptance Return Code	2	A/N		Unreferenced.
O	LSTOR	Store Code	10	A/N		Unreferenced.
O	LFILL4	Filler	95	A/N		Unreferenced.

## Accounts Receivable Tax Calculations - Program VTS110

### Jurisdiction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR01	Ship-to GeoCode	9	N		Loaded from the tax area field of the customer invoice line, field name RPTXA1.
I	LJUR02	Ship-to inside or outside city limits	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is formatted by interpreting the prefix of the field RPTXA1. V = 1 - inside M = 1 - inside O = 0 - outside
I	LJUR03	Ship-from GeoCode	9	N		Loaded with the identical value of LJUR01.
I	LJUR04	Ship-from-in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	Move *blanks to LJUR04. The Vertex tax calculator will use the default the value of LJUR02.
I	LJUR05	Order Acceptance GeoCode	9	N		Loaded with the identical value of LJUR01.
I	LJUR06	Order Acceptance in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the ABTXA1 of the order header branch/plant.



## Invoice Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LINV01	Invoice Number	12	A/N		RPDOC (Document Number). This is a system-assigned number at the time the invoice is created.
	LINV02	Invoice Date	8	A/N	Required. The invoice date (CCYYMMDD)	Use invoice date fields: RPDID, RPDIM, RPDY.
O	LINV03	Invoice Gross Amount	13,3	N	Three decimal places	Value returned from the tax calculator. Formatted to field #XAG, amount gross in X4008C.
O	LINV04	Total Tax	13,3	N	Three decimal places	Value returned from the tax calculator. Formatted to field #XSTAM, tax amount in X4008C.
O	LINV05	Combined Rate	6	N	Six decimal places	Value returned from the tax calculator. Formatted to field #XTXR5, combined rate, in X4008C. This field reflects the true tax rate.
	LINV06	Invoice Control #	5	A/N		Pass blank.

## Customer Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCUS01	Customer Code/ID	15	A/N	A user-defined field used to check the customer's taxability using the TDM Customer Table.	RPAN8 (Customer Number).

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCUS02	Customer Exempt Flag	1	A/N	Value of blank = let Calculation Module determine taxability of customer using TDM.  Value of 1 = Customer is tax exempt. If a customer is tax exempt, the entire invoice is exempted from tax.	If the order line is coded as tax exempt (RPEXR1 = E ) pass value of 1. If the order line is not coded as exempt (RPEXR1 = blank) pass blank to allow TDM table to determine exempt statuses.
I	LCUS03	Customer Exempt Certificate #	15	A/N		Pass blanks. This field contains the returned certificate number.
I	LCUS04	Customer Certificate Flag	1	A/N	1 = Calculation Module will retrieve certificate number from Exemption subtable and populate this field on the Vertex Tax Register table.	Pass value of 1. The tax exempt certificate number is returned in field LCUS03.

## Company Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCOM01	Company Code	5	A/N	Default = 00000	Pass RPCO, company code.
I	LCOM02	Division/Store Code	5	A/N	Default = 00000	Based on the setup in the Vertex Constants (F7301) table, retrieve the appropriate category code from the address book of the customer (RPAN8). For example, if the Address Book Category Code Number field is set up with a value of 5, use the category code 5 (ABAC05) from the address book.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCOM03	Register File Indicator	1	A/N	0 = No register record is written 1 = Register record is written 2 = Register record is rewritten if a duplicate record is encountered	0 for all programs except for the P09801 (Post General Ledger) program. Use 1 for P09801 program.
I	LCOM04	Filler	4	A/N		Blanks.
I	LCOM05	Filler	3	A/N	Reserved	Blanks.
O	LCOM06	Return Code	2	A/N	Reserved	Test returned value against user defined code table 73/EC of Vertex warning messages. The user defined code table code is defined in the data dictionary for field VVEC. Warnings are ignored, errors show as no tax.
	LCOM07	File Access Mode	1	A/N	Blank = Batch mode (default) I = Interactive	Always pass value I.
I	LCOM08	Number of occurrences	2	N	Default = 01	Blanks.
I	LCOM09	Filler	8	A/N	Reserved for future use	Blanks.

## Transaction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LTRN01	Taxed GeoCode Indicator	1	A/N	Taxes calculated for: T = ship-to location F = ship-from location O = order acceptance location	Unreferenced.
O	LTRN02	Status Code	1	A/N	To be defined.	Unreferenced.
I	LTRN03	Invoice Line Item #	5	A/N		Pass the value of RPSFX - pay item.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LTRN04	Transaction Type	6	A/N	PURCH SALE (default) LEASE RENTAL SERVIC	Test if the invoice document type, field RPDCT, is coded in the F7305 Vertex transaction code cross reference. Line type is ignored. The resulting field #USVTY will contain a valid value. Default the value of SALE.
I	LTRN05	Transaction Sub-Type	3	A/N	Further identifies the transaction type: Property, Freight, Expense, Labor, etc.	Blanks, unreferenced.
I	LTRN06	Transaction Code	1	A/N	N = normal (default) A = adjustment Blank = tax-only debit C = tax-only credit R = distribute rate X = distribute tax	Blanks, unreferenced.
I	LTRN07	Transaction Date	8	N	Default = current system date	Pass invoice date; fields RPDID, RPDIM, RPDY.
I	LPRO01	Product Category Code	15	A/NA	A user-defined field used to check the product's taxability using the TDM Product table.	Blanks, unreferenced.
I	LPRO02	Line Item Exempt Flag	1	A/N	Value of 1 = exempt this particular line item from tax  Value of blank = let Calculation Module determine the line item's taxability	Blanks, unreferenced.
I	LPRO03	State Taxability Flag	1	A/N	Blank = Vertex determines state tax liability  0 = no state tax liability  1 = state tax liability	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LPRO04	County Taxability Flag	1	A/N	Blank = Vertex determines county tax liability 0 = no county tax liability 1 = county tax liability	Blank, unreferenced.
I	LPRO05	City Taxability Flag	1	A/N	Blank = Vertex determines city tax liability 0 = no city tax liability 1 = city tax liability	Blank, unreferenced.
I	LPRO06	District Taxability Flag	1	A/N	Blank = Vertex determines district tax liability 0 = no district tax liability 1 = district tax liability	Blank, unreferenced.
I	LPRO07	Quantity	11,4	P	Four decimal places	RPU - units. Scrub to 4 decimals.
I	LPRO08	Extended Price Amount	13,3	P	Three decimal places	RPAG - Gross Amount. Scrub to 3 decimals.
I	LPRO09	State Tax Inclusion Flag	1	A/N	0 = State tax not included in amount (default) 1 = State tax included in amount.	Blank, unreferenced. Applies to Canada only. If the tax is already included in the extended price, it needs to be distributed among state, county, city and district.
I	LPRO10	County Tax Inclusion Flag	1	A/N	0 = County tax not included in amount (default) 1 = County tax included in amount	Blank, unreferenced.
I	LPRO11	City Tax Inclusion Flag	1	A/N	0 = City tax not included in amount (default) 1 = City tax included in amount	Blank, unreferenced.
I	LPRO12	District Tax Inclusion Flag	1	A/N	0 = District tax not included in amount (default) 1 = District tax included in amount	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LPRO13	User Area	25	A/N	For customer use. This field shows on Vertex reports.	Blank, unreferenced.

## State Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSTA01	Taxed Amount	7	P	Three decimal places	The highest value of LSTA01, LCOU01, LCIT01, LDIS01 is mapped to JD Edwards World field #XATXA (Taxable Amount).
O	LSTA02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LSTA03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LSTA04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LSTA05	Rate	6	N	Six decimal places	State rate, mapped to JD Edwards World field #XTXR1 (Tax Rate Authority 2).
O	LSTA06	Rate Indicator	1	A/N	C = current P = previous Default to C	Unreferenced.
I	LSTA07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSTA08	Tax	7	P	Three decimal places	State tax amount, mapped to JD Edwards World field #XAMT1.

## County Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCOU01	Taxed Amount	7	P	Three decimal places	See LSTA01
O	LCOU02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCOU03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCOU04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCOU05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR2 (Tax Rate Authority 2)
O	LCOU06	Rate Indicator	1	A/N	C = current P = previous Default is C	Unreferenced.
IO	LCOU07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCOU08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT2 (Tax Amount Authority 2)

## City Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT01	Taxed Amount	7	P	Three decimal places	See LSTA01.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCIT03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCIT04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCIT05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR3 (Tax Rate Authority 3)
O	LCIT06	Rate Indicator	1	A/N	C = current P = previous Default to C	Unreferenced.
I	LCIT07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCIT08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT3 (Tax Amount Authority 3)

## District Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LDIS01	Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LDIS02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LDIS03	Exempt Reason Code	1	A/N	* = default	Unreferenced.



I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LDIS04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LDIS05	Rate	6	N	Six decimal places	Unreferenced.
O	LDIS06	Rate Indicator	1	A/N	C = current P = previous	Default is C.
IO	LDIS07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LDIS08	Tax	7	P	Three decimal places	Unreferenced.

### Intrastate Calculation Area

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE01	Taxed GeoCode	9	N		Unreferenced.
O	LSPE02	County Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE03	Rate	6	N	Six decimal places	Unreferenced.
O	LSPE04	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE05	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE06	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE07	City Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE08	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE09	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE10	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE11	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE12	District Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE13	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE14	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE15	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE16	Tax	7	P	Three decimal places	See LSPEC01.
I	LSTA09	State Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
I	LCOU09	County Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
I	LCIT09	City Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
I	LDIS09	District Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
O	LDIS10	District Apply Flag	1	A/N	Possible Values: 1 = District tax applies to the city 2 = District tax applies to the county	Unreferenced.

## Address Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LACTC	Action Code	2	A/N		Unreferenced.
O	LSHTO	Ship-to(state)	2	A/N	State Code	Unreferenced.
O	LSHTZP	Ship-to (postal)	5	A/N	Five-digit Postal code	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSHTCT	Ship-to (city)	25	A/N	City name	Unreferenced.
O	LSHTCO	Ship-to (county)	15	A/N	County name	Unreferenced.
O	LSHTJI	Ship-to Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILLI	Filler	1	A/N		Unreferenced.
O	LSHRC	Ship-to Return Code	2	A/N		Unreferenced.
O	LSHFR	Ship-from (state)	2	A/N	State Code	Unreferenced.
O	LSFRZP	Ship-from (Postal)	5	A/N	Five-digit Postal code	Unreferenced.
O	LSFRCT	Ship-from (city)	25	A/N	City name	Unreferenced.
O	LSFRCO	Ship-from (county)	15	A/N	County name	Unreferenced.
O	LSFRJI	Ship-from Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL2	Filler	1	A/N		Unreferenced.
O	LSFRRT	Ship-from Return Code	2	A/N		Unreferenced.
O	LORST	Order Acceptance (state)	2	A/N	State Code	Unreferenced.
O	LORZP	Order Acceptance (postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LORCT	Order Acceptance (city)	25	A/N	City name	Unreferenced.
O	LORCO	Order Acceptance (county)	15	A/N	County name	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LORJI	Order Acceptance Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL3	Filler	1	A/N		Unreferenced.
O	LORRTC	Order Acceptance Return Code	2	A/N		Unreferenced.
O	LSTOR	Store Code	10	A/N		Unreferenced.
O	LFILL4	Filler	95	A/N		Unreferenced.

## Accounts Payable

Parameter	Description
LJUR01	Use A6TXA2 for Business Unit Address, then MCTXA1 for Business Unit, then AGTXA2 for company address.
LJUR02	Use the GeoCode prefix in LJUR01: V 1 - inside M 1 - inside O 0 - outside
LJUR03	Use RPTXA1 from A/P Ledger.
LJUR04	Use the prefix of GeoCode in LJUR03.
LJUR05	Set to the same value as LJUR03.
LJUR06	Set to the same value as LJUR04.
LINV01	Blanks.
LINV02	Use RPDIVJ (invoice date). If blank, use today's date.
LINV06	Blanks - Not valid for purchasing.
LCUS01	Address Book number of ship-to RPAN8.
LCUS02	1 if RPEXR1 = E, else blank.
LCUS03	Blanks.
LCUS04	Set to 1 to retrieve the certificate number if valid.
LCOM01	RPCO (company number)

Parameter	Description
LCOM02	Retrieve the Address Book number for RPMCU then retrieve the Address Book category code set up in the Vertex Constants table.
LCOM03	If this is the posting program P09801, set to 1 to write the register records. Otherwise, set to 0.
LCOM04	Blanks.
LCOM05	Blanks.
LCOM07	Set to I for interactive.
LCOM08	Set to zeros - only one line item at a time will be passed.
LOCM09	Blanks.
LTRN03	Set to RPSFX for the line item number.
LTRN04	Set to PURCH for tax type U, or SALES for sales tax type S, unless specified otherwise in the user defined code table for the document type.
LTRN05	Blanks.
LTRN06	Blanks.
LTRN07	Zeros.
LPRO01	Retrieve the category code set up in the Constants table.
LPRO02	Blanks.
LPRO03	Blanks.
LPRO04	Blanks.
LPRO05	Blanks.
LPRO06	Blanks.
LPRO07	Use RPU.
LPRO08	Use AXTA from line item.
LPRO09	Blanks.
LPRO10	Blanks.
LPRO11	Blanks.
LPRO12	Blanks.
LPRO13	Blanks.
LSTA07	Blanks.
LCOU07	Blanks.

Parameter	Description
LCIT07	Blanks.
LDIS07	Blanks.
LSTA09	Blanks.
LCOU09	Blanks.
LCIT09	Blanks.
LDIS09	Blanks.
LACTC	Blanks.

## Purchasing

Parameter	Description
LJUR01	PDTXA1/PRTXA1
LJUR02	The passed value is formatted by interpreting the prefix of PDXTA1/PRTXA1. V    1 - inside M    1 - inside O    0 - outside
LJUR03	Retrieve the tax area from the Ship From (PDAN8/PRAN8) supplier master record.
LJUR04	Same as LJUR02.
LJUR05	Set to the same value as LJUR03.
LJUR06	Set to the same value as LJUR04.
LINV01	Blanks - Not valid for purchasing
LINV02	Use PDTRDJ/PRTRDJ. If blank, use today's date.
LINV06	Blanks - Not valid for purchasing.
LCUS01	Address book number of ship-to (PDAN8/PRAN8).
LCUS02	PDEXR1/PREXR1.
LCUS03	Blanks.
LCUS04	Set to 1 to retrieve the certificate number if valid.
LCOM01	PDCO or PRCO for company.

Parameter	Description
LCOM02	Retrieve the Address Book number from the branch/plant constants (PDMCU/PRMCU) then retrieve the Address Book category code set up in the Vertex Constants file.
LCOM03	If this is the posting program P09801, set to 1 to write the register records, otherwise set to 0.
LCOM04	Blanks
LCOM05	Blanks
LCOM07	Set to I for interactive.
LCOM08	Set to zeros - only one line item at a time will be passed.
LOCM09	Blanks
LTRN03	Set to PDLNID/PRLNID for the line item number.
LTRN04	Set to PURCH for tax type U, or SALES for sales tax type S, unless specified otherwise in the UDC for the document type.
LTRN05	Blanks
LTRN06	Blanks
LTRN07	Zeros
LPRO01	Retrieve the category code set up in the constants file.
LPRO02	Set based on PDTX and PRTX.
LPRO03	Blanks
LPRO04	Blanks
LPRO05	Blanks
LPRO06	Blanks
LPRO07	Set to PDUORG or PRUREC.
LPRO08	Set to PDECST or PRAREC.
LPRO09	Blanks
LPRO10	Blanks
LPRO11	Blanks
LPRO12	Blanks
LPRO13	Blanks
LSTA07	Blanks
LCOU07	Blanks



Parameter	Description
LCIT07	Blanks
LDIS07	Blanks
LSTA09	Blanks
LCOU09	Blanks
LCIT09	Blanks
LDIS09	Blanks
LACTC	Blanks

## Understanding the Link/Parm Area

The JD Edwards World/Vertex Sales Tax Interface uses the Link/Parm Area to communicate between JD Edwards World programs and the Vertex Calculation Module. Vertex provides the link areas as an external interface to the Vertex Calculation Module, which carries selected information to Vertex and returns tax information to the user.

The following tables describe how JD Edwards World populates the Link/Parm Area. The columns in the tables contain information as follows:

- The I/O column identifies the field as an “input to” or an “output from” the Vertex system.
- The Field Name and the Field Description columns contain the file names and descriptions, respectively, for the Vertex parameters.
- The A/N/P column indicates a field’s attributes (alpha, numeric, or packed).
- The Comments column contains information about the Vertex field.

This section contains the following:

- [GeoCode Conversion - Program VGEO100](#)
- [Sales Order Processing Tax Calculations - Program VTS110](#)
- [Accounts Receivable Tax Calculations - Program VTS110](#)

## GeoCode Conversion - Program VGEO100

The JD Edwards World/Vertex Sales Tax Interface passes address information from JD Edwards World to the Vertex GeoCoder system. The GeoCoder system determines the GeoCode(s) for the address and returns it to the JD Edwards World system.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
	LSTABB	State Abbr.	2	A	ABADDS	<p>Although the JD Edwards World field is a three-character field, only the first two characters of the JD Edwards World field are used.</p> <p>Special Processing (for Canadian addresses):</p> <p>If the country code (ABCTR) for the address is equal to the Canadian country code PSSVCN (passed as a parameter), substitute CN in this field.</p> <p><b>Note:</b> The Canadian country code field is set up in the Vertex Constants (F7301) table.</p>
I	LCITYN	City Description	30	A		Use the last non-blank line of the six address lines (ABADD1-ABADD6) for the city name. The city name is limited to 30 characters, whereas the JD Edwards World city name is up to 40 characters long.
I	LZIP	Postal Code	5	A/N	ABADDZ	Only the first five characters of this field are used.
O	LRETID	Return Code	5	A/N		<p>1 = Matched Records</p> <p>2 = Possible Matched Records</p> <p>3 = Unmatched Records</p> <p>4 = State Match Only</p> <p>5 = Print Report</p>
O	LFILL	Filler	2	A/N		Leave blank.
O	LGEO1	GeoCode #1	9	N		Mapped to PSTXA1 described above.
O	LCOUN1	County Name #1	10	A		Used for multi-county selection.
O	LMCO1	Multi-County Code #1	1	A/N		<p>If returned value of 1, assign tax area prefix of M for multi-county.</p> <p>If LMC01 = 1, the GeoCode Select Window (PVIGEO) displays so you can select the appropriate GeoCode.</p>

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LZIPR1	Postal Code Range #1	10	A/N		Used for multi-county selection.
O	LGEO2	GeoCode #2	9	N		Used for multi-county selection.
O	LCOUN2	County Name #2	10	A		Used for multi-county selection.
O	LMCO2	Multi-County Code #2	1	A/N		Unreferenced.
O	LZIPR2	Postal Code Range #2	10	A/N		Used for multi-county selection.
O	LGEO3	GeoCode #3	9	N		Used for multi-county selection.
O	LCOUN3	County Name #3	10	A		Used for multi-county selection.
O	LMCO3	Multi-County	1	A/N		Unreferenced.
O	LZIPR3	Postal Code Range	10	A/N		Used for multi-county selection.
O	LGEO4	GeoCode #4	9	N		Used for multi-county selection.
O	LCOUN4	County Name #4	10	A		Used for multi-county selection.
O	LMCO4	Multi-County Code #4	1	A/N		Unreferenced.
O	LZIPR4	Postal Code Range #4	10	A/N		Used for multi-county selection.
O	LGEO5	GeoCode #5	9	N		Used for multi-county selection.
O	LCOUN5	County Name #5	10	A		Used for multi-county selection.
O	LMCO5	Multi-County Code #5	1	A/N		Unreferenced.
O	LZIPR5	Postal Code Range #5	10	A/N		Used for multi-county selection.
O	LGEO6	GeoCode #6	9	N		Used for multi-county selection.
O	LCOUN6	County Name #6	10	A		Used for multi-county selection.
O	LMCO6	Multi-County Code #6	1	A/N		Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LZIPR6	Postal Code Range #6	10	A/N		Used for multi-county selection.
O	LCUSTN6	Customer ID	20	A/N		Used for multi-county selection.

## Sales Order Processing Tax Calculations - Program VTS110

### Jurisdiction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR01	Ship-to GeoCode	9	N		Pass field SDTXA1.
I	LJUR02	Ship-to inside or outside city limits	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is formatted by interpreting the prefix of SDTXA1: V = 1 - inside M = 1 - inside O = 0 - outside
I	LJUR03	Ship-from GeoCode	9	N		/* Retrieve the Address Book Number of the detail branch/plant */ Use XS41001 common subroutine to retrieve the branch/plant constants using SDMCU. If the return code is N, move *Blanks to the LJUR03 else /* Retrieve the Address Book record */ Use the XF0101 common subroutine to retrieve the address book record using the address book number (CIAN8) retrieved from the branch/plant constants. If the Return Code is normal, move A5TXA1 to LJUR03, else move blanks to LJUR03 End; End;

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR04	Ship-from-in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the A5TXA1 of the ship-from branch/plant.
I	LJUR05	Order Acceptance GeoCode	9	N	Defaults to the ship-from GEO	<p>/* Retrieve the address book number of the header branch/plant */</p> <p>Use XS41001 common subroutine to retrieve the branch/plant constants using SHMCU.</p> <p>If the return code is = N, move *blanks to the LJUR05 else /* Retrieve the address book record */</p> <p>Use the XF0101 common subroutine to retrieve the address book record using the address book number (CIAN8) retrieved from the branch/plant constants.</p> <p>If the return code is normal, move A5TXA1 to LJUR05 else, move blanks to LJUR05</p> <p>End;</p> <p>End;</p>
I	LJUR06	Order Acceptance in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the A5TXA1 of the order header branch/plant.

## Invoice Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LINV01	Invoice Number	12	A/N		SDDOC (Document Number), if not equal to zero. If SDDOC is equal to zero, use SDDOCO (Sales Order Number).
I	LINV02	Invoice Date	8	A/N	Required (the invoice date - CCYYMMDD)	Use SDIVD (Invoice Date) if not equal to zero. If SDIVD is zero, use SDTRDJ. If SDTRDJ is also equal to zero, use today's date (UPDATE).

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LINV03	Invoice Gross Amount	13,3	N	Three decimal places	The returned value is mapped to the JD Edwards World field #XAG (gross amount).
O	LINV04	Total Tax	13,3	N	Three decimal places	The returned value is mapped to the JD Edwards World field #XSTAM (Tax Amount).
O	LINV05	Combined Rate	6	N	Six decimal places	The returned value is mapped to JD Edwards World field #XTXR5 (Tax Rate Authority 5)
I	LINV06	Invoice Control #	5	A/N		SDDOCO (Sales Order Number).

## Customer Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCUS01	Customer Code/ID	15	A/N	A user defined field used to check the customer's taxability using the Tax Decision Maker Customer table.	SDSHAN (Ship to Customer Number).
I	LCUS02	Customer Exempt Flag	1	A/N	Blank = let Calculation Module determine taxability of customer using Tax Decision Maker  1 = Customer is tax-exempt  If a customer is tax-exempt, the entire invoice is exempt from tax.	If the order line is coded as tax exempt (SDEXR1 = E), pass 1.  Otherwise, pass blank.
IO	LCUS03	Customer Exempt Certificate. #	15	A/N	An input-output field that works in conjunction with field LCUS04. The exempt certificate numbers coded in the Vertex tables are not in the JD Edwards World Address Book.	Pass value of blanks. This field contains the returned certificate number.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCUS04	Customer Certificate Flag	1	A/N	1 = Calculation Module will retrieve certificate number from Exemption subtable and populate this field on the Vertex Tax Register table.	Pass 1 - The tax exempt certificate number is returned in JD Edwards World field LCUS03.

## Company Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCOM01	Company Code	5	A/N	Default = 00000	Use the company code of the ship-from business unit or branch/plant in the Sales Order Detail table (F4211).
I	LCOM02	Division/Store Code	5	A/N	Default = 00000	Based on the setup in the Vertex Constants table (F7301), retrieve the appropriate category code from the address book record of the ship-from business unit or branch/plant. For example, if the address book Category Code Number field is set to 5, use category code 5 (ABAC05) from the address book.
I	LCOM03	Register File Indicator	1	A/N	0 = No register record is written 1 = Register record is written 2 = Register record is rewritten if a duplicate record is encountered	0 for all programs except for the General Ledger Post (P09801). Use 1 for the General Ledger Post.
I	LCOM04	Filler	4	A/N		Blanks.
I	LCOM05	Filler	3	A/N	Reserved	Blanks.
O	LCOM06	Return Code	2	A/N	Reserved	If a value is returned, test against the table of warning messages. If it is a warning, accumulate the Gross Amount (#XAG). If an error, bypass the Gross Amount.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LCOM07	File Access Mode	1	A/N	B = Batch mode (default) I = Interactive	B = batch programs I = interactive programs.
I	LCOM08	Number of occurrences	2	N	Default = 01	Blanks.
I	LCOM09	Filler	8	A/N	Reserved for future use.	Blanks.

## Transaction Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LTRN01	Taxed GeoCode Indicator	1	A/N	Taxes calculated for: T = ship-to location F = ship-from location O = order acceptance location	Unreferenced.
O	LTRN02	Status Code	1	A/N	To be defined.	Unreferenced.
I	LTRN03	Invoice Line Item #	5	A/N		SDLNID - move without decimals. For example, line number 1.010 in JD Edwards World should be moved as 1010.
I	LTRN04	Transaction Type	6	A/N	Possible values: PURCH SALE (default) LEASE RENTAL SERVIC	The passed values is determined by the order type/line type defined through Non-Stock Product Categories table (F7305). SALE = default value
I	LTRN05	Transaction Sub-Type	3	A/N	Further identifies the transaction type, for example, property, freight, expense, labor, and so on.	Blanks, unreferenced.



I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LTRN06	Transaction Code	1	A/N	N = normal (default) A = adjustment B = tax-only debit C = tax-credit R = distribute rate X = distribute tax	Blanks, unreferenced.
I	LTRN07	Transaction Date	8	N	default = current system date	Blanks, unreferenced.
I	LPRO01	Product Category Code	15	A/N/A	A user defined field used to check the product's taxability using the Tax Decision Maker Product table.	Based on the setup in the Vertex Constants table (F7301), retrieve the appropriate item category code from the Item Balance table (F4102) using the XF4102 file server. Also uses Non-Stock Product Category for non-stock items. Called Product Category/ID in the Tax Decision Maker.
I	LPRO02	Line Item Exempt Flag	1	A/N	1 = exempt this particular line item from tax  blank = let Calculation Module determine the line item's taxability	If SDTAX1 = Y, pass value of blank. (Allow TDM table to determine exempt status.)  If SDTAX1 = N, pass value of 1 = exempt.
I	LPRO03	State Taxability Flag	1	A/N	blank = Vertex determines state tax liability  0 = no state tax liability  1 = state tax liability	Blank, unreferenced.
I	LPRO04	County Taxability Flag	1	A/N	blank = Vertex determines county tax liability  0 = no county tax liability  1 = county tax liability	Blank, unreferenced.
I	LPRO05	City Taxability Flag	1	A/N	blank = Vertex determines city tax liability  0 = no city tax liability  1 = city tax liability	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
I	LPRO06	District Taxability Flag	1	A/N	blank = Vertex determines district tax liability 0 = no district tax liability 1 = district tax liability	Blank, unreferenced.
I	LPRO07	Quantity	11,4	P	Four decimal places	SDSOQS quantity shipped (scrub to 4 decimals). Always pass a positive quantity (reverse sign for credits).
I	LPRO08	Extended Price Amount	13,3	P	Three decimal places	SDAEXP extended line price (scrub to 3 decimals).
I	LPRO09	State Tax Inclusion Flag	1	A/N	0 = State tax not included in amount (default) 1 = State tax included in amount	Blank, unreferenced. Applies only for Canada. If the tax is already included in the extended price, it needs to be distributed among state, county, city and district.
I	LPRO10	County Tax Inclusion Flag	1	A/N	0 = County tax not included in amount (default) 1 = County tax included in amount	Blank, unreferenced.
I	LPRO11	City Tax Inclusion Flag	1	A/N	0 = City tax not included in amount (default) 1 = City tax included in amount	Blank, unreferenced.
I	LPRO12	District Tax Inclusion Flag	1	A/N	0 = District tax not included in amount (default) 1 = District tax included in amount	Blank, unreferenced.
I	LPRO13	User Area	25	A/N	For customer use. This field shows on Vertex reports.	Blanks.

## State Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LSTA01	Taxed Amount	7	P	Three decimal places	The highest value of LSTA01, LCOU01, LCIT01, LDIS01 is mapped to JD Edwards World field #XATXA (Taxable Amount)
O	LSTA02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LSTA03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LSTA04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LSTA05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR1 (Tax Rate Authority 1)
O	LSTA06	Rate Indicator	1	A/N	C = current (default) P = previous	Unreferenced.
I	LSTA07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSTA08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT1 (Tax Amount Authority 1)

## County Data

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LCOU01	Taxed Amount	7	P	Three decimal places	See LSTA01.

I/O	Field Name	Field Description	Size	A/N/P	JD Edwards World Field Name	Comments
O	LCOU02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCOU03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCOU04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCOU05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR2 (Tax Rate Authority 2)
O	LCOU06	Rate Indicator	1	A/N	C = current P = previous	Defaults to C.
IO	LCOU07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks; the Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCOU08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT2 (Tax Amount Authority 2)

## City Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT01	Taxed Amount	7	P	Three decimal places	See LSTA01.
O	LCIT02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCIT03	Exempt Reason Code	1	A/N	* = default	Unreferenced
O	LCIT04	Exempt Amount	7	P	Three decimal places	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR3 (Tax Rate Authority 3)
O	LCIT06	Rate Indicator	1	A/N	C = current P = previous Defaults to C	Unreferenced.
I	LCIT07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCIT08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT3 (Tax Amount Authority 3)

## District Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LDIS01	Taxed Amount	7	P	Three decimal places	See LDSA01.
O	LDIS02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LDIS03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LDIS04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LDIS05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR4 (Tax Rate Authority 4)
O	LDIS06	Rate Indicator	1	A/N	C = current (default) P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
IO	LDIS07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LDIS08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT4 (Tax Amount Authority 4)

## Intrastate Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE01	Taxed GeoCode	9	N		In the invoicing program P42565, if the returned field is not blank, format and display the individual tax authority amounts. Unreferenced in all other programs.
O	LSPE02	County Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE03	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE04	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE05	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE06	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE07	City Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE08	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE09	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE10	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE11	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE12	District Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE13	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE14	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE15	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	Unreferenced.
O	LSPE16	Tax	7	P	Three decimal places	See LSPEC01.
I	LSTA09	State Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LCOU09	County Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LCIT09	City Non-taxed Reason Code	1	A/N	* = default	Blanks.
I	LDIS09	District Non-taxed Reason Code	1	A/N	* = default	Blanks.
O	LDIS10	District Apply Flag	1	A/N	1 - District tax applies to the city 2 - District tax applies to the county	Unreferenced.

## Address Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LACTC	Action Code	2	A/N		Unreferenced.
O	LSHTO	Ship-to (state)	2	A/N	State Code	Unreferenced.
O	LSHTZP	Ship-to (Postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LSHTCT	Ship-to (city)	25	A/N	City name	Unreferenced.



I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSHTCO	Ship-to (county)	15	A/N	County name	Unreferenced.
O	LSHTJI	Ship-to Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILLI	Filler	1	A/N		Unreferenced.
O	LSHRC	Ship-to Return Code	2	A/N		Unreferenced.
O	LSHFR	Ship-from (state)	2	A/N	State Code	Unreferenced.
O	LSFRZP	Ship-from (Postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LSFRCT	Ship-from (city)	25	A/N	City name	Unreferenced.
O	LSFRCO	Ship-from (county)	15	A/N	County name	Unreferenced.
O	LSFRJI	Ship-from Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL2	Filler	1	A/N		Unreferenced.
O	LSFRRT	Ship-from Return Code	2	A/N		Unreferenced.
O	LORST	Order Acceptance (state)	2	A/N	State Code	Unreferenced.
O	LORZP	Order Acceptance (postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LORCT	Order Acceptance (city)	25	A/N	City name	Unreferenced.
O	LORCO	Order Acceptance (county)	15	A/N	County name	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LORJI	Order Acceptance Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL3	Filler	1	A/N		Unreferenced.
O	LORRTC	Order Acceptance Return Code	2	A/N		Unreferenced.
O	LSTOR	Store Code	10	A/N		Unreferenced.
O	LFILL4	Filler	95	A/N		Unreferenced.

## Accounts Receivable Tax Calculations - Program VTS110

### Jurisdiction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LJUR01	Ship-to GeoCode	9	N		Loaded from the tax area field of the customer invoice line, field name RPTXA1.
I	LJUR02	Ship-to inside or outside city limits	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is formatted by interpreting the prefix of the field RPTXA1. V = 1 - inside M = 1 - inside O = 0 - outside
I	LJUR03	Ship-from GeoCode	9	N		Loaded with the identical value of LJUR01.
I	LJUR04	Ship-from-in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	Move *blanks to LJUR04. The Vertex tax calculator will use the default the value of LJUR02.
I	LJUR05	Order Acceptance GeoCode	9	N		Loaded with the identical value of LJUR01.
I	LJUR06	Order Acceptance in-out	1	A/N	1 = inside the city (default) 0 = outside city limits	The passed value is interpreted as described for field LJUR02, using the ABTXA1 of the order header branch/plant.

## Invoice Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LINV01	Invoice Number	12	A/N		RPDOC (Document Number). This is a system-assigned number at the time the invoice is created.
	LINV02	Invoice Date	8	A/N	Required. The invoice date (CCYYMMDD)	Use invoice date fields: RPDID, RPDIM, RPDY.
O	LINV03	Invoice Gross Amount	13,3	N	Three decimal places	Value returned from the tax calculator. Formatted to field #XAG, amount gross in X4008C.
O	LINV04	Total Tax	13,3	N	Three decimal places	Value returned from the tax calculator. Formatted to field #XSTAM, tax amount in X4008C.
O	LINV05	Combined Rate	6	N	Six decimal places	Value returned from the tax calculator. Formatted to field #XTXR5, combined rate, in X4008C. This field reflects the true tax rate.
	LINV06	Invoice Control #	5	A/N		Pass blank.

## Customer Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCUS01	Customer Code/ID	15	A/N	A user-defined field used to check the customer's taxability using the TDM Customer Table.	RPAN8 (Customer Number).

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCUS02	Customer Exempt Flag	1	A/N	Value of blank = let Calculation Module determine taxability of customer using TDM.  Value of 1 = Customer is tax exempt. If a customer is tax exempt, the entire invoice is exempted from tax.	If the order line is coded as tax exempt (RPEXR1 = E ) pass value of 1. If the order line is not coded as exempt (RPEXR1 = blank) pass blank to allow TDM table to determine exempt statuses.
I	LCUS03	Customer Exempt Certificate #	15	A/N		Pass blanks. This field contains the returned certificate number.
I	LCUS04	Customer Certificate Flag	1	A/N	1 = Calculation Module will retrieve certificate number from Exemption subtable and populate this field on the Vertex Tax Register table.	Pass value of 1. The tax exempt certificate number is returned in field LCUS03.

## Company Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCOM01	Company Code	5	A/N	Default = 00000	Pass RPCO, company code.
I	LCOM02	Division/Store Code	5	A/N	Default = 00000	Based on the setup in the Vertex Constants (F7301) table, retrieve the appropriate category code from the address book of the customer (RPAN8). For example, if the Address Book Category Code Number field is set up with a value of 5, use the category code 5 (ABAC05) from the address book.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCOM03	Register File Indicator	1	A/N	0 = No register record is written 1 = Register record is written 2 = Register record is rewritten if a duplicate record is encountered	0 for all programs except for the P09801 (Post General Ledger) program. Use 1 for P09801 program.
I	LCOM04	Filler	4	A/N		Blanks.
I	LCOM05	Filler	3	A/N	Reserved	Blanks.
O	LCOM06	Return Code	2	A/N	Reserved	Test returned value against user defined code table 73/EC of Vertex warning messages. The user defined code table code is defined in the data dictionary for field VVEC. Warnings are ignored, errors show as no tax.
	LCOM07	File Access Mode	1	A/N	Blank = Batch mode (default) I = Interactive	Always pass value I.
I	LCOM08	Number of occurrences	2	N	Default = 01	Blanks.
I	LCOM09	Filler	8	A/N	Reserved for future use	Blanks.

## Transaction Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LTRN01	Taxed GeoCode Indicator	1	A/N	Taxes calculated for: T = ship-to location F = ship-from location O = order acceptance location	Unreferenced.
O	LTRN02	Status Code	1	A/N	To be defined.	Unreferenced.
I	LTRN03	Invoice Line Item #	5	A/N		Pass the value of RPSFX - pay item.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LTRN04	Transaction Type	6	A/N	PURCH SALE (default) LEASE RENTAL SERVIC	Test if the invoice document type, field RPDCT, is coded in the F7305 Vertex transaction code cross reference. Line type is ignored. The resulting field #USVTY will contain a valid value. Default the value of SALE.
I	LTRN05	Transaction Sub-Type	3	A/N	Further identifies the transaction type: Property, Freight, Expense, Labor, etc.	Blanks, unreferenced.
I	LTRN06	Transaction Code	1	A/N	N = normal (default) A = adjustment Blank = tax-only debit C = tax-only credit R = distribute rate X = distribute tax	Blanks, unreferenced.
I	LTRN07	Transaction Date	8	N	Default = current system date	Pass invoice date; fields RPDID, RPDIM, RPDY.
I	LPRO01	Product Category Code	15	A/NA	A user-defined field used to check the product's taxability using the TDM Product table.	Blanks, unreferenced.
I	LPRO02	Line Item Exempt Flag	1	A/N	Value of 1 = exempt this particular line item from tax  Value of blank = let Calculation Module determine the line item's taxability	Blanks, unreferenced.
I	LPRO03	State Taxability Flag	1	A/N	Blank = Vertex determines state tax liability  0 = no state tax liability  1 = state tax liability	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LPRO04	County Taxability Flag	1	A/N	Blank = Vertex determines county tax liability 0 = no county tax liability 1 = county tax liability	Blank, unreferenced.
I	LPRO05	City Taxability Flag	1	A/N	Blank = Vertex determines city tax liability 0 = no city tax liability 1 = city tax liability	Blank, unreferenced.
I	LPRO06	District Taxability Flag	1	A/N	Blank = Vertex determines district tax liability 0 = no district tax liability 1 = district tax liability	Blank, unreferenced.
I	LPRO07	Quantity	11,4	P	Four decimal places	RPU - units. Scrub to 4 decimals.
I	LPRO08	Extended Price Amount	13,3	P	Three decimal places	RPAG - Gross Amount. Scrub to 3 decimals.
I	LPRO09	State Tax Inclusion Flag	1	A/N	0 = State tax not included in amount (default) 1 = State tax included in amount.	Blank, unreferenced. Applies to Canada only. If the tax is already included in the extended price, it needs to be distributed among state, county, city and district.
I	LPRO10	County Tax Inclusion Flag	1	A/N	0 = County tax not included in amount (default) 1 = County tax included in amount	Blank, unreferenced.
I	LPRO11	City Tax Inclusion Flag	1	A/N	0 = City tax not included in amount (default) 1 = City tax included in amount	Blank, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LPRO12	District Tax Inclusion Flag	1	A/N	0 = District tax not included in amount (default) 1 = District tax included in amount	Blank, unreferenced.
I	LPRO13	User Area	25	A/N	For customer use. This field shows on Vertex reports.	Blank, unreferenced.

## State Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSTA01	Taxed Amount	7	P	Three decimal places	The highest value of LSTA01, LCOU01, LCIT01, LDIS01 is mapped to JD Edwards World field #XATXA (Taxable Amount).
O	LSTA02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LSTA03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LSTA04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LSTA05	Rate	6	N	Six decimal places	State rate, mapped to JD Edwards World field #XTXR1 (Tax Rate Authority 2).
O	LSTA06	Rate Indicator	1	A/N	C = current P = previous Default to C	Unreferenced.



I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LSTA07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSTA08	Tax	7	P	Three decimal places	State tax amount, mapped to JD Edwards World field #XAMT1.

## County Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCOU01	Taxed Amount	7	P	Three decimal places	See LSTA01
O	LCOU02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCOU03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCOU04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCOU05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR2 (Tax Rate Authority 2)
O	LCOU06	Rate Indicator	1	A/N	C = current P = previous Default is C	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
IO	LCOU07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCOU08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT2 (Tax Amount Authority 2)

## City Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LCIT01	Taxed Amount	7	P	Three decimal places	See LSTA01.
O	LCIT02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LCIT03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LCIT04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LCIT05	Rate	6	N	Six decimal places	Mapped to JD Edwards World field #XTXR3 (Tax Rate Authority 3)
O	LCIT06	Rate Indicator	1	A/N	C = current P = previous Default to C	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCIT07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LCIT08	Tax	7	P	Three decimal places	Mapped to JD Edwards World field #XAMT3 (Tax Amount Authority 3)

## District Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LDIS01	Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LDIS02	Non-taxable Amount	7	P	Three decimal places	Unreferenced.
O	LDIS03	Exempt Reason Code	1	A/N	* = default	Unreferenced.
O	LDIS04	Exempt Amount	7	P	Three decimal places	Unreferenced.
O	LDIS05	Rate	6	N	Six decimal places	Unreferenced.
O	LDIS06	Rate Indicator	1	A/N	C = current P = previous	Default is C.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
IO	LDIS07	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LDIS08	Tax	7	P	Three decimal places	Unreferenced.

### Intrastate Calculation Area

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE01	Taxed GeoCode	9	N		Unreferenced.
O	LSPE02	County Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE03	Rate	6	N	Six decimal places	Unreferenced.
O	LSPE04	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE05	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE06	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE07	City Taxed Amount	7	P	Three decimal places	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSPE08	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE09	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE10	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE11	Tax	7	P	Three decimal places	See LSPEC01.
O	LSPE12	District Taxed Amount	7	P	Three decimal places	Unreferenced.
O	LSPE13	Rate	6	N	Six decimal places	See LSPEC01.
O	LSPE14	Rate Indicator	1	A/N	C = current P = previous	Unreferenced.
O	LSPE15	Tax Type	1	A/N	S = sales U = use R = rental O = override E = exempt N = non-taxable V = service X = invalid jurisdiction Z = zero tax rate	*Blanks, unreferenced. The Calculation Module will return this field. The returned value is currently not referenced in the JD Edwards World modules.
O	LSPE16	Tax	7	P	Three decimal places	See LSPEC01.
I	LSTA09	State Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
I	LCOU09	County Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
I	LCIT09	City Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
I	LDIS09	District Non-taxed Reason Code	1	A/N	* = default	Blanks, unreferenced.
O	LDIS10	District Apply Flag	1	A/N	Possible Values: 1 = District tax applies to the city 2 = District tax applies to the county	Unreferenced.

## Address Data

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
	LACTC	Action Code	2	A/N		Unreferenced.
O	LSHTO	Ship-to(state)	2	A/N	State Code	Unreferenced.
O	LSHTZP	Ship-to (postal)	5	A/N	Five-digit Postal code	Unreferenced.
O	LSHTCT	Ship-to (city)	25	A/N	City name	Unreferenced.
O	LSHTCO	Ship-to (county)	15	A/N	County name	Unreferenced.
O	LSHTJI	Ship-to Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILLI	Filler	1	A/N		Unreferenced.
O	LSHRC	Ship-to Return Code	2	A/N		Unreferenced.
O	LSHFR	Ship-from (state)	2	A/N	State Code	Unreferenced.
O	LSFRZP	Ship-from (Postal)	5	A/N	Five-digit Postal code	Unreferenced.
O	LSFRCT	Ship-from (city)	25	A/N	City name	Unreferenced.

I/O	Field Name	Field Description	Size	A/N/P	Comments	Specific Instructions
O	LSFRCO	Ship-from (county)	15	A/N	County name	Unreferenced.
O	LSFRJI	Ship-from Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL2	Filler	1	A/N		Unreferenced.
O	LSFRRT	Ship-from Return Code	2	A/N		Unreferenced.
O	LORST	Order Acceptance (state)	2	A/N	State Code	Unreferenced.
O	LORZP	Order Acceptance (postal)	5	A/N	Five-digit postal code	Unreferenced.
O	LORCT	Order Acceptance (city)	25	A/N	City name	Unreferenced.
O	LORCO	Order Acceptance (county)	15	A/N	County name	Unreferenced.
O	LORJI	Order Acceptance Jurisdiction In-Out	1	A/N	1 = inside the city limits (default) 0 = outside the city limits	Unreferenced.
O	LFILL3	Filler	1	A/N		Unreferenced.
O	LORRTC	Order Acceptance Return Code	2	A/N		Unreferenced.
O	LSTOR	Store Code	10	A/N		Unreferenced.
O	LFILL4	Filler	95	A/N		Unreferenced.

## Accounts Payable

Parameter	Description
LJUR01	Use A6TXA2 for Business Unit Address, then MCTXA1 for Business Unit, then AGTXA2 for company address.

Parameter	Description
LJUR02	Use the GeoCode prefix in LJUR01: V = 1 - inside M = 1 - inside O = 0 - outside
LJUR03	Use RPTXA1 from A/P Ledger.
LJUR04	Use the prefix of GeoCode in LJUR03.
LJUR05	Set to the same value as LJUR03.
LJUR06	Set to the same value as LJUR04.
LINV01	Blanks.
LINV02	Use RPDIVJ (invoice date). If blank, use today's date.
LINV06	Blanks - Not valid for purchasing.
LCUS01	Address Book number of ship-to RPAN8.
LCUS02	1 if RPEXR1 = E, else blank.
LCUS03	Blanks.
LCUS04	Set to 1 to retrieve the certificate number if valid.
LCOM01	RPCO (company number)
LCOM02	Retrieve the Address Book number for RPMCU then retrieve the Address Book category code set up in the Vertex Constants table.
LCOM03	If this is the posting program P09801, set to 1 to write the register records. Otherwise, set to 0.
LCOM04	Blanks.
LCOM05	Blanks.
LCOM07	Set to I for interactive.
LCOM08	Set to zeros - only one line item at a time will be passed.
LOCM09	Blanks.
LTRN03	Set to RPSFX for the line item number.
LTRN04	Set to PURCH for tax type U, or SALES for sales tax type S, unless specified otherwise in the user defined code table for the document type.
LTRN05	Blanks.
LTRN06	Blanks.
LTRN07	Zeros.



Parameter	Description
LPRO01	Retrieve the category code set up in the Constants table.
LPRO02	Blanks.
LPRO03	Blanks.
LPRO04	Blanks.
LPRO05	Blanks.
LPRO06	Blanks.
LPRO07	Use RPU.
LPRO08	Use AXTA from line item.
LPRO09	Blanks.
LPRO10	Blanks.
LPRO11	Blanks.
LPRO12	Blanks.
LPRO13	Blanks.
LSTA07	Blanks.
LCOU07	Blanks.
LCIT07	Blanks.
LDIS07	Blanks.
LSTA09	Blanks.
LCOU09	Blanks.
LCIT09	Blanks.
LDIS09	Blanks.
LACTC	Blanks.

## Purchasing

Parameter	Description
LJUR01	PDTXA1/PRTXA1

Parameter	Description
LJUR02	The passed value is formatted by interpreting the prefix of PDXTA1/PRTXA1. V = 1 - inside M = 1 - inside O = 0 - outside
LJUR03	Retrieve the tax area from the Ship From (PDAN8/PRAN8) supplier master record.
LJUR04	Same as LJOR02.
LJUR05	Set to the same value as LJUR03.
LJUR06	Set to the same value as LJUR04.
LINV01	Blanks - Not valid for purchasing
LINV02	Use PDTRDJ/PRTRDJ. If blank, use today's date.
LINV06	Blanks - Not valid for purchasing.
LCUS01	Address book number of ship-to (PDAN8/PRAN8).
LCUS02	PDEXR1/PREXR1.
LCUS03	Blanks.
LCUS04	Set to 1 to retrieve the certificate number if valid.
LCOM01	PDCO or PRCO for company.
LCOM02	Retrieve the Address Book number from the branch/plant constants (PDMCU/PRMCU) then retrieve the Address Book category code set up in the Vertex Constants file.
LCOM03	If this is the posting program P09801, set to 1 to write the register records, otherwise set to 0.
LCOM04	Blanks
LCOM05	Blanks
LCOM07	Set to I for interactive.
LCOM08	Set to zeros - only one line item at a time will be passed.
LOCM09	Blanks
LTRN03	Set to PDLNID/PRLNID for the line item number.
LTRN04	Set to PURCH for tax type U, or SALES for sales tax type S, unless specified otherwise in the UDC for the document type.
LTRN05	Blanks
LTRN06	Blanks

Parameter	Description
LTRN07	Zeros
LPRO01	Retrieve the category code set up in the constants file.
LPRO02	Set based on PDTX and PRTX.
LPRO03	Blanks
LPRO04	Blanks
LPRO05	Blanks
LPRO06	Blanks
LPRO07	Set to PDUORG or PRUREC.
LPRO08	Set to PDECST or PRAREC.
LPRO09	Blanks
LPRO10	Blanks
LPRO11	Blanks
LPRO12	Blanks
LPRO13	Blanks
LSTA07	Blanks
LCOU07	Blanks
LCIT07	Blanks
LDIS07	Blanks
LSTA09	Blanks
LCOU09	Blanks
LCIT09	Blanks
LDIS09	Blanks
LACTC	Blanks



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# Appendix C – Examples of Tax Explanation Code Accounting

## Example Data Sets

The examples included in this section do not show discounts. To review how the system calculates discounts, see the chapter *Tax Rules by Company*.

The examples include the following setup.

Tax explanation codes:

Tax Explanation Code	Description
V	VAT (called GST in Canada)
VT	Same as V (tax only)
V+	Same as V (calculated as a tax on a tax)
U	Use Tax, Self-Assessed (called PST in Canada)
UT	Same as U (tax only)
S	Sales Tax, Seller-Assessed (called PST in Canada)
ST	Same as S (tax only)
E	Exempt (product is not taxable)
B	GST + Self-Assessed PST (not calculated as a tax on a tax when Tax Calculation Method is set to No)
B	GST + Self-Assessed PST (calculated as a tax on a tax when Tax Calculation Method is set to Yes)
BT	Same as B (tax only)
C	GST + Seller-Assessed PST (not calculated as a tax on a tax when Tax Calculation Method is set to No)
C	GST + Seller-Assessed PST (calculated as a tax on a tax when Tax Calculation Method is set to Yes)
CT	Same as C (tax only)

The examples use the following AAI items for taxes:

Sequence Number	Description	Company Bus. Unit	Object	Sub	Item
4.060	Accrued Use / Self Assessment Tax	1	4423		PT
4.060	Vat Recoverable on Purchase	1	4430		PTNS40
4.060	Vat Recoverable on Purchase	1	1240		PTTXX
4.060	Vat Recoverable on Purchase	70 70	1240		PTVATB
4.060	Vat Recoverable on Purchase	1	1240	A	PTVAT1
4.060	Vat Recoverable on Purchase	1	1240	B	PTVAT2

The examples use three tax rate/areas:

- Area1 has a 7% tax and an 8% tax. Tax is not calculated as a tax on a tax and has an effective rate of 15%.

Tax Rate/Area. . . . .		AREA1		Desc . . 7% + 8% (not tax on tax)	
Effective Date . . . . .		01/01/91			
Expiration Date. . . . .		12/31/99			
Item Number. . . . .					
Maximum Unit Cost. . . . .					

	Address	Tax Rate	G/L Off.	Calc VAT Meth	Exp	Description
Tax Authority. .	1001	7.000	VAT1			Edwards, J.D. & Company
	1002	8.000	VAT2	N		Edwards & Edwards
Total Area Tax Rate. . . . .		15.000				

- Area2 has a 7% tax and an 8% tax. Tax is calculated as a tax on a tax and has an effective rate of 15.56%.

Tax Rate/Area. . . . .		AREA2		Desc . . 7% + 8% (tax on tax)	
Effective Date . . . . .		01/01/91			
Expiration Date. . . . .		12/31/99			
Item Number. . . . .					
Maximum Unit Cost. . . . .					

	Address	Tax Rate	G/L Off.	Calc VAT Meth	Exp	Description
Tax Authority. .	1001	7.000	VAT1			Edwards, J.D. & Company
	1002	8.000	VAT2	Y		Edwards & Edwards
Total Area Tax Rate. . . . .		15.560				

- Area3 has a 7% tax and an 8% tax. 30% of the 7% VAT is not eligible for input credits. Tax is not calculated as a tax on a tax and has an effective rate of 15%. This is the same as Area1, but with a 30% non-recoverable VAT/GST.

Tax Rate/Area. . . . .	AREA3	Desc . .	7% + 8% (30% nonrecoverable)		
Effective Date . . . . .	01/01/91				
Expiration Date. . . . .	12/31/99				
Item Number. . . . .					
Maximum Unit Cost. . . . .					

	Address	Tax Rate	G/L Off.	Calc Meth	VAT Exp	Description
Tax Authority. .	1001	7.000	VAT1			Edwards, J.D. & Company
	1002	8.000	VAT2	N		Edwards & Edwards
	1001	30.000	VAT1		R	Edwards, J.D. & Company
						-
						-
Total Area Tax Rate. . . .		15.000				

## Guidelines

- B and C Tax Explanation Codes (for Canada). Even though these codes have the same distribution amounts, notice that the system posts them differently. B posts the PST amount to a payables account and C does not. This is because self-assessed PST is not included in the invoice amount for the B tax explanation code and is not paid to the supplier but to the province tax authorities.
- Posting Problems. The system posts to the accounts you specified with AAIs. If you encounter posting problems, ensure that your AAIs point to the account you intend. For additional information about AAIs, see the chapter *Automatic Accounting Instructions (AAIs)*.
- General Ledger Distribution. G/L distribution is the amount to be allocated to general ledger accounts, such as revenue and expense accounts. Generally, the distribution amount is the goods plus sales tax because this is the true cost of purchased goods. VAT is not included in the distribution amount because, typically, a company is reimbursed for VAT paid to suppliers when the company sells those goods.
- Discounts. The examples in this chapter do not show discounts. See the chapter *Tax Rules by Company* to review discount examples.

## V VAT (GST in Canada)

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I		Voucher/Type/Co. <u>14185 PV 00001</u>
Supplier Number. <u>7002</u>		JDE France
Invoice Number . . . _____		Business Unit. <u>1</u>
" Amount . . . <u>1,150.00</u>		Disc Available. _____
" Date . . . <u>06/01/98</u>		Payment Terms. _____
G/L Date . . . <u>06/30/98</u>		Company. . . . <u>00001</u>
Net Due Date . . . <u>07/01/98</u>		P.O. Number. . . . _____
Pay Status . . . A		Tax Expl Code. <u>V</u>
Tax Amount . . . <u>150.00</u>		Tax Rate/Area. <u>AREA1</u>
Taxable Amount . . . <u>1,000.00</u>		Serv/Tax Date. <u>06/01/98</u>
Approver Number. _____		
Payment Remark . . . _____		
Amt to Distribute.	Batch 508086	Report Code. _____
<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
<u>9.8720</u>	<u>1,000.00</u>	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

09801	J.D. Edwards & Company				Page	1
Batch Type	- V	General Ledger Post - Voucher Entry			Date	5/06/92
Batch Number	- 506086					
Batch Date	- 05/06/92					
Posting Journal						
Post Out of Balance		: N				
Create Intercompany Settlements:		*				
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit Credit	LT Units
PV	14185 06/30/98	00001	Office Supplies Expense JDE France	9.8720	1,000.00	AA
AE	14185 06/30/98	00001	Accounts Payable-Trade Offset by Document PV 00014185	1.4110	1,150.00-	AA
AE	14185 06/30/98	00001	VAT Recoverable - Auth. A Offset by Document PV 00014185	1.1240.A	70.00	AA
AE	14185 06/30/98	00001	VAT Recoverable - Auth. B Offset by Document PV 00014185	1.1240.B	80.00	AA
Batch Total					1,150.00	1,150.00- AA

$$\text{VAT1} = \$1000 \text{ goods} \times .07 \text{ tax rate} = \$70$$
$$\text{VAT2} = \$1000 \text{ goods} \times .08 \text{ tax rate} = \$80$$

### Dr 1000 G/L distribution

Dr 70 VAT1 receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Dr 80 VAT2 receivable account 1.1240.B

This is the account that AAI item PTVAT2 points to.

Cr 1150 Accounts payable account 1.4110

This is the account that AAI item PCxxxx points to.

$$\$1150 = \$1000 \text{ goods} + \$70 \text{ VAT1} + \$80 \text{ VAT2}$$

This page shows a journal entry for tax explanation code V.



09801		J.D. Edwards & Company		Page	1		
Batch Type	- G	General Ledger Post		Date	7/09/92		
Batch Number	- 523993	General Accounting					
Batch Date	- 07/09/92						
Posting Journal							
Post Out of Balance : N							
Create Intercompany Settlements: D							
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT	Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit	Credit	
-----							
JE	68544 06/15/92	00001	Other Expense	9.9200	1000.00		AA
			Daily Bank Charges				
JE	68544 06/15/92	00001	VAT Recoverable - Auth. A	1.1240.A	150.00		AA
			Daily Bank Charges				
JE	68544 06/15/92	00001	Bear Creek National Bank	1.1110.BEAR		1150.00-	AA
			Daily Bank Charges				
Batch Total					1150.00	1150.00-	AA

For journal entries, the system posts the entire \$150 VAT to the first tax authority in tax rate/area AREA1.

**VT VAT (tax only)**

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I	Voucher Number . . 14187 PV	
Supplier Number . . 7002	JDE France	
Invoice Number . . _____	Business Unit . . 1	
" Amount . . 150.00	Disc Available . . _____	
" Date . . 06/01/98	Payment Terms . . _____	
G/L Date . . . 06/30/98	Company . . . 00001	
Net Due Date . . 07/01/98	P.O. Number . . _____	
Pay Status . . A	Tax Expl Code . . VT	
Tax Amount . . 150.00	Tax Rate/Area . . AREA1	
Taxable Amount . . _____	Serv/Tax Date . . 06/01/98	
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute.	Batch 506090 Report Code. ____	

<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
9.8720		

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

09801		J.D. Edwards & Company		Page	2	
Batch Type	- V	General Ledger Post - Voucher Entry		Date	5/06/92	
Batch Number	- 506090					
Batch Date	- 05/06/92					
Posting Journal						
Post Out of Balance : N						
Create Intercompany Settlements: *						
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit Credit	LT Units
PV	14187 06/30/98	00001	Office Supplies Expense JDE France	9.8720		AA
AE	14187 06/30/98	00001	Accounts Payable-Trade Offset by Document PV 00014187	1.4110	150.00-	AA
AE	14187 06/30/98	00001	VAT Recoverable - Auth. A Offset by Document PV 00014187	1.1240.A	70.00	AA
AE	14187 06/30/98	00001	VAT Recoverable - Auth. B Offset by Document PV 00014187	1.1240.B	80.00	AA
Batch Total					150.00 150.00-	AA

$$\text{VAT1} = \$150 \text{ tax} \times (.07 / .15) = \$70$$
$$\text{VAT2} = \$150 \text{ tax} \times (.08/.15) = \$80$$

### Dr 0 G/L distribution

Dr 70 VAT receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Dr 80 VAT receivable account 1.1240.B

This is the account that AAI item PTVAT2 points to.

Cr 150 Accounts payable account 1.4110

This is the account that AAI item PCxxxx points to.

$$\$1070 = \$70 \text{ VAT1} + \$80 \text{ VAT2}$$

This page shows a journal entry for tax explanation code VT.

For journal entries, the system posts the entire \$150 VAT to the first tax authority in tax rate/area AREA1.

**V+ VAT (calculated as a tax on a tax)**

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I	Voucher Number . . . 14188 PV	
Supplier Number . . 7002	JDE France	
Invoice Number . . _____	Business Unit . . . 1	
" Amount . . . 1,155.60	Disc Available . . _____	
" Date . . . 06/01/98	Payment Terms . . _____	
G/L Date . . . 06/30/98	Company . . . 00001	
Net Due Date . . . 07/01/98	P.O. Number . . _____	
Pay Status . . . A	Tax Expl Code . . V+	
Tax Amount . . . 155.60	Tax Rate/Area . . AREA1	
Taxable Amount . . . 1,000.00	Serv/Tax Date . . 06/01/98	
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute.	Batch 506091 Report Code. ____	
Account Number	Amount Explanation 2	
9.8720	1,000.00	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

				J.D. Edwards & Company		Page 3	
				General Ledger Post - Voucher Entry		Date 5/06/92	
09801							
Batch Type	- V						
Batch Number	- 506091						
Batch Date	- 05/06/92						
Posting Journal							
Post Out of Balance : N							
Create Intercompany Settlements: *							
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Amounts Credit	LT Units
PV	14188 06/30/98	00001	Office Supplies Expense JDE France	9.8720	1,000.00		AA
AE	14188 06/30/98	00001	Accounts Payable-Trade Offset by Document PV 00014188	1.4110		1,155.60-	AA
AE	14188 06/30/98	00001	VAT Recoverable - Auth. A Offset by Document PV 00014188	1.1240.A	70.00		AA
AE	14188 06/30/98	00001	VAT Recoverable - Auth. B Offset by Document PV 00014188	1.1240.B	85.60		AA
Batch Total					1,155.60	1,155.60-	AA

$$\text{VAT1} = \$1000 \text{ goods} \times .07 \text{ tax rate} = \$70$$
$$\text{VAT2} = (\$1000 \text{ goods} + \$70 \text{ VAT}) \times .08 \text{ tax rate} = \$85.60$$

Dr 1000.00 G/L distribution

Dr 70.00 VAT receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Dr 85.60 VAT receivable account 1.1240.B

This is the account that AAI item PTVAT2 points to.

Cr 1155.60 Accounts payable account 1.4110

This is the account that AAI item PCxxxx points to.

$$\text{\$1155.60} = \text{\$1000 goods} + \text{\$70 VAT1} + \text{\$85.60 VAT2}$$



**UT Use Tax, Self-Assessed (tax only)**

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I		Voucher Number . . 14198 PV
Supplier Number . . 7002		JDE France
Invoice Number . . _____		Business Unit . . 1
" Amount . . _____		Disc Available . . _____
" Date . . 06/01/98		Payment Terms . . _____
G/L Date . . . 06/30/98		Company . . . 00001
Net Due Date . . 07/01/98		P.O. Number . . _____
Pay Status . . . P		Tax Expl Code . . ITT
Tax Amount . . . 150.00		Tax Rate/Area . . AREA1
Taxable Amount . . _____		Serv/Tax Date . . 06/01/98
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute.	Batch 506101	Report Code . . ____
<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
9.8720	150.00	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

09801	J.D. Edwards & Company				Page	13
Batch Type	- V	General Ledger Post - Voucher Entry			Date	5/06/92
Batch Number	- 506101					
Batch Date	- 05/06/92					
Posting Journal						
Post Out of Balance		: N				
Create Intercompany Settlements:		:		*		
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit	
-----						
PV	14198	06/30/98	00001 Office Supplies Expense	9.8720	150.00	AA
			JDE France			
-----						
AE	14198	06/30/98	00001 Self Assessed Tax - AREA1	1.4423.AREA1		150.00- AA
			Offset by Document PV 00014198			
-----						
Batch Total					150.00	150.00- AA

Use Tax = \$150

Dr 150 G/L distribution

Cr 150 Self-assessed tax payable account 1.4423.AREA1

This is the account that AAI item PT\_ \_ \_ points to (business unit and object 1.4423) plus the subsidiary account identifying the tax rate/area (Area1).



This page shows the sales order information.

4210	Enter Orders (Page Mode)	Branch/Plant. <u>10</u>
		Order Date. <u>06/29/92</u>
		Cancel Date. <u>          </u>
		Order Number. <u>39811 SO</u>
Action . . . . .	I	
Sold To. . . . .	4242 Office Systems Service Co	
Ship To. . . . .	4242 Office Systems Service Co	
Requested. . . . .	06/29/92	Hold Code. . . . .
Promised Ship. . . . .	06/29/92	Invoice Copies <u>00</u>
Customer PO. . . . .		Price Pickslip . Y
Print Message. . . . .		Ordered By . . . . .
		Taken By . . . . . BANACH
Cust Price Group <u>          </u>	Comm Code 1. <u>          </u>	Apply Freight. Y FOB.
Trade Discount . <u>          </u>	Comm Rate 1. <u>          </u>	Display WT/VM. <u>          </u>
Payment Terms. . <u>          </u>	Comm Code 2. <u>          </u>	Carrier Number <u>          </u>
Payment Instr. . . <u>          </u>	Comm Rate 2. <u>          </u>	Route/Stop/Zon <u>          </u>
Tax Code/Area. . . S <u>AREA1</u>	Acct No. <u>          </u>	
Tax Cert No. . . . <u>          </u>	Exp Date <u>          </u>	Auth No. <u>          </u>
Delivery Instr <u>          </u>		
F5=Credit Check	F17=Order Address Information	F24=More Keys

42111	Sales Order Entry	Branch/Plant <u>10</u>
		Order Date . 06/29/92
		Cancel Date. <u>          </u>
		Order No . . 39811 SO
Action Code. . . . .	I	Prev. Order
Sold To. . . . .	4242 Office Systems Service Co	
Ship To. . . . .	4242 Office Systems Service Co	
Requested. . . . .	06/29/92	
Ship. . . . .	06/29/92	
Customer PO. . . . .		Amount . . . . . 1,000.00
Detail Br/Plt. <u>          </u>	10	Skip To Line #. . . . .

Quantity	Item	UM	Unit Price	Extended Price	LT	Q
10	A1000	EA	100.0000	1,000.00	S	-
					S	-

420103	Online Invoice	From Status <u>520</u> Thru <u>600</u>
Invoice. . . . .	2500 RI	Based on Status. . . . .
Order Number . . . . .	39811 SO	Date to Display. . . . .
		Include Backorders . . . . .
Sold To. . . . .	4242 Office Systems Service Co	
Ship To. . . . .	4242 Office Systems Service Co	

Q	Description	Order	UM	Quantity	Extended Price	T
-	FILE CABINET	06/29/92	EA	10	1,000.00	Y

Order Total. . . . .	1,000.00
Taxable Amount	1,000.00 @ 15.000 Tax 150.00
Invoice Total. . . . .	1,150.00

F24=More Keys



This page shows how the system posts the sales order.

09801	J.D. Edwards & Company				Page	1	
Batch Type	- I	General Ledger Post - Invoice Entry				Date	6/29/92
Batch Number	- S20979						
Batch Date	- 06/29/92						
Posting Journal							
Post Out of Balance		: N					
Create Intercompany Settlements:		D					
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Amounts Credit	LT Units
SO	39811	06/29/92	00040 Sales Tax Authority A Office Systems Service Co FILE CABINET	10.4550.A		70.00-	AA
AE	39811	06/29/92	00040 Trade Accounts Receivable Offset by Document SO 00039811	40.1210	1,150.00		AA
SO	39811	06/29/92	00040 Sales Tax Authority B Office Systems Service Co FILE CABINET	10.4550.B		80.00-	AA
SO	39811	06/29/92	00040 Store Sales Office Systems Service Co FILE CABINET	20.5010		1,000.00-	AA
SO	39811	06/29/92	00040 Estimated C.O.G.S. Office Systems Service Co FILE CABINET	20.6020	650.00		AA
SO	39811	06/29/92	00040 Inventory Activity Office Systems Service Co FILE CABINET	10.1401		650.00-	AA
Batch Total					1,800.00	1,800.00-	AA

VAT1 = \$1000 goods x .07 tax rate = \$70

VAT2 = \$1000 goods x .08 tax rate = \$80

Dr 1150 Accounts receivable account 40.1210

This is the account that AAI item RCxxxx points to.

\$1150 = \$1000 goods + \$70 VAT1 + \$80 VAT2

Dr 650 Cost of goods sold

Cr 70 Tax account 10.4550.A

This is the account that AAI table 4250 points to.

Cr 80 Tax account 10.4550.B

This is the account that AAI table 4250 points to.

Cr 1000 G/L distribution (sales account)

Cr 650 Inventory for the cost of the goods sold

**ST Sales Tax, Seller-Assessed (tax only)**

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I		Voucher Number . . 14196 PV
Supplier Number . . 7002		JDE France
Invoice Number . . _____		Business Unit . . 1
" Amount . . 150.00		Disc Available . . _____
" Date . . 06/01/98		Payment Terms . . _____
G/L Date . . . 06/30/98		Company . . . 00001
Net Due Date . . 07/01/98		P.O. Number . . _____
Pay Status . . . A		Tax Expl Code . . ST
Tax Amount . . . 150.00		Tax Rate/Area . . AREA1
Taxable Amount . . _____		Serv/Tax Date . 06/01/98
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute . . _____	Batch 506099	Report Code . _____
<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
9.8720	150.00	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
PV	14196 06/30/98	00001	Office Supplies Expense JDE France	9.8720	150.00		AA	
AE	14196 06/30/98	00001	Accounts Payable-Trade Offset by Document PV 00014196	1.4110		150.00-	AA	
Batch Total					150.00	150.00-	AA	

Sales Tax = \$150

Dr 150 G/L distribution

Cr 150 Accounts payable account 1.4110

This is the account that AAI item PCxxxx points to.





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This is the account that AAI item PCxxxx points to.

$$\$1070 = \$1000 \text{ goods} + \$70 \text{ GST}$$
**BT GST + Self-Assessed PST (tax only)**

041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I		Voucher Number . . 14194 PV
Supplier Number . . 7002		JDE France
Invoice Number . . _____		Business Unit . . 1
" Amount . . 70.00		Disc Available . . _____
" Date . . 06/01/98		Payment Terms . . _____
G/L Date . . . 06/30/98		Company . . . 00001
Net Due Date . . 07/01/98		P.O. Number . . _____
Pay Status . . . A		Tax Expl Code . . BT
Tax Amount . . . 150.00		Tax Rate/Area . . AREA1
Taxable Amount . . _____		Serv/Tax Date . 06/01/98
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute . . _____	Batch 506097	Report Code . _____
<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
9.8720	80.00	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

09801	J.D. Edwards & Company			Page	9		
Batch Type	- V	General Ledger Post - Voucher Entry			Date	5/06/92	
Batch Number	- 506097						
Batch Date	- 05/06/92						
Posting Journal							
Post Out of Balance : N							
Create Intercompany Settlements: *							
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT	Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit		
PV	14194 06/30/98	00001	Office Supplies Expense JDE France	9.8720	80.00	AA	
AE	14194 06/30/98	00001	Accounts Payable-Trade Offset by Document PV 00014194	1.4110		70.00- AA	
AE	14194 06/30/98	00001	VAT Recoverable - Auth. A Offset by Document PV 00014194	1.1240.A	70.00	AA	
AE	14194 06/30/98	00001	Self Assessed Tax - AREAL Offset by Document PV 00014194	1.4423.AREAL		80.00- AA	
Batch Total					150.00	150.00- AA	

$$\text{GST} = \$150 \text{ tax} \times (.07 / .15) = \$70$$
$$\text{PST} = \$150 \text{ tax} \times (.08 / .15) = \$80$$

### Dr 80 G/L distribution

\$80 = \$80 PST

Dr 70 GST receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Cr 80 Self-assessed tax payable account 1.4423.AREA1.

This is the account that AAI item PT\_ \_ \_ points to (business unit and object1.4423) plus the subsidiary account identifying the tax rate/area (Area1).

Cr 70 Accounts payable account 1.4110

This is the account that AAI item PCxxxx points to.



## C GST + Seller-Assessed PST (calculated as a tax on a tax)

041015		Speed Voucher Entry	Prev Voucher:
Action Code . . . .	I	Voucher Number . . . .	14190 PV
Supplier Number . .	7002	JDE France	
Invoice Number . .		Business Unit . . . .	1
" Amount . . . .	1,155.60	Disc Available . . . .	
" Date . . . .	06/01/98	Payment Terms . . . .	
G/L Date . . . .	06/30/98	Company . . . .	00001
Net Due Date . . .	07/01/98	P.O. Number . . . .	
Pay Status . . . .	A	Tax Expl Code . . . .	C
Tax Amount . . . .	155.60	Tax Rate/Area . . . .	AREA2
Taxable Amount . .	1,000.00	Serv/Tax Date . . . .	06/01/98
Approver Number . .			
Payment Remark . .			
Amt to Distribute .		Batch 506093	Report Code . . . .
Account Number	Amount	Explanation 2	
9.8720	1,085.60		
F9=Name Search	F11=New Supplier	F16=Ledger Inquiry	F24=More Keys

The system posts the transaction above as shown on the report below.

09801		J.D. Edwards & Company		Page	5		
Batch Type	- V	General Ledger Post - Voucher Entry		Date	5/06/92		
Batch Number	- 506093						
Batch Date	- 05/06/92						
Posting Journal							
Post Out of Balance		: N					
Create Intercompany Settlements:		:		*			
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT	Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit	Credit	
-----							
PV	14190 06/30/98	00001	Office Supplies Expense	9.8720	1,085.60		AA
			JDE France				
AE	14190 06/30/98	00001	Accounts Payable-Trade	1.4110		1,155.60-	AA
			Offset by Document PV 00014190				
AE	14190 06/30/98	00001	VAT Recoverable - Auth. A	1.1240.A	70.00		AA
			Offset by Document PV 00014190				
					-----	-----	
Batch Total					1,155.60	1,155.60-	AA

GST = \$1000 goods x .07 tax rate = \$70

PST = (\$1000 goods + \$70 GST) x .08 tax rate = \$85.60

Dr 1085.60 G/L distribution

\$1085.60 = \$1000 goods + \$85.60 PST

Dr 70.00 GST receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Cr 1155.60 Accounts payable account 1.4110

This is that account that AAI item PCxxxx points to.

\$1155.60 = \$1000 goods + \$70 GST + \$85.60 PST





041015	Speed Voucher Entry	Prev Voucher:
Action Code . . . I	Voucher Number . . 14200 PV	
Supplier Number . . 7002	JDE France	
Invoice Number . . _____	Business Unit . . 1	
" Amount . . 1,150.00	Disc Available . . _____	
" Date . . 06/01/98	Payment Terms . . _____	
G/L Date . . . 06/30/98	Company . . . 00001	
Net Due Date . . 07/01/98	P.O. Number . . _____	
Pay Status . . . A	Tax Expl Code . . Y	
Tax Amount . . . 150.00	Tax Rate/Area . . AREA3	
Taxable Amount . . 1,000.00	Serv/Tax Date . . 06/01/98	
Approver Number . . _____		
Payment Remark . . _____		
Amt to Distribute.	Batch 506103 Report Code. ____	
<u>Account Number</u>	<u>Amount</u>	<u>Explanation 2</u>
9.8720	1,045.00	

F9=Name Search      F11=New Supplier      F16=Ledger Inquiry      F24=More Keys

The system posts the transaction above as shown on the report below.

09801	J.D. Edwards & Company				Page	15
Batch Type	- V	General Ledger Post - Voucher Entry			Date	5/06/92
Batch Number	- 506103					
Batch Date	- 05/06/92					
Posting Journal						
Post Out of Balance : N						
Create Intercompany Settlements: *						
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit	
-----						
FV	14200	06/30/98	00001 Office Supplies Expense	9.8720	1,045.00	AA
			JDE France			
AE	14200	06/30/98	00001 Accounts Payable-Trade	1.4110	1,150.00-	AA
			Offset by Document FV 00014200			
AE	14200	06/30/98	00001 VAT Recoverable - Auth. A	1.1240.A	25.00	AA
			Offset by Document FV 00014200			
AE	14200	06/30/98	00001 VAT Recoverable - Auth. B	1.1240.B	80.00	AA
			Offset by Document FV 00014200			
Batch Total					1,150.00 1,150.00-	AA

$$\text{VAT1} = \$1000 \text{ goods} \times .07 \text{ tax rate} = \$70$$
$$\text{VAT2} = \$1000 \text{ goods} \times .08 \text{ tax rate} = \$80$$

Non-recoverable = \$1000 goods x .15 tax rate x .30 = \$45

Recoverable = \$70 VAT1 - \$45 non-recoverable = \$25

Dr 1045 G/L distribution

**\$1045 = \$1000 goods + \$45 non-recoverable VAT**

Dr 25 VAT receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Dr 80 VAT receivable account 1.1240.B

This is the account that AAI item PTVAT2 points to.

Cr 1150 Accounts payable account 1.14110

This is the account that AAI item PCxxxx points to.

$$\$1150 = \$1000 \text{ goods} + \$70 \text{ VAT1} + \$80 \text{ VAT2}$$

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The system posts the transaction above as shown on the report below.

$$\text{GST} = \$1000 \text{ goods} \times .07 \text{ tax rate} = \$70$$

Non-recoverable = \$70 GST x .30 = \$21

### Dr 1101 G/L distribution

Dr 49 VAT receivable account 1.1240.A

This is the account that AAI item PTVAT1 points to.

Cr 80 Self-assessed tax payable account 1.4423.AREA3.

This is the account that AAI item PT\_ \_ \_ points to (business unit and object 1.4423) plus the subsidiary account identifying the tax rate/area (Area3).

Cr 1070 Accounts payable account 1.4110



$$\text{\$1150} = \text{\$1000 goods} + \text{\$70 GST} + \text{\$80 PST}$$



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## Appendix D – Entry and Post Examples for Purchase Orders

This chapter describes how the system calculates and posts tax amounts to the general ledger for some commonly-used tax explanation codes.

The examples include the following tax explanation codes:

Tax Code	Explanation
S	Sales Tax, Seller-Assessed (called PST in Canada) Inventory example Non-inventory example
U	Use Tax, Self-Assessed (called PST in Canada) Inventory example Non-inventory example
V	VAT (called GST in Canada) Inventory example Non-inventory example
C	GST + Seller-Assessed PST (calculated as a tax on a tax) Inventory example Non-inventory example
B	GST + Self-Assessed PST (not calculated as a tax on a tax) Inventory example Non-inventory example

Tax explanation codes C and B can be either seller-assessed or self-assessed. This chapter, however, only shows C as seller-assessed and B as self-assessed.

The examples do not show discounts. If you need to review how the system calculates discounts, see the chapter *Tax Rules by Company*.

The examples use the following AAI items for taxes:

## 40950 Distribution Automatic Account

Action Code. . . . . See Memo  
 AAI Table Number . . . 4350 Purchase Tax Accrual  
 Company. . . . . \* - OPT  
 Document Type. . . . . \*

Do G/L			Description	Account Distribution		
Co.	Ty	Cls.		Bus. Unit	Object	Sub
00000	OP	IN20	Purchase Order / Inventory		1240	
00050	OP	NS40	Purchase Order / Non-Inventory	50	1240	
00100	OP	IN10	Purchase Order / Stock Inventor	100	4430	X
00100	OP	IN20	Purchase Order / Inventory	100	4430	X
00100	OP	IN30	Purchase Order / Components	100	4430	X
00100	OP	IN40	Purchase Order / Inventory Tran	100	4430	X
00100	OP	NS40	Purchase Order / Non-Inventory	100	4430	X
			/			
			/			
			/			
			/			
			/			
			/			

F14=Memo F21=Print F24=More Keys

## 40950 Distribution Automatic Account

Action Code. . . . . See Memo  
 AAI Table Number . . . 4355 Received not Vouchered Tax  
 Company. . . . . \* - OPA  
 Document Type. . . . . \*

Do G/L			Description	Account Distribution		
Co.	Ty	Cls.		Bus. Unit	Object	Sub
00000	OP	IN20	Purchase Order / Inventory		4431	
00050	OP	NS40	Purchase Order / Non-Inventory	50	4431	
00100	OP	IN10	Purchase Order / Stock Inventor	100	4431	
00100	OP	IN20	Purchase Order / Inventory	100	4431	
00100	OP	IN30	Purchase Order / Components	100	4431	
00100	OP	IN40	Purchase Order / Inventory Tran	100	4431	
00100	OP	NS40	Purchase Order / Non-Inventory	100	4431	
			/			
			/			
			/			
			/			
			/			

F14=Memo F21=Print F24=More Keys

## 00121 Automatic Accounting Instr.

Skip to Sequence Number. . 4.060

O Sequence	Company	Object	Sub	Item
P Number	Bus. Unit			
- 4.060	Accrued Use/Self Assessment Tax	1	4433	PT
- 4.060	VAT Recoverable on Purchases	1	1240	PTNSNS
- 4.060	Use Tax Payable on Purchases	50	4433	PTNS40
- 4.060	Use Tax Payable on Purchases	1	4433	PTTXX
- 4.060	Use Tax Payable on Purchases	100	100 4433	PTTXX
- 4.060	VAT Recoverable on purchases	1		PTVATB

Opt: 1=AAI Rev F5=Acct Struct by CC F15=AAI Rev F21=Print F24=More Keys



The examples use two tax rate/areas:

- Area PUR1 has a 4% tax and a 6% tax. Tax is not calculated as a tax on a tax and has an effective rate of 10%.

Tax/Rate Area . . . . .		PUR1		Desc . . . . .		Purchasing Tax	
Effective Date . . . . .		01/01/90					
Expiration Date . . . . .		12/31/99					
Item Number . . . . .							
Maximum Unit Cost . . . . .							

	Address	Tax Rate	G/L Off.	Calc Meth	VAT Exp	Description
Tax Authority . .	5098	4.000	TXTX			Revenue Canada
	5961	6.000	TXTX	N		Treasurer of Ontario
Total Area Tax Rate . . . .		10.000				

- Area PUR2 has a 4% tax and an 6% tax. Tax is calculated as a tax on a tax and has an effective rate of 10.24%.

Tax Rate/Area . . . . .		PUR2		Desc . . . . .		Purchasing Tax (Tax on Tax)	
Effective Date . . . . .		01/01/90					
Expiration Date . . . . .		12/31/99					
Item Number . . . . .							
Maximum Unit Cost . . . . .							

	Address	Tax Rate	G/L Off.	Calc Meth	VAT Exp	Description
Tax Authority . .	5098	4.000	TXTX			Revenue Canada
	5961	6.000	TXTX	Y		Treasurer of Ontario
Total Area Tax Rate . . . .		10.000				

## Tax Explanation Code Examples

### S Sales Tax, Inventory Example

430114		Order Summary Information			
Order Number . .	2029	OP			
Supplier . . . .	4343	Vector Manufacturing Co			
Ship to . . . .	1063	Modesto Warehouse #10			

Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Software Package	1		10.0000	100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
Order Total				110.00

09101	Journal Entries	Model (Y) . . . . .
Action Code . . . . . I		Reverse or Void (R/V) . . . . .
Document Type . . . . . QV		
Document Number/Co . . . . . 1011 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . . 02/09/94	Batch Number	4446
Remaining . . . . .		

Skip to Line . . . . .		
Account No.	Amount	Explanation 2
100.1411.20A	100.00	Software Package
100.4111	100.00	Software Package
100.4430.X	10.00	Software Package
100.4431	10.00	Software Package

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Batch Type . . . . . O	General Ledger Post - PO Receipts	Date	2/09/94
Batch Number . . . . . 4446			
Batch Date . . . . . 02/09/94			

Posting Journal									
Post Out of Balance . . . . . N									
Create Intercompany Settlements: Y									

Do Document Ty	G/L Date	Co	Account Description	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
CV	1011 02/09/94	00100	Inventory/Valley Forge, P Vector Manufacturing Co Software Package	100.1411.20A	100.00		AA	
CV	1011 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111		100.00	AA	
CV	1011 02/09/94	00100	Other Sales/Use Tax Payab Vector Manufacturing Co Software Package	100.4430.X	10.00		AA	
CV	1011 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Software Package	100.4431		10.00	AA	
Batch Total					110.00	110.00	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that the entire tax amount is a debit to the 4350 (OPT) account and a credit to the 4355 (OPA) account.

04105	Voucher Entry	Prev Voucher:
Prepayment . . . . . I		Voucher/Type/Co. . . . . 19 PV 00100
Action Code . . . . . I		Vector Manufacturing Co
Supplier Number . . . . . 4343		Business Unit . . . . . 10
Invoice Number . . . . .		Payment Terms . . . . . Payment Instr.
" Amount . . . . . 110.00		Company . . . . . 00100
" Date . . . . . 02/11/94		P.O. Number . . . . . 2029 OP 00100
G/L Date . . . . . 02/11/94		Tax Expl Code . . . . . S
Tax Amount . . . . . 10.00		Tax Area . . . . . PUR1
Taxable Amount . . . . . 100.00		Serv/Tax Date . . . . . 02/11/94
Approver Number . . . . .		
Remaining Amount . . . . .	Batch Number . . . . . 4530	

Payment Schedule . . . . .						
Pay	Gross	Taxable	Tax	Tax	Tx	Net Due
Itm	Amount	Amount	Amount	Area	Cd	Date
001	110.00	100.00	10.00	PUR1	S	02/13/94

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code . . . . I			
Document Type . . . PV			
Document Number/Co	19 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .		Batch Number	4530
Remaining . . . . .			
Skip to Line . . . .			
Account No.	Debit Amount	Credit Amount	G/L Date Sfx
100.4111	100.00		02/11/94 001
100.4431	10.00		02/11/94

09801	J.D. Edwards & Company	Page	1				
Batch Type - V	General Ledger Post - Voucher Entry	Date	2/11/94				
Batch Number - 4530							
Batch Date - 02/11/94							
Posting Journal							
Post Out of Balance : N							
Create Intercompany Settlements: Y							
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT	Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit	Credit	
PV	19 02/11/94	00100	Received Not Vouchered	100.4111	100.00		AA
			Vector Manufacturing Co				
			Software Package				
PV	19 02/11/94	00100	Received Not Vouchered Tax	100.4431	10.00		AA
			Vector Manufacturing Co				
			Software Package				
AE	4530 02/28/94	00100	Accounts Payable-Trade	100.4110		110.00-	AA
			Post Offset by Bate V 00004530				
Batch Total					110.00	110.00-	AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item plus the tax, and (2) the posting creates a balancing entry to the A/P Trade account.

## S Sales Tax, Non-Inventory Example

430114	Order Summary Information			
Order Number . . . . 2035	OP			
Supplier . . . . . 4343	Vector Manufacturing Co			
Ship to . . . . . 1063	Modesto Warehouse #10			
Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Nonstock				100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
Order Total				110.00

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . . . . .
Action Code . . . . .	I		
Document Type . . . . .	OV		
Document Number/Co . . . . .	1012 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4449
Remaining . . . . .			

Skip to Line . . . . .			
Account No.	Amount	Explanation 2	P
100.1105	100.00	Nonstock	
100.4111	100.00	Nonstock	
100.1105	10.00	Nonstock	
100.4431	10.00	Nonstock	

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Batch Type . . . . .	- O	General Ledger Post - PO Receipts	Date 2/09/94
Batch Number . . . . .	- 4449		
Batch Date . . . . .	- 02/09/94		

Posting Journal

Post Out of Balance : N  
Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
OV	1012 02/09/94	00100	Nonstock Vector Manufacturing Co	100.1105	100.00		AA	
OV	1012 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co	100.4111		100.00	AA	
OV	1012 02/09/94	00100	Nonstock Vector Manufacturing Co	100.1105	10.00		AA	
OV	1012 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co	100.4431		10.00	AA	
Batch Total					110.00	110.00	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that the entire tax amount is a debit to the expense account from the purchase order and a credit to the 4355 (OPA) account.

04105	Voucher Entry	Prev Voucher:
Prepayment . . . . .		
Action Code . . . . .	I	
Supplier Number . . . . .	4343	Voucher/Type/Co. 32 PV 00100
Invoice Number . . . . .		Vector Manufacturing Co
" Amount . . . . .	110.00	Business Unit. 100
" Date . . . . .	02/11/94	Payment Terms. Payment Instr.
G/L Date . . . . .	02/11/94	Company. 00100
Tax Amount . . . . .	10.00	P.O. Number. 2035 OP 00100
Taxable Amount . . . . .	100.00	Tax Expl Code. S
		Tax Area PUR1
		Serv/Tax Date. 02/11/94
Approver Number . . . . .		
Remaining Amount . . . . .		Batch Number 4550
Payment Schedule . . . . .		
Pay Itm	Gross Amount	Taxable Amount
001	110.00	100.00
		Tax Amount 10.00
		Tax Area PUR1
		Tx Cd S
		Net Due Date 03/13/94

09101 Journal Entries Model (Y) . . . . . Reverse or Void (R/V) . . . . .

Action Code . . . . . I  
Document Type . . . . . PV  
Document Number/Co . . . . . 32 00100 Explanation Vector Manufacturing Co  
G/L Date . . . . . Batch Number 4550  
Remaining . . . . .

Skip to Line . . . . .

Account No.	Debit Amount	Credit Amount	G/L Date Sfx
100.4111	100.00		02/11/94 001
100.4431	10.00		02/11/94

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Batch Type - V General Ledger Post - Voucher Entry Date 2/11/94  
Batch Number - 4550  
Batch Date - 02/11/94

Posting Journal

Post Out of Balance : N  
Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
PV	32 02/11/94	00100	Received Not Vouchered Vector Manufacturing Co Nonstock	100.4111	100.00		AA	
PV	32 02/11/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Nonstock	100.4431	10.00		AA	
AE	4550 02/28/94	00100	Accounts Payable-Trade Post Offset by Batc V 00004550	100.4110		110.00-	AA	
Batch Total					110.00	110.00-	AA	

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the material amount plus the entire tax amount, and (2) the posting creates a balancing entry to the A/P Trade account.

## U Use Tax, Inventory Example

430114 Order Summary Information

Order Number . . . . . 2030 OP  
Supplier . . . . . 4343 Vector Manufacturing Co  
Ship to . . . . . 1063 Modesto Warehouse #10

Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Software Package	1		10.0000	100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
Order Total				110.00

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . . . . .
Action Code . . . . .	I		
Document Type . . . . .	OV		
Document Number/Co . . . . .	1014 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4452
Remaining . . . . .			

Skip to Line . . . . .			
Account No.	Amount	Explanation 2	P
100.1411.20A	100.00	Software Package	
100.4111	100.00-	Software Package	
100.4430.X	10.00	Software Package	
100.4431	10.00-	Software Package	

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Batch Type . . . . .	- O	General Ledger Post - PO Receipts	Date 2/09/94
Batch Number . . . . .	4452		
Batch Date . . . . .	02/09/94		

Posting Journal

Post Out of Balance . . . . . : N  
Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
OV	1014 02/09/94	00100	Inventory/Valley Forge, P Vector Manufacturing Co Software Package	100.1411.20A	100.00		AA	
OV	1014 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111		100.00-	AA	
OV	1014 02/09/94	00100	Other Sales/Use Tax Payab Vector Manufacturing Co Software Package	100.4430.X	10.00		AA	
OV	1014 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Software Package	100.4431		10.00-	AA	
Batch Total					110.00	110.00-	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the entire tax amount is a debit to the 4350 (OPT) account and a credit to the 4355 (OPA) account.

04105	Voucher Entry	Prev Voucher:
Prepayment . . . . .	I	
Action Code . . . . .	I	
Supplier Number . . . . .	4343	Voucher/Type/Co. 20 PV 00100
Invoice Number . . . . .		Vector Manufacturing Co
" Amount . . . . .	100.00	Business Unit . . . . . 10
" Date . . . . .	02/11/94	Payment Terms . . . . . Payment Instr
G/L Date . . . . .	02/11/94	Company . . . . . 00100
Tax Amount . . . . .	10.00	P.O. Number . . . . . 2030 OP 00100
Taxable Amount . . . . .	100.00	Tax Expl Code . . . . . U
		Tax Area . . . . . PUR1
		Serv/Tax Date . . . . . 02/11/94
Approver Number . . . . .		
Remaining Amount . . . . .		Batch Number . . . . . 4533
Payment Schedule . . . . .		
Pay	Gross	Taxable
Item	Amount	Amount
001	100.00	100.00
		10.00 PUR1
		U 03/13/94

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code . . . . .	I		
Document Type . . . . .	PV		
Document Number/Co	20 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .		Batch Number	4533
Remaining . . . . .			
Skip to Line . . . . .			
Account No.	Debit Amount	Credit Amount	G/L Date Sfx
100.4111	100.00		02/11/94 001
100.4431	10.00		02/11/94

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Batch Type - V	General Ledger Post - Voucher Entry	Date	2/11/94
Batch Number - 4533			
Batch Date - 02/11/94			
Posting Journal			
Post Out of Balance	: N		
Create Intercompany Settlements:	Y		
Do Document	G/L Co	Account Description	G/L Account
Ty	Date	Explanation	Subldgr-Ty/Asset Number
PV	20 02/11/94 00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111
			100.00
PV	20 02/11/94 00100	Received Not Vouchered Tax Vector Manufacturing Co Software Package	100.4431
			10.00
AE	4533 02/28/94 00100	Accounts Payable-Trade Post Offset by Batc V 00004533	100.4110
			100.00- AA
AE	4533 02/28/94 00001	Use Tax Payable Post Offset by Batc V 00004533	1.4433.PUR1
			10.00- AA
Batch Total			110.00 110.00- AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item amount only, and (2) the posting creates two entries. One entry is to the A/P Trade account and the second is to the Use Tax Payable account for the tax amount. The Use Tax Payable account is the account that AAI PT\_\_\_ points to (business unit and object) plus the subsidiary account that identifies the tax rate/area (PUR1).

## U Use Tax, Non-Inventory Example

430114	Order Summary Information			
Order Number . . . . .	2036 OP			
Supplier . . . . .	4343 Vector Manufacturing Co			
Ship to . . . . .	1063 Modesto Warehouse #10			
Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Nonstock				100.00
Total				100.00
Amount Taxable		100.00 @ 10.000 Tax	10.00	
Order Total				110.00

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code . . . .	I		
Document Type . . .	QV		
Document Number/Co	1015 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4453
Remaining . . . . .			

Skip to Line . . .			
Account No.	Amount	Explanation 2	P
100.1105	100.00	Nonstock	
100.4111	100.00	Nonstock	
100.1105	10.00	Nonstock	
100.4431	10.00	Nonstock	

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Batch Type - O	General Ledger Post - PO Receipts	Date	2/09/94
Batch Number - 4453			
Batch Date - 02/09/94			

Posting Journal

Post Out of Balance : N  
Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
CV	1015 02/09/94	00100	Nonstock Vector Manufacturing Co	100.1105	100.00		AA	
CV	1015 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co	100.4111		100.00	AA	
CV	1015 02/09/94	00100	Nonstock Vector Manufacturing Co	100.1105	10.00		AA	
CV	1015 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co	100.4431		10.00	AA	
Batch Total					110.00	110.00	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that the tax amount is a debit to the expense account from the purchase order and a credit to the 4355 (OPA) account.

04105	Voucher Entry	Prev Voucher:
Prepayment . . . .	I	
Action Code . . . .	I	
Supplier Number . .	4343	Voucher/Type/Co. 33 PV 00100
Invoice Number . .		Vector Manufacturing Co
" Amount . . . . .	100.00	Business Unit. . . . . 100
" Date . . . . .	02/11/94	Payment Terms. . . . . Payment Instr.
G/L Date . . . . .	02/11/94	Company. . . . . 00100
Tax Amount . . . . .	10.00	P.O. Number. . . . . 2036 OP 00100
Taxable Amount . .	100.00	Tax Expl Code. . . . . U
Approver Number .		Tax Area . . . . . PUR1
		Serv/Tax Date. . . . . 02/11/94
Remaining Amount .		Batch Number . . . . . 4551
Payment Schedule . . . . .		
Pay Itm	Gross Amount	Taxable Amount
001	100.00	100.00
		Tax Amount
		10.00
		Tax Area
		PUR1
		Tx Cd
		U
		Net Due Date
		02/13/94



09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code . . . . .	I		
Document Type . . . . .	PV		
Document Number/Co	33 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .		Batch Number	4551
Remaining . . . . .			

Skip to Line . . . . .				
Account No.	Debit Amount	Credit Amount	G/L Date	Sfx
100.4111	100.00		02/11/94	001
100.4431	10.00		02/11/94	

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Batch Type - V	General Ledger Post - Voucher Entry	Date	2/11/94
Batch Number - 4551			
Batch Date - 02/11/94			

Posting Journal									
Post Out of Balance : N									
Create Intercompany Settlements: Y									

Do Document	G/L	Co	Account Description	G/L Account	Subldgr-Ty/Asset Number	Debit	Credit	LT	Units
PV	33	02/11/94	00100 Received Not Vouchered	100.4111		100.00		AA	
			Vector Manufacturing Co						
			Nonstock						
PV	33	02/11/94	00100 Received Not Vouchered Tax	100.4431		10.00		AA	
			Vector Manufacturing Co						
			Nonstock						
AE	4551	02/28/94	00100 Accounts Payable-Trade	100.4110			100.00-	AA	
			Post Offset by Bate V 00004551						
AE	4551	02/28/94	00001 Use Tax Payable	1.4433.PUR1			10.00-	AA	
			Post Offset by Bate V 00004551						
Batch Total						110.00	110.00-	AA	

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the material amount only, and (2) the posting creates two entries. One entry is to the A/P Trade account and the second is to the Use Tax Payable account for the tax amount. The Use Tax Payable account is the account that AAI PT\_ \_ \_ \_ points to (business unit and object) plus the subsidiary account that identifies the tax rate/area (PUR1).

## V VAT, Inventory Example

430114	Order Summary Information
Order Number . . . . .	2031 OP
Supplier . . . . .	4343 Vector Manufacturing Co
Ship to . . . . .	1063 Modesto Warehouse #10

Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Software Package	1		10.0000	100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
Order Total				110.00

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . . . . .
Action Code . . . . .	I		
Document Type . . . . .	QV		
Document Number/Co	1019 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4455
Remaining . . . . .			

Skip to Line . . . . .			
Account No.	Amount	Explanation 2	P
100.1411.20A	100.00	Software Package	
100.4111	100.00	Software Package	

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Batch Type . . . . .	- O	General Ledger Post - PO Receipts	Date 2/09/94
Batch Number . . . . .	4455		
Batch Date . . . . .	02/09/94		

Posting Journal

Post Out of Balance . . . . . : N  
Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
QV	1019 02/09/94	00100	Inventory/Valley Forge, P Vector Manufacturing Co Software Package	100.1411.20A	100.00		AA	
QV	1019 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111		100.00	AA	
Batch Total					100.00	100.00	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the journal entries do not include taxes.

04105	Voucher Entry	Prev Voucher:
Prepayment . . . . .	I	
Action Code . . . . .	I	
Supplier Number . . . . .	4343	Voucher/Type/Co. 31 PV 00100
Invoice Number . . . . .		Vector Manufacturing Co
" Amount . . . . .	110.00	Business Unit. 10
" Date . . . . .	02/11/94	Payment Terms. Payment Instr.
G/L Date . . . . .	02/11/94	Company. 00100
Tax Amount . . . . .	10.00	P.O. Number. 2031 OP 00100
Taxable Amount . . . . .	100.00	Tax Expl Code. V
		Tax Area PUR1
		Serv/Tax Date. 02/11/94
Approver Number . . . . .		
Remaining Amount . . . . .		Batch Number 4549

Payment Schedule . . . . .			
Pay	Gross	Taxable	Tax
Item	Amount	Amount	Amount
001	110.00	100.00	10.00

	Tax	Tx	Net Due
	Area	Code	Date
	PUR1	V	03/13/94

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . . . . .
Action Code . . . . .	I		
Document Type . . . . .	PV		
Document Number/Co	31 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .		Batch Number	4549
Remaining . . . . .			

Skip to Line . . . . .			
Account No.	Debit Amount	Credit Amount	G/L Date Sfx
100.4111	100.00		02/11/94 001

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Batch Type	- V			General Ledger Post - Voucher Entry		Date	2/11/94
Batch Number	- 4549						
Batch Date	- 02/11/94						
Posting Journal							
Post Out of Balance : N							
Create Intercompany Settlements: Y							
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT Units
PV	31 02/11/94	00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111	100.00		AA
AE	4549 02/28/94	00100	Accounts Payable-Trade Post Offset by Batc V 00004549	100.4110		110.00-	AA
AE	4549 02/28/94	00100	Sales & Use Tax Payable Post Offset by Batc V 00004549	100.4433	10.00		AA
Batch Total					110.00	110.00-	AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item plus the tax, and (2) the posting creates two entries. One entry is to the A/P Trade account and the second is to the Sales & Use Tax Payable account. The Sales & Use Tax Payable account is the account that AAI item PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen).

## V VAT, Non-Inventory Example

430114	Order Summary Information				
Order Number .	2037	OP			
Supplier . . .	4343	Vector Manufacturing Co			
Ship to. . . .	1063	Modesto Warehouse #10			
Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount	
Nonstock				100.00	
Total				100.00	
Amount Taxable		100.00	@ 10.000 Tax	10.00	
Order Total				110.00	

09101	Journal Entries		Model (Y) . . . . .	-
			Reverse or Void (R/V) .	-
Action Code. . . .	I			
Document Type. . .	QV			
Document Number/Co	1023 00100	Explanation	Vector Manufacturing Co	
G/L Date . . . . .	02/09/94	Batch Number	4456	
Remaining. . . . .				
Skip to Line . . .				
Account No.	Amount	Explanation 2		P
100.1105	100.00	Nonstock		
100.4111	100.00-	Nonstock		

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General Ledger Post - PO Receipts										Date	2/09/94
09801											
Batch Type	- O										
Batch Number	- 4456										
Batch Date	- 02/09/94										
Posting Journal											
Post Out of Balance : N											
Create Intercompany Settlements: Y											
Do Document	G/L	Co	Account Description	G/L Account	Amounts		LT	Units			
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit	Credit					
CV	1023	02/09/94	00100 Nonstock	100.1105	100.00			AA			
			Vector Manufacturing Co								
CV	1023	02/09/94	00100 Received Not Vouchered	100.4111		100.00		AA			
			Vector Manufacturing Co								
			Nonstock								
Batch Total					100.00	100.00		AA			

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the journal entries do not include taxes.

04105 Voucher Entry				Prev Voucher:			
Prepayment . . . . .				Voucher/Type/Co. . . . .	30 PV 00100		
Action Code . . . . .	I			Vector Manufacturing Co			
Supplier Number . . . . .	4343			Business Unit . . . . .	100		
Invoice Number . . . . .				Payment Terms . . . . .	Payment Instr.		
" Amount . . . . .	110.00			Company . . . . .	00100		
" Date . . . . .	02/11/94			P.O. Number . . . . .	2037 OP 00100		
G/L Date . . . . .	02/11/94			Tax Expl Code . . . . .	V		
Tax Amount . . . . .	10.00			Tax Area . . . . .	PUR1		
Taxable Amount . . . . .	100.00			Serv/Tax Date . . . . .	02/11/94		
Approver Number . . . . .							
Remaining Amount . . . . .				Batch Number . . . . .	4548		
Payment Schedule . . . . .							
Pay	Gross	Taxable	Tax	Tx	Net Due		
Item	Amount	Amount	Amount	Area	Code	Date	
001	110.00	100.00	10.00	PUR1	V	03/13/94	

09101 Journal Entries				Model (Y) . . . . .			
				Reverse or Void (R/V) . . . . .			
Action Code . . . . .	I						
Document Type . . . . .	PV						
Document Number/Co . . . . .	30	00100	Explanation	Vector Manufacturing Co			
G/L Date . . . . .				Batch Number	4548		
Remaining . . . . .							
Skip to Line . . . . .							
Account No.	Debit Amount	Credit Amount	G/L Date	Sfx			
100.4111	100.00		02/11/94	001			

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General Ledger Post - Voucher Entry										Date	2/11/94
09801											
Batch Type	- V										
Batch Number	- 4548										
Batch Date	- 02/11/94										
Posting Journal											
Post Out of Balance : N											
Create Intercompany Settlements: Y											
Do Document	G/L	Co	Account Description	G/L Account	Amounts		LT	Units			
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit	Credit					
PV	30	02/11/94	00100 Received Not Vouchered	100.4111	100.00			AA			
			Vector Manufacturing Co								
AE	4548	02/28/94	00100 Accounts Payable-Trade	100.4110		110.00		AA			
			Post Offset by Batc V 00004548								
AE	4548	02/28/94	00100 Sales & Use Tax Payable	100.4433	10.00			AA			
			Post Offset by Batc V 00004548								
Batch Total					110.00	110.00		AA			

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the material amount plus the tax, and (2) the posting creates two entries. One entry is to the A/P Trade account and the second is to the Sales & Use Tax Payable account. The Sales & Use Tax Payable account is the account that AAI item PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen).

## Canadian Tax Explanation Code Examples

### C GST + Seller-Assessed PST (Tax on a Tax), Inventory Example

430114 Order Summary Information				
Order Number . . .	2032	OP		
Supplier . . .	4343	Vector Manufacturing Co		
Ship to. . . .	1063	Modesto Warehouse #10		
Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Software Package	1		10.0000	100.00
Total				100.00
Amount Taxable		100.00	@ 10.240 Tax	10.24
Order Total				110.24

09101 Journal Entries		Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code . . . .	I		
Document Type . . .	OV		
Document Number/Co	1026 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4458
Remaining . . . . .			
Skip to Line . . . .			
Account No.	Amount	Explanation 2	P
100.1411.20A	100.00	Software Package	
100.4111	100.00-	Software Package	
100.4430.X	6.24	Software Package	
100.4431	6.24-	Software Package	

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Batch Type - O		General Ledger Post - PO Receipts		Date	2/09/94	
Batch Number - 4458						
Batch Date - 02/09/94						
Posting Journal						
Post Out of Balance : N						
Create Intercompany Settlements: Y						
Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit Credit	LT Units
CV	1026 02/09/94	00100	Inventory/Valley Forge, P Vector Manufacturing Co Software Package	100.1411.20A	100.00	AA
CV	1026 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Software Package	100.4111		100.00- AA
CV	1026 02/09/94	00100	Other Sales/Use Tax Payab Vector Manufacturing Co Software Package	100.4430.X	6.24	AA
CV	1026 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Software Package	100.4431		6.24- AA
Batch Total					106.24	106.24- AA

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the system creates journal entries only for the PST portion of the tax, debits the 4350 (OPT) account, and credits 4355 the (OPA) account.

04105		Voucher Entry		Prev Voucher:	
Prepayment . . . .	I	Voucher/Type/Co. 29 PV 00100			
Action Code . . . .	I	Vector Manufacturing Co			
Supplier Number . .	4343	Business Unit. . . . 10			
Invoice Number . .		Payment Terms. . . . Payment Instr			
" Amount . . . .	110.24	Company. . . . 00100			
" Date . . . .	02/11/94	P.O. Number. . . . 2032 OP 00100			
G/L Date . . . .	02/11/94	Tax Expl Code. . . C			
Tax Amount . . . .	10.24	Tax Area . . . . PUR2			
Taxable Amount . .	100.00	Serv/Tax Date. . . 02/11/94			
Approver Number. .					
Remaining Amount. .		Batch Number . .		4547	
Payment Schedule . . . . .					
Pay	Gross	Taxable	Tax	Tx	Net Due
Item	Amount	Amount	Amount	Area	Code Date
001	110.24	100.00	10.24	PUR2	C 03/13/94

09101		Journal Entries		Model (Y) . . . . .	
				Reverse or Void (R/V) . .	
Action Code . . . .	I	Document Type. . . PV			
Document Number/Co	29 00100	Explanation		Vector Manufacturing Co	
G/L Date . . . . .		Batch Number		4547	
Remaining. . . . .					
Skip to Line . . . . .					
Account No.	Debit Amount	Credit Amount	G/L Date	Sfx	
100.4111	100.00		02/11/94	001	
100.4431	6.24		02/11/94		

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Batch Type . . . .	- V	General Ledger Post - Voucher Entry		Date 2/11/94	
Batch Number . .	4547				
Batch Date . . . .	02/11/94				
Posting Journal					
Post Out of Balance : N					
Create Intercompany Settlements: Y					
Do Document	G/L	Co	Account Description	G/L Account	Amounts
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit
PV	29 02/11/94	00100	Received Not Vouchered	100.4111	100.00
			Vector Manufacturing Co		
			Software Package		
PV	29 02/11/94	00100	Received Not Vouchered Tax	100.4431	6.24
			Vector Manufacturing Co		
			Software Package		
AE	4547 02/28/94	00100	Accounts Payable-Trade	100.4110	110.24-
			Post Offset by Balc V 00004547		
AE	4547 02/28/94	00100	Sales & Use Tax Payable	100.4433	4.00
			Post Offset by Balc V 00004547		
Batch Total					110.24 110.24- AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item plus the entire tax (GST and PST), and (2) the posting creates two entries. One entry is to the A/P Trade account for the entire amount and the second is to the Sales & Use Tax Payable account for the GST amount. The Sales & Use Tax Payable account is the account that AAI PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen).

## C GST + Seller-Assessed PST (Tax on a Tax), Non-Inventory Example

430114 Order Summary Information

Order Number . . . 2038 OP  
 Supplier . . . 4343 Vector Manufacturing Co  
 Ship to . . . 1063 Modesto Warehouse #10

Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Nonstock				100.00
Total				100.00
Amount Taxable		100.00	@ 10.240 Tax	10.24
Order Total				110.24

09101 Journal Entries Model (Y) . . . . .  
 Reverse or Void (R/V) . . . . .

Action Code . . . I  
 Document Type . . . OV  
 Document Number/Co . . . 1027 00100 Explanation Vector Manufacturing Co  
 G/L Date . . . 02/09/94 Batch Number 4459  
 Remaining . . . . .

Skip to Line . . .	Account No.	Amount	Explanation 2	P
	100.1105	100.00	Nonstock	
	100.4111	100.00-	Nonstock	
	100.1105	6.24	Nonstock	
	100.4431	6.24-	Nonstock	

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 Batch Type - O General Ledger Post - PO Receipts Date 2/09/94  
 Batch Number - 4459  
 Batch Date - 02/09/94

Posting Journal

Post Out of Balance : N  
 Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit Credit	LT	Units
CV	1027 02/09/94	00100	Nonstock Vector Manufacturing Co Nonstock	100.1105	100.00		AA
CV	1027 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Nonstock	100.4111		100.00-	AA
CV	1027 02/09/94	00100	Nonstock Vector Manufacturing Co Nonstock	100.1105	6.24		AA
CV	1027 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Nonstock	100.4431		6.24-	AA
Batch Total					106.24	106.24-	AA

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the system creates journal entries only for the PST portion of the tax. The tax amount is a debit to the expense account from the purchase order and a credit to the 4355 (OPA) account.

04105		Voucher Entry		Prev Voucher:	
Prepayment. . . .				Voucher/Type/Co. . . .	28 PV 00100
Action Code . . . .	I			Vector Manufacturing Co	
Supplier Number . .	4343			Business Unit. . . .	100
Invoice Number. . .				Payment Terms. . . .	Payment Instr
" Amount. . . .	110.24			Company. . . .	00100
" Date. . . .	02/11/94			P.O. Number. . . .	2038 OP 00100
G/L Date. . . .	02/11/94			Tax Expl Code. . . .	C
Tax Amount. . . .	10.24			Tax Area . . . .	PUR2
Taxable Amount. . .	100.00			Serv/Tax Date. . .	02/11/94
Approver Number. .					
Remaining Amount. .		Batch Number . . .		4546	
. . . . . Payment Schedule . . . . .					
Pay	Gross	Taxable	Tax	Tax	Tx Net Due
Item	Amount	Amount	Amount	Area	CD Date
001	110.24	100.00	10.24	PUR2	C 03/13/94

09101		Journal Entries		Model (Y). . . . .	
				Reverse or Void (R/V). . .	
Action Code. . . .	I				
Document Type. . .	PV				
Document Number/Co	28 00100	Explanation	Vector Manufacturing Co		
G/L Date . . . . .		Batch Number	4546		
Remaining. . . . .					
Skip to Line . . . .					
Account No.		Debit Amount	Credit Amount	G/L Date	Sfx
100.4111		100.00		02/11/94	001
100.4431		6.24		02/11/94	

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Batch Type . . . .	- V	General Ledger Post - Voucher Entry		Date	2/11/94
Batch Number . . .	4546				
Batch Date . . . .	02/11/94				
Posting Journal					
Post Out of Balance : N					
Create Intercompany Settlements: Y					
Do Document	G/L	Co	Account Description	G/L Account	Amounts
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit
PV	28 02/11/94	00100	Received Not Vouchered	100.4111	100.00
			Vector Manufacturing Co		
			Nonstock		
PV	28 02/11/94	00100	Received Not Vouchered Tax	100.4431	6.24
			Vector Manufacturing Co		
			Nonstock		
AE	4546 02/28/94	00100	Accounts Payable-Trade	100.4110	110.24-
			Post Offset by Batc V 00004546		
AE	4546 02/28/94	00100	Sales & Use Tax Payable	100.4433	4.00
			Post Offset by Batc V 00004546		
Batch Total				110.24	110.24- AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item plus the entire tax (GST and PST), and (2) the posting creates two entries. One entry is to the A/P Trade account for the entire amount and the second is to the Sales & Use Tax Payable account for the GST amount. The Sales & Use Tax Payable account is the account that AAI PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen).



**B GST + Self-Assessed PST (Not Tax on Tax), Inventory Example**

430114		Order Summary Information		
Order Number . . .	2033	OP		
Supplier . . . . .	4343	Vector Manufacturing Co		
Ship to. . . . .	1063	Modesto Warehouse #10		
Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Software Package	1		10.0000	100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
		Order Total		110.00

09101	Journal Entries	Model (Y) . . . . .	Reverse or Void (R/V) . .
Action Code. . . . .	I		
Document Type. . . .	OV		
Document Number/Co	1028 00100	Explanation	Vector Manufacturing Co
G/L Date . . . . .	02/09/94	Batch Number	4460
Remaining. . . . .			
Skip to Line . . . .			
Account No.	Amount	Explanation 2	P
100.1411.20A	100.00	Software Package	
100.4111	100.00-	Software Package	
100.4430.X	6.00	Software Package	
100.4431	6.00-	Software Package	

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Batch Type	- O	General Ledger Post - PO Receipts			Date	2/09/94
Batch Number	- 4460					
Batch Date	- 02/09/94					
Posting Journal						
Post Out of Balance : N						
Create Intercompany Settlements: Y						
Do Document	G/L	Co	Account Description	G/L Account	Amounts	LT Units
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit	
OV	1028 02/09/94	00100	Inventory/Valley Forge, P	100.1411.20A	100.00	AA
			Vector Manufacturing Co			
			Software Package			
OV	1028 02/09/94	00100	Received Not Vouchered	100.4111		100.00- AA
			Vector Manufacturing Co			
			Software Package			
OV	1028 02/09/94	00100	Other Sales/Use Tax Payab	100.4430.X	6.00	AA
			Vector Manufacturing Co			
			Software Package			
OV	1028 02/09/94	00100	Received Not Vouchered Tax	100.4431		6.00- AA
			Vector Manufacturing Co			
			Software Package			
Batch Total					106.00	106.00- AA

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the system creates journal entries only for the PST portion of the tax. The tax amount is a debit to the 4350 (OPT) account and a credit to the 4355 (OPA) account.

04105		Voucher Entry		Prev Voucher:	
Prepayment . . . .	-	Voucher/Type/Co. . . .		27 PV 00100	
Action Code . . . .	I	Vector Manufacturing Co			
Supplier Number . .	4343	Business Unit . . . .		10	
Invoice Number . .		Payment Terms . . . .		Payment Instr.	
" Amount . . . .	104.00	Company . . . .		00100	
" Date . . . .	02/11/94	P.O. Number . . . .		2033 OP 00100	
G/L Date . . . .	02/11/94	Tax Expl Code . . . .		E	
Tax Amount . . . .	10.00	Tax Area . . . .		PUR1	
Taxable Amount . .	100.00	Serv/Tax Date . .		02/11/94	
Approver Number . .					
Remaining Amount .		Batch Number . . . .		4545	
Payment Schedule . . . . .					
Pay	Gross	Taxable	Tax	Tax	Tx Net Due
Itm	Amount	Amount	Amount	Area	Cd Date
001	104.00	100.00	10.00	PUR1	E 03/13/94

09101		Journal Entries		Model (Y) . . . . .	
				Reverse or Void (R/V) . .	
Action Code . . . .	I	Document Type . . . .		PV	
Document Number/Co	27 00100	Explanation		Vector Manufacturing Co	
G/L Date . . . . .		Batch Number		4545	
Remaining . . . . .					
Skip to Line . . . .					
Account No . . . .	Debit Amount	Credit Amount	G/L Date	Sfx	
100.4111	100.00		02/11/94	001	
100.4431	6.00		02/11/94		

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Batch Type - V		General Ledger Post - Voucher Entry		Date	2/11/94
Batch Number - 4545					
Batch Date - 02/11/94					
Posting Journal					
Post Out of Balance : N					
Create Intercompany Settlements: Y					
Do Document	G/L	Co	Account Description	G/L Account	Amounts
Ty	Date		Explanation	Subldgr-Ty/Asset Number	Debit Credit
PV	27 02/11/94	00100	Received Not Vouchered	100.4111	100.00
			Vector Manufacturing Co		
			Software Package		
PV	27 02/11/94	00100	Received Not Vouchered Tax	100.4431	6.00
			Vector Manufacturing Co		
			Software Package		
AR	4545 02/28/94	00100	Accounts Payable-Trade	100.4110	104.00- AA
			Post Offset by Balc V 00004545		
AR	4545 02/28/94	00100	Sales & Use Tax Payable	100.4433	4.00 AA
			Post Offset by Balc V 00004545		
AR	4545 02/28/94	00001	Use Tax Payable	1.4433.PUR1	6.00- AA
			Post Offset by Balc V 00004545		
Batch Total				110.00	110.00- AA

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the item amount and GST portion of the tax, and (2) the posting creates three entries. One entry is to the A/P Trade account for the material and GST, the second is to the Sales & Use Tax Payable account for GST, and the third is to the Use Tax Payable account for PST. The Sales & Use Tax Payable account is the account that AAI PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen). The Use Tax Payable account is the account that PT\_ \_ \_ \_ points to (business unit and object) plus the subsidiary account that identifies the tax rate/area (PUR1).

## B GST + Self-Assessed PST (Not Tax on Tax), Non-Inventory Example

430114 Order Summary Information

Order Number . . . 2039 OP  
 Supplier . . . 4343 Vector Manufacturing Co  
 Ship to. . . 1063 Modesto Warehouse #10

Description/ Item Number	Quantity	Extended Volume	Extended Weight	Extended Amount
Nonstock				100.00
Total				100.00
Amount Taxable		100.00	@ 10.000 Tax	10.00
Order Total				110.00

09101 Journal Entries Model (Y) . . . . .  
 Reverse or Void (R/V) . . . . .

Action Code . . . . I  
 Document Type . . . QV  
 Document Number/Co 1029 00100 Explanation Vector Manufacturing Co  
 G/L Date . . . . 02/09/94 Batch Number 4461  
 Remaining. . . . .

Skip to Line . . .	Account No.	Amount	Explanation 2	P
	100.1105	100.00	Nonstock	
	100.4111	100.00-	Nonstock	
	100.1105	6.00	Nonstock	
	100.4431	6.00-	Nonstock	

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 General Ledger Post - PO Receipts Date 2/09/94

Batch Type - O  
 Batch Number - 4461  
 Batch Date - 02/09/94

Posting Journal

Post Out of Balance : N  
 Create Intercompany Settlements: Y

Do Document Ty	G/L Date	Co	Account Description Explanation	G/L Account Subldgr-Ty/Asset Number	Amounts Debit	Credit	LT	Units
CV	1029 02/09/94	00100	Nonstock Vector Manufacturing Co Nonstock	100.1105	100.00		AA	
CV	1029 02/09/94	00100	Received Not Vouchered Vector Manufacturing Co Nonstock	100.4111		100.00-	AA	
CV	1029 02/09/94	00100	Nonstock Vector Manufacturing Co Nonstock	100.1105	6.00		AA	
CV	1029 02/09/94	00100	Received Not Vouchered Tax Vector Manufacturing Co Nonstock	100.4431		6.00-	AA	
Batch Total					106.00	106.00-	AA	

The purchase order, journal entries created at receipt, and posting of the journal entries are shown above. Note that at receipt, the system creates journal entries only for PST. The tax amount is a debit to the expense account from the purchase order and a credit to the 4355 (OPA) account.

04105	Voucher Entry	Prev Voucher:
Prepayment. . . . .		
Action Code . . . . .	I	Voucher/Type/Co. . . . . 26 PV 00100
Supplier Number . . . . .	4343	Vector Manufacturing Co
Invoice Number . . . . .		Business Unit. . . . . 100
" Amount. . . . .	104.00	Payment Terms. . . . . Payment Instr.
" Date. . . . .	02/11/94	Company. . . . . 00100
G/L Date. . . . .	02/11/94	P.O. Number. . . . . 2039 OP 00100
Tax Amount. . . . .	10.00	Tax Expl Code. . . . . E
Taxable Amount. . . . .	100.00	Tax Area . . . . . PUR1
		Serv/Tax Date. . . . . 02/11/94
Approver Number. . . . .		
Remaining Amount. . . . .		Batch Number . . . . . 4543
Pay	Gross	Taxable
Item	Amount	Amount
001	104.00	100.00
		Tax Amount
		10.00
		PUR1
		Tx Net Due
		B 02/13/94

09101	Journal Entries	Model (Y). . . . .
		Reverse or Void (R/V). . . . .
Action Code. . . . .	I	
Document Type. . . . .	PV	
Document Number/Co . . . . .	26 00100	Explanation Vector Manufacturing Co
G/L Date . . . . .		Batch Number 4543
Remaining. . . . .		
Skip to Line . . . . .		
Account No.	Debit Amount	Credit Amount
100.4111	100.00	
100.4431	6.00	
		G/L Date Sfx
		02/11/94 001
		02/11/94

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Batch Type - V	General Ledger Post - Voucher Entry	Date	2/11/94
Batch Number - 4543			
Batch Date - 02/11/94			
Posting Journal			
Post Out of Balance : N			
Create Intercompany Settlements: Y			
Do Document	G/L	Co	Account Description
Ty	Date		Explanation
			G/L Account
			Subldgr-Ty/Asset Number
			Amounts
			Debit
			Credit
			LT
			Units
PV	26	02/11/94	00100 Received Not Vouchered
			Vector Manufacturing Co
			Nonstock
			100.4111 100.00
PV	26	02/11/94	00100 Received Not Vouchered Tax
			Vector Manufacturing Co
			Nonstock
			100.4431 6.00
AE	4543	02/28/94	00100 Accounts Payable-Trade
			Post Offset by Batc V 00004543
			100.4110 104.00-
AE	4543	02/28/94	00100 Sales & Use Tax Payable
			Post Offset by Batc V 00004543
			100.4433 4.00
AE	4543	02/28/94	00001 Use Tax Payable
			Post Offset by Batc V 00004543
			1.4433.PUR1 6.00-
Batch Total			
110.00 110.00-			

The voucher, journal entries created at the time of the voucher, and posting of the journal entries are shown above. Note that (1) the system creates the voucher for the material and GST portion of the tax, and (2) the posting creates three entries. One entry is to the A/P Trade account for the material and GST, the second is to the Sales & Use Tax Payable account for GST, and the third is to the Use Tax Payable account for PST.

The Sales & Use Tax Payable account is the account that AAI PTTXTX points to (TXTX is the G/L Offset field on the Tax Rate/Areas screen). The Use Tax Payable account is the account that PT\_\_\_ points to (business unit and object) plus the subsidiary account that identifies the tax rate/area (PUR1).

## Guidelines

- **B and C Tax Explanation Codes (for Canada).** Even though these codes have the same distribution amounts, notice that the system posts them differently. B posts the PST amount to a payables account and C does not. This is because self-assessed PST is not included in the invoice amount for the B tax explanation code and is not paid to the supplier but to the province tax authorities.
- **Posting Problems.** The system posts to the accounts you specified through AAIs. If you encounter posting problems, ensure that your AAIs point to the account you intend. For additional information about AAIs, see the chapter *Automatic Accounting Instructions (AAIs)*.
- **General Ledger Distribution.** G/L distribution is the amount to be allocated to general ledger accounts, such as revenue and expense accounts. Generally, the distribution amount is the goods plus sales tax because this is the true cost of purchased goods. VAT is not included in the distribution amount because, typically, a company is reimbursed for VAT paid to suppliers when the company sells those goods.
- **Gross Amount.** The gross amount (in these examples, the amount of the A/P account) is the total invoice amount paid to a supplier or collected from a customer. For example, self-assessed sales taxes are never included in an invoice from a supplier.
- **Discounts.** The examples in this chapter do not show discounts. See the chapter *Tax Rules by Company* to review discount examples.



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