

Oracle® Financials for India

Implementation Guide

Release 12.2

Part No. E48780-02

September 2018

Oracle Financials for India Implementation Guide, Release 12.2

Part No. E48780-02

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Send Us Your Comments

Oracle Financials for India Implementation Guide, Release 12.2

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- Are the implementation steps correct and complete?
- Did you understand the context of the procedures?
- Did you find any errors in the information?
- Does the structure of the information help you with your tasks?
- Do you need different information or graphics? If so, where, and in what format?
- Are the examples correct? Do you need more examples?

If you find any errors or have any other suggestions for improvement, then please tell us your name, the name of the company who has licensed our products, the title and part number of the documentation and the chapter, section, and page number (if available).

Note: Before sending us your comments, you might like to check that you have the latest version of the document and if any concerns are already addressed. To do this, access the new Oracle E-Business Suite Release Online Documentation CD available on My Oracle Support and www.oracle.com. It contains the most current Documentation Library plus all documents revised or released recently.

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Preface

Intended Audience

Welcome to Release 12.2 of the *Oracle Financials for India Implementation Guide*.

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

- The principles and customary practices of your business area.
- Computer desktop application usage and terminology.

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

See Related Information Sources on page viii for more Oracle E-Business Suite product information.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

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Structure

- 1 Overview of Setting Up Oracle India Localization
- 2 Oracle Financials for India Basic Setups

- 3 Tax Deducted at Source**
- 4 Tax Collected at Source**
- 5 Miscellaneous Setups**
- 6 Frequently Asked Questions**
- A Additional Frequently Asked Questions**

Related Information Sources

This book is included in the Oracle E-Business Suite Documentation Library, which is supplied in the Release 12.2 Media Pack. If this guide refers you to other Oracle E-Business Suite documentation, use only the latest Release 12.2 versions of those guides.

Online Documentation

All Oracle E-Business Suite documentation is available online (HTML or PDF).

- **Online Help** - Online help patches (HTML) are available on My Oracle Support.
- **PDF Documentation** - See the Oracle E-Business Suite Documentation Library for current PDF documentation for your product with each release.
- **Release Notes** - For information about changes in this release, including new features, known issues, and other details, see the release notes for the relevant product, available on My Oracle Support.
- **Oracle Electronic Technical Reference Manual** - The Oracle Electronic Technical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for each Oracle E-Business Suite product. This information helps you convert data from your existing applications and integrate Oracle E-Business Suite data with non-Oracle applications, and write custom reports for Oracle E-Business Suite products. The Oracle eTRM is available on My Oracle Support.

Related Guides

You should have the following related books on hand. Depending on the requirements of your particular installation, you may also need additional manuals or guides.

Oracle Alert User's Guide

This guide explains how to define periodic and event alerts to monitor the status of your Oracle E-Business Suite data.

Oracle Application Framework Developer's Guide

This guide contains the coding standards followed by the Oracle E-Business Suite development staff to produce applications built with Oracle Application Framework. This guide is available in PDF format on My Oracle Support and as online documentation in JDeveloper 10g with Oracle Application Extension.

Oracle Application Framework Personalization Guide

This guide covers the design-time and run-time aspects of personalizing applications built with Oracle Application Framework.

Oracle Fusion Middleware Adapter for Oracle Applications User's Guide (Oracle Application Server Adapter for Oracle Applications User's Guide)

This guide covers the use of Adapter for Oracle Applications in developing integrations between Oracle E-Business Suite and trading partners.

Please note that the user's guide can be found in the following documentation libraries:

- As part of the Oracle Fusion Middleware and SOA Suite in 11g, *Oracle Fusion Middleware Adapter for Oracle Applications User's Guide* is available in the Oracle Fusion Middleware 11g Documentation Library.
- As part of the Oracle Application Server in 10g, *Oracle Application Server Adapter for Oracle Applications User's Guide* is available in the Oracle Application Server 10g Documentation Library.

Oracle Diagnostics Framework User's Guide

This manual contains information on implementing and administering diagnostics tests for Oracle E-Business Suite using the Oracle Diagnostics Framework.

Oracle E-Business Suite Concepts

This book is intended for all those planning to deploy Oracle E-Business Suite Release 12.2, or contemplating significant changes to a configuration. After describing the Oracle E-Business Suite architecture and technology stack, it focuses on strategic topics, giving a broad outline of the actions needed to achieve a particular goal, plus the installation and configuration choices that may be available.

Oracle E-Business Suite CRM System Administrator's Guide

This manual describes how to implement the CRM Technology Foundation (JTT) and use its System Administrator Console.

Oracle E-Business Suite Desktop Integration Framework Developer's Guide

Oracle E-Business Suite Desktop Integration Framework is a development tool that lets you define custom integrators for use with Oracle Web Applications Desktop Integrator. This guide describes how to define and manage integrators and all associated supporting objects, as well as how to download and upload integrator definitions.

Oracle E-Business Suite Developer's Guide

This guide contains the coding standards followed by the Oracle E-Business Suite development staff. It describes the Oracle Application Object Library components needed to implement the Oracle E-Business Suite user interface described in the *Oracle E-Business Suite User Interface Standards for Forms-Based Products*. It provides information to help you build your custom Oracle Forms Developer forms so that they integrate with Oracle E-Business Suite. In addition, this guide has information for customizations in features such as concurrent programs, flexfields, messages, and logging.

Oracle E-Business Suite Flexfields Guide

This guide provides flexfields planning, setup, and reference information for the Oracle E-Business Suite implementation team, as well as for users responsible for the ongoing maintenance of Oracle E-Business Suite product data. This guide also provides information on creating custom reports on flexfields data.

Oracle E-Business Suite Installation Guide: Using Rapid Install

This book is intended for use by anyone who is responsible for installing or upgrading Oracle E-Business Suite. It provides instructions for running Rapid Install either to carry out a fresh installation of Oracle E-Business Suite Release 12.2, or as part of an upgrade to Release 12.2.

Oracle E-Business Suite Maintenance Guide

This guide contains information about the strategies, tasks, and troubleshooting activities that can be used to help ensure an Oracle E-Business Suite system keeps running smoothly, together with a comprehensive description of the relevant tools and utilities. It also describes how to patch a system, with recommendations for optimizing typical patching operations and reducing downtime.

Oracle E-Business Suite Security Guide

This guide contains information on a comprehensive range of security-related topics, including access control, user management, function security, data security, and auditing. It also describes how Oracle E-Business Suite can be integrated into a single sign-on environment.

Oracle E-Business Suite Setup Guide

This guide contains information on system configuration tasks that are carried out either after installation or whenever there is a significant change to the system. The activities described include defining concurrent programs and managers, enabling Oracle Applications Manager features, and setting up printers and online help.

Oracle E-Business Suite User's Guide

This guide explains how to navigate, enter data, query, and run reports using the user interface (UI) of Oracle E-Business Suite. This guide also includes information on setting user profiles, as well as running and reviewing concurrent requests.

Oracle E-Business Suite User Interface Standards for Forms-Based Products

This guide contains the user interface (UI) standards followed by the Oracle E-Business Suite development staff. It describes the UI for the Oracle E-Business Suite products and how to apply this UI to the design of an application built by using Oracle Forms.

Oracle E-Business Suite Integrated SOA Gateway User's Guide

This guide describes the high level service enablement process, explaining how users can browse and view the integration interface definitions and services residing in Oracle Integration Repository.

Oracle E-Business Suite Integrated SOA Gateway Implementation Guide

This guide explains how integration repository administrators can manage and administer the Web service activities for integration interfaces including native packaged integration interfaces, composite services (BPEL type), and custom integration interfaces. It also describes how to invoke Web services from Oracle E-Business Suite by employing the Oracle Workflow Business Event System, and how to manage Web service security, configure logs, and monitor SOAP messages.

Oracle E-Business Suite Integrated SOA Gateway Developer's Guide

This guide describes how system integration developers can perform end-to-end service integration activities. These include orchestrating discrete Web services into meaningful end-to-end business processes using business process execution language (BPEL), and deploying BPEL processes at run time.

This guide also explains how to invoke Web services using the Service Invocation Framework. This includes defining Web service invocation metadata, invoking Web services, and testing the Web service invocation.

Oracle e-Commerce Gateway User's Guide

This guide describes the functionality of Oracle e-Commerce Gateway and the necessary setup steps in order for Oracle E-Business Suite to conduct business with trading partners through Electronic Data Interchange (EDI). It also describes how to run extract programs for outbound transactions, import programs for inbound transactions, and the relevant reports.

Oracle e-Commerce Gateway Implementation Guide

This guide describes implementation details, highlighting additional setup steps needed for trading partners, code conversion, and Oracle E-Business Suite. It also provides architecture guidelines for transaction interface files, troubleshooting information, and a description of how to customize EDI transactions.

Oracle iSetup Developer's Guide

This manual describes how to build, test, and deploy Oracle iSetup Framework interfaces.

Oracle iSetup User's Guide

This guide describes how to use Oracle iSetup to migrate data between different instances of the Oracle E-Business Suite and generate reports. It also includes configuration information, instance mapping, and seeded templates used for data migration.

Oracle Report Manager User's Guide

Oracle Report Manager is an online report distribution system that provides a secure and centralized location to produce and manage point-in-time reports. Oracle Report Manager users can be either report producers or report consumers. Use this guide for information on setting up and using Oracle Report Manager.

Oracle Web Applications Desktop Integrator Implementation and Administration Guide

Oracle Web Applications Desktop Integrator brings Oracle E-Business Suite functionality to a spreadsheet, where familiar data entry and modeling techniques can be used to complete Oracle E-Business Suite tasks. You can create formatted spreadsheets on your desktop that allow you to download, view, edit, and create Oracle E-Business Suite data, which you can then upload. This guide describes how to implement Oracle Web Applications Desktop Integrator and how to define mappings, layouts, style sheets, and other setup options.

Oracle Workflow Administrator's Guide

This guide explains how to complete the setup steps necessary for any product that includes workflow-enabled processes. It also describes how to manage workflow processes and business events using Oracle Applications Manager, how to monitor the progress of runtime workflow processes, and how to administer notifications sent to workflow users.

Oracle Workflow Developer's Guide

This guide explains how to define new workflow business processes and customize existing Oracle E-Business Suite-embedded workflow processes. It also describes how to define and customize business events and event subscriptions.

Oracle Workflow User's Guide

This guide describes how users can view and respond to workflow notifications and monitor the progress of their workflow processes.

Oracle Workflow API Reference

This guide describes the APIs provided for developers and administrators to access Oracle Workflow.

Oracle Workflow Client Installation Guide

This guide describes how to install the Oracle Workflow Builder and Oracle XML Gateway Message Designer client components for Oracle E-Business Suite.

Oracle XML Gateway User's Guide

This guide describes Oracle XML Gateway functionality and each component of the Oracle XML Gateway architecture, including Message Designer, Oracle XML Gateway Setup, Execution Engine, Message Queues, and Oracle Transport Agent. It also explains how to use Collaboration History that records all business transactions and messages exchanged with trading partners.

The integrations with Oracle Workflow Business Event System, and the Business-to-Business transactions are also addressed in this guide.

Oracle XML Publisher Report Designer's Guide

Oracle XML Publisher is a template-based reporting solution that merges XML data with templates in RTF or PDF format to produce a variety of outputs to meet a variety of business needs. Using Microsoft Word or Adobe Acrobat as the design tool, you can create pixel-perfect reports from the Oracle E-Business Suite. Use this guide to design your report layouts.

This guide is available through the Oracle E-Business Suite online help.

Oracle XML Publisher Administration and Developer's Guide

Oracle XML Publisher is a template-based reporting solution that merges XML data with templates in RTF or PDF format to produce a variety of outputs to meet a variety of business needs. Outputs include: PDF, HTML, Excel, RTF, and eText (for EDI and EFT transactions). Oracle XML Publisher can be used to generate reports based on existing Oracle E-Business Suite report data, or you can use Oracle XML Publisher's data extraction engine to build your own queries. Oracle XML Publisher also provides a robust set of APIs to manage delivery of your reports via e-mail, fax, secure FTP, printer, WebDav, and more. This guide describes how to set up and administer Oracle XML Publisher as well as how to use the Application Programming Interface to build custom solutions.

This guide is available through the Oracle E-Business Suite online help.

Oracle E-Business Suite Upgrade Guide: Release 12.0 and 12.1 to 12.2:

This guide provides information for DBAs and Applications Specialists who are responsible for upgrading Release 12.0 and 12.1 Oracle E-Business Suite system (techstack and products) to Release 12.2. In addition to information about applying the upgrade driver, it outlines pre-upgrade steps and post-upgrade steps, and provides descriptions of product-specific functional changes and suggestions for verifying the upgrade and reducing downtime.

Oracle Advanced Global Intercompany System User's Guide:

This guide describes the self service application pages available for Intercompany users. It includes information on setting up intercompany, entering intercompany transactions, importing transactions from external sources and generating reports.

Oracle Advanced Collections User Guide:

This guide describes how to use the features of Oracle Advanced Collections to manage your collections activities. It describes how collections agents and managers can use Oracle Advanced Collections to identify delinquent customers, review payment history and aging data, process payments, use strategies and dunning plans to automate the collections process, manage work assignments, and handle later-stage delinquencies.

Oracle Advanced Collections Implementation Guide:

This guide describes how to configure Oracle Advanced Collections and its integrated products. It contains the steps required to set up and verify your implementation of Oracle Advanced Collections.

Oracle Assets User Guide:

This guide provides you with information on how to implement and use Oracle Assets. Use this guide to understand the implementation steps required for application use, including defining depreciation books, depreciation method, and asset categories. It also contains information on setting up assets in the system, maintaining assets, retiring and reinstating assets, depreciation, group depreciation, accounting and tax accounting,

budgeting, online inquiries, impairment processing, and Oracle Assets reporting. The guide explains using Oracle Assets with Multiple Reporting Currencies (MRC). This guide also includes a comprehensive list of profile options that you can set to customize application behavior.

Oracle Bill Presentment Architecture User's Guide:

This guide provides you information on using Oracle Bill Presentment Architecture. Consult this guide to create and customize billing templates, assign a template to a rule and submit print requests. This guide also provides detailed information on page references, seeded content items and template assignment attributes.

Oracle Cash Management User Guide:

This guide describes how to use Oracle Cash Management to clear your receipts, as well as reconcile bank statements with your outstanding balances and transactions. This manual also explains how to effectively manage and control your cash cycle. It provides comprehensive bank reconciliation and flexible cash forecasting.

Oracle Credit Management User Guide:

This guide provides you with information on how to use Oracle Credit Management. This guide includes implementation steps, such as how to set up credit policies, as well as details on how to use the credit review process to derive credit recommendations that comply with your credit policies. This guide also includes detailed information about the public application programming interfaces (APIs) that you can use to extend Oracle Credit Management functionality.

Oracle Customer Data Librarian User Guide:

This guide describes how to use Oracle Customer Data Librarian to establish and maintain the quality of the Trading Community Architecture Registry, focusing on consolidation, cleanliness, and completeness. Oracle Customer Data Librarian has all of the features in Oracle Customers Online, and is also part of the Oracle Customer Data Management product family.

Oracle Customer Data Librarian Implementation Guide:

This guide describes how to implement Oracle Customer Data Librarian. As part of implementing Oracle Customer Data Librarian, you must also complete all the implementation steps for Oracle Customers Online.

Oracle Customers Online User Guide:

This guide describes how to use Oracle Customers Online to view, create, and maintain your customer information. Oracle Customers Online is based on Oracle Trading Community Architecture data model and functionality, and is also part of the Oracle Customer Data Management product family.

Oracle Customers Online Implementation Guide:

This guide describes how to implement Oracle Customers Online.

Oracle E-Business Suite Multiple Organizations Implementation Guide:

This guide describes the multiple organizations concepts in Oracle E-Business Suite. It describes in detail on setting up and working effectively with multiple organizations in Oracle E-Business Suite.

Oracle E-Business Tax User Guide:

This guide describes the entire process of setting up and maintaining tax configuration data, as well as applying tax data to the transaction line. It describes the entire regime-to-rate setup flow of tax regimes, taxes, statuses, rates, recovery rates, tax jurisdictions, and tax rules. It also describes setting up and maintaining tax reporting codes, fiscal classifications, tax profiles, tax registrations, configuration options, and third party service provider subscriptions. You also use this manual to maintain migrated tax data for use with E-Business Tax.

Oracle E-Business Tax Implementation Guide:

This guide provides a conceptual overview of the E-Business Tax tax engine, and describes the prerequisite implementation steps to complete in other applications in order to set up and use E-Business Tax. The guide also includes extensive examples of setting up country-specific tax requirements.

Oracle E-Business Tax Reporting Guide:

This guide explains how to run all tax reports that make use of the E-Business Tax data extract. This includes the Tax Reporting Ledger and other core tax reports, country-specific GST reports, and Latin Tax Engine reports.

Oracle E-Business Tax: Vertex Q-Series and Taxware Sales/Use Tax System Implementation Guide

This guide explains how to setup and use the services of third party tax service providers for US Sales and Use tax. The tax service providers are Vertex Q-Series and Taxware Sales/Use Tax System. When implemented, the Oracle E-Business Tax service subscription calls one of these tax service providers to return a tax rate or amount whenever US Sales and Use tax is calculated by the Oracle E-Business Tax tax engine. This guide provides setup steps, information about day-to-day business processes, and a technical reference section.

Oracle Embedded Data Warehouse User Guide:

This guide describes how to use Embedded Data Warehouse reports and workbooks to analyze performance.

Oracle Embedded Data Warehouse Implementation Guide:

This guide describes how to implement Embedded Data Warehouse, including how to set up the intelligence areas.

Oracle Embedded Data Warehouse Install Guide:

This guide describes how to install Embedded Data Warehouse, including how to create database links and create the end user layer (EUL).

Oracle Financial Accounting Hub Implementation Guide:

This guide provides detailed implementation information that leverages the features of Oracle Subledger Accounting to generate accounting.

Oracle Financial Services Reference Guide:

This guide provides reference material for Oracle Financial Services applications in Release 12, such as Oracle Transfer Pricing, and includes technical details about application use as well as general concepts, equations, and calculations.

Oracle Financial Services Implementation Guide:

This guide describes how to set up Oracle Financial Services applications in Release 12.

Oracle Financial Services Reporting Administration Guide:

This guide describes the reporting architecture of Oracle Financial Services applications in Release 12, and provides information on how to view these reports.

Oracle Financials and Oracle Procurement Functional Upgrade Guide: Release 11i to Release 12:

This guides provides detailed information about the functional impacts of upgrading Oracle Financials and Oracle Procurement products from Release 11i to Release 12. This guide supplements the *Oracle E-Business Suite Upgrade Guide: Release 12.0 and 12.1 to 12.2*.

Oracle Financials Concepts Guide:

This guide describes the fundamental concepts of Oracle Financials. The guide is intended to introduce readers to the concepts used in the applications, and help them compare their real world business, organization, and processes to those used in the applications.

Oracle Financials Country-Specific Installation Supplement:

This guide provides general country information, such as responsibilities and report security groups, as well as any post-install steps required by some countries.

Oracle Financials for the Americas User Guide:

This guide describes functionality developed to meet specific business practices in countries belonging to the Americas region. Consult this user guide along with your financial product user guides to effectively use Oracle Financials in your country.

Oracle Financials for Asia/Pacific User Guide:

This guide describes functionality developed to meet specific business practices in countries belonging to the Asia/Pacific region. Consult this user guide along with your financial product user guides to effectively use Oracle Financials in your country.

Oracle Financials for Europe User Guide:

This guide describes functionality developed to meet specific business practices in countries belonging to the European region. Consult this user guide along with your financial product user guides to effectively use Oracle Financials in your country.

Oracle Financials for India User's Guide:

This guide provides information on how to use Oracle Financials for India. Use this guide to learn how to create and maintain setup related to India taxes, defaulting and calculation of taxes on transactions. This guide also includes information about accounting and reporting of taxes related to India.

Oracle Financials for India Implementation Guide:

This guide provides information on how to implement Oracle Financials for India. Use this guide to understand the implementation steps required for application use, including how to set up taxes, tax defaulting hierarchies, set up different tax regimes, organization and transactions.

Oracle Financials Glossary:

The glossary includes definitions of common terms that are shared by all Oracle Financials products. In some cases, there may be different definitions of the same term for different Financials products. If you are unsure of the meaning of a term you see in an Oracle Financials guide, please refer to the glossary for clarification. You can find the glossary in the online help or in the *Oracle Financials Implementation Guide*.

Oracle Financials Implementation Guide:

This guide provides information on how to implement the Oracle Financials E-Business Suite. It guides you through setting up your organizations, including legal entities, and their accounting, using the Accounting Setup Manager. It covers intercompany accounting and sequencing of accounting entries, and it provides examples.

Oracle Financials RXi Reports Administration Tool User Guide:

This guide describes how to use the RXi reports administration tool to design the content and layout of RXi reports. RXi reports let you order, edit, and present report information to better meet your company's reporting needs.

Oracle General Ledger Implementation Guide:

This guide provides information on how to implement Oracle General Ledger. Use this guide to understand the implementation steps required for application use, including how to set up Accounting Flexfields, Accounts, and Calendars.

Oracle General Ledger Reference Guide

This guide provides detailed information about setting up General Ledger Profile Options and Applications Desktop Integrator (ADI) Profile Options.

Oracle General Ledger User's Guide:

This guide provides information on how to use Oracle General Ledger. Use this guide to learn how to create and maintain ledgers, ledger currencies, budgets, and journal entries. This guide also includes information about running financial reports.

Oracle Incentive Compensation Implementation Guide:

This guide provides Compensation Administrators with guidance during implementation of Oracle Incentive Compensation. The procedures are presented in the recommended order that they should be performed for successful implementation.

Appendixes are included that describe system profiles, lookups, and other useful information.

Oracle Incentive Compensation User Guide:

This guide helps Compensation Managers, Compensation Analysts, and Plan administrators to manage Oracle Incentive Compensation on a day-to-day basis. Learn how to create and manage rules hierarchies, create compensation plans, collect transactions, calculate and pay commission, and use Sales Credit Allocation.

Oracle Internet Expenses Implementation and Administration Guide:

This book explains in detail how to configure Oracle Internet Expenses and describes its integration with other applications in the E-Business Suite, such as Oracle Payables and Oracle Projects. Use this guide to understand the implementation steps required for application use, including how to set up policy and rate schedules, credit card policies, audit automation, and the expenses spreadsheet. This guide also includes detailed information about the client extensions that you can use to extend Oracle Internet Expenses functionality.

Oracle iAssets User Guide

This guide provides information on how to implement and use Oracle iAssets. Use this guide to understand the implementation steps required for application use, including setting up Oracle iAssets rules and related product setup steps. It explains how to define approval rules to facilitate the approval process. It also includes information on using the Oracle iAssets user interface to search for assets, create self-service transfer requests and view notifications.

Oracle iProcurement Implementation and Administration Guide:

This manual describes how to set up and administer Oracle iProcurement. Oracle iProcurement enables employees to requisition items through a self-service, Web interface.

Oracle iReceivables Implementation Guide:

This guide provides information on how to implement Oracle iReceivables. Use this guide to understand the implementation steps required for application use, including how to set up and configure iReceivables, and how to set up the Credit Memo Request workflow. There is also a chapter that provides an overview of major features available in iReceivables.

Oracle iSupplier Portal User Guide:

This guide contains information on how to use Oracle iSupplier Portal to enable secure transactions between buyers and suppliers using the Internet. Using Oracle iSupplier Portal, suppliers can monitor and respond to events in the procure-to-pay cycle.

Oracle iSupplier Portal Implementation Guide:

This guide contains information on how to implement Oracle iSupplier Portal and enable secure transactions between buyers and suppliers using the Internet.

Oracle Loans User Guide:

This guide describes how to set up and use Oracle Loans. It includes information on how to create, approve, fund, amortize, bill, and service extended repayment plan and direct loans.

Oracle Partner Management Implementation and Administration Guide:

This guide helps Vendor administrators to set up and maintain relationships and programs in the Partner Management application. The main areas include setting up the partner and channel manager dashboards, partner setup, partner programs and enrollment, opportunity and referral management, deal registration, special pricing management, and partner fund management.

Oracle Partner Management Vendor User Guide:

This guide assists vendor users in using Partner Management on a daily basis. This includes interaction with the partner and channel manager dashboards, working with partners and partner programs, managing opportunities and referrals, registering deals, and working with special pricing and partner funds.

Oracle Payables User's Guide:

This guide describes how to use Oracle Payables to create invoices and make payments. In addition, it describes how to enter and manage suppliers, import invoices using the Payables open interface, manage purchase order and receipt matching, apply holds to invoices, and validate invoices. It contains information on managing expense reporting, procurement cards, and credit cards. This guide also explains the accounting for Payables transactions.

Oracle Payables Implementation Guide:

This guide provides you with information on how to implement Oracle Payables. Use this guide to understand the implementation steps required for how to set up suppliers, payments, accounting, and tax.

Oracle Payables Reference Guide:

This guide provides you with detailed information about the Oracle Payables open interfaces, such as the Invoice open interface, which lets you import invoices. It also includes reference information on purchase order matching and purging purchasing information.

Oracle Payments Implementation Guide:

This guide describes how Oracle Payments, as the central payment engine for the Oracle E-Business Suite, processes transactions, such as invoice payments from Oracle Payables, bank account transfers from Oracle Cash Management, and settlements against credit cards and bank accounts from Oracle Receivables. This guide also describes how Oracle Payments is integrated with financial institutions and payment systems for receipt and payment processing, known as funds capture and funds disbursement, respectively. Additionally, the guide explains to the implementer how to plan the implementation of Oracle Payments, how to configure it, set it up, test transactions, and how use it with external payment systems.

Oracle Payments User's Guide:

This guide describes how Oracle Payments, as the central payment engine for the Oracle E-Business Suite, processes transactions, such as invoice payments from Oracle Payables, bank account transfers from Oracle Cash Management, and settlements against credit cards and bank accounts from Oracle Receivables. This guide also describes to the Payment Administrator how to monitor the funds capture and funds disbursement processes, as well as how to remedy any errors that may arise.

Oracle Procurement Buyer's Guide to Punchout and Transparent Punchout:

This guide contains necessary information for customers implementing remote catalog content on a supplier's Web site or on Oracle Exchange.

Oracle Procurement Contracts Online Help:

This guide is provided as online help only from the Oracle Procurement Contracts application and includes information about creating and managing your contract terms library.

Oracle Procurement Contracts Implementation and Administration Guide:

This guide describes how to set up and administer Oracle Procurement Contracts. Oracle Procurement Contracts enables employees to author and maintain complex contracts through a self-service, Web interface.

Oracle Public Sector Financials User Guide:

This guide describes how to set up and administer Oracle Public Sector Advanced Features. It describes Encumbrance Reconciliation Reports, GASB 34/35 Asset Accounting, and Funds Available Enhancements.

Oracle Purchasing User's Guide:

This guide describes how to create and approve purchasing documents, including requisitions, different types of purchase orders, quotations, RFQs, and receipts. This guide also describes how to manage your supply base through agreements, sourcing rules, and approved supplier lists. In addition, this guide explains how you can automatically create purchasing documents based on business rules through integration with Oracle Workflow technology, which automates many of the key procurement processes.

Oracle Receivables User Guide:

This guide provides you with information on how to use Oracle Receivables. Use this guide to learn how to create and maintain transactions and bills receivable, enter and apply receipts, enter customer information, and manage revenue. This guide also includes information about accounting in Receivables. Use the Standard Navigation Paths appendix to find out how to access each Receivables window.

Oracle Receivables Implementation Guide:

This guide provides you with information on how to implement Oracle Receivables. Use this guide to understand the implementation steps required for application use, including how to set up customers, transactions, receipts, accounting, tax, and

collections. This guide also includes a comprehensive list of profile options that you can set to customize application behavior.

Oracle Receivables Reference Guide:

This guide provides you with detailed information about all public application programming interfaces (APIs) that you can use to extend Oracle Receivables functionality. This guide also describes the Oracle Receivables open interfaces, such as AutoLockbox which lets you create and apply receipts and AutoInvoice which you can use to import and validate transactions from other systems. Archiving and purging Receivables data is also discussed in this guide.

Oracle Sourcing Implementation and Administration Guide:

This guide contains information on how to implement Oracle Sourcing to enable participants from multiple organizations to exchange information, conduct bid and auction processes, and create and implement buying agreements. This allows professional buyers, business experts, and suppliers to participate in a more agile and accurate sourcing process.

Oracle Subledger Accounting Implementation Guide:

This guide provides setup information for Oracle Subledger Accounting features, including the Accounting Methods Builder. You can use the Accounting Methods Builder to create and modify the setup for subledger journal lines and application accounting definitions for Oracle subledger applications. This guide also discusses the reports available in Oracle Subledger Accounting and describes how to inquire on subledger journal entries.

Oracle Supplier Scheduling User's Guide:

This guide describes how you can use Oracle Supplier Scheduling to calculate and maintain planning and shipping schedules and communicate them to your suppliers.

Oracle iProcurement Implementation and Administration Guide:

This manual describes how to set up and administer Oracle iProcurement. Oracle iProcurement enables employees to requisition items through a self-service, Web interface.

Oracle Procurement Contracts Implementation and Administration Guide:

This manual describes how to set up and administer Oracle Procurement Contracts. Oracle Procurement Contracts enables employees to author and maintain complex contracts through a self-service, Web interface.

Oracle Trading Community Architecture User Guide:

This guide describes the Oracle Trading Community Architecture (TCA) and how to use features from the Trading Community Manager responsibility to create, update, enrich, and cleanse the data in the TCA Registry. It also describes how to use Resource Manager to define and manage resources.

Oracle Trading Community Architecture Administration Guide:

This guide describes how to administer and implement Oracle Trading Community Architecture (TCA). You set up, control, and manage functionality that affects data in the TCA Registry. It also describes how to set up and use Resource Manager to manage resources.

Oracle Trading Community Architecture Reference Guide:

This guide contains seeded relationship types, seeded Data Quality Management data, D&B data elements, Bulk Import interface table fields and validations, and a comprehensive glossary. This guide supplements the documentation for Oracle Trading Community Architecture and all products in the Oracle Customer Data Management family.

Oracle Trading Community Architecture Technical Implementation Guide:

This guide explains how to use the public Oracle Trading Community Architecture application programming interfaces (APIs) and develop callouts based on Oracle Workflow Business Events System (BES). For each API, this guide provides a description of the API, the PL/SQL procedure, and the Java method, as well as a table of the parameter descriptions and validations. For each BES callout, this guide provides the name of the logical entity, its description, and the ID parameter name. Also included are setup instructions and sample code.

Oracle U.S. Federal Financials User's Guide:

This guide describes the common concepts for an integrated financial management solution for federal agencies to comply with the requirements of the U.S. Federal government. It describes the product architecture and provides information on Budget Execution, Prompt Payment, Treasury payments, Third party payments, Interagency transactions, Receivables management, Federal reports, CCR Integration, and Year End Closing.

Oracle U.S. Federal Financials Implementation Guide:

This guide describes the common concepts for an integrated financial management solution for federal agencies. It includes a consolidated setup checklist by page and provides detailed information on how to set up, maintain, and troubleshoot the Federal Financial application for the following functional areas: Sub Ledger Accounting, Budget Execution, Prompt Payment, Treasury payments, Third party payments, Interagency transactions, Receivables management, Federal reports, CCR Integration, and Year End Closing.

Oracle Projects Documentation Set

Oracle Projects Implementation Guide:

Use this guide to implement Oracle Projects. This guide also includes appendixes covering function security, menus and responsibilities, and profile options.

Oracle Project Costing User Guide:

Use this guide to learn detailed information about Oracle Project Costing. Oracle Project Costing provides the tools for processing project expenditures, including calculating

their cost to each project and determining the General Ledger accounts to which the costs are posted.

Oracle Project Billing User Guide:

This guide shows you how to use Oracle Project Billing to define revenue and invoicing rules for your projects, generate revenue, create invoices, and integrate with other Oracle Applications to process revenue and invoices, process client invoicing, and measure the profitability of your contract projects.

Oracle Project Management User Guide:

This guide shows you how to use Oracle Project Management to manage projects through their lifecycles - from planning, through execution, to completion.

Oracle Project Portfolio Analysis User Guide:

This guide contains the information you need to understand and use Oracle Project Portfolio Analysis. It includes information about project portfolios, planning cycles, and metrics for ranking and selecting projects for a project portfolio.

Oracle Project Resource Management User Guide:

This guide provides you with information on how to use Oracle Project Resource Management. It includes information about staffing, scheduling, and reporting on project resources.

Oracle Grants Accounting Documentation

Oracle Grants Accounting User Guide:

This guide provides you with information about how to implement and use Oracle Grants Accounting. Use this guide to understand the implementation steps required for application use, including defining award types, award templates, allowed cost schedules, and burden set up. This guide also explains how to use Oracle Grants Accounting to track grants and funded projects from inception to final reporting.

Oracle Property Manager Documentation

Oracle Property Manager User Guide:

Use this guide to learn how to use Oracle Property Manager to create and administer properties, space assignments, and lease agreements.

Oracle Property Manager Implementation Guide:

Use this guide to learn how to implement Oracle Property Manager and perform basic setup steps such as setting system options and creating lookup codes, contacts, milestones, grouping rules, term templates, and a location hierarchy. This guide also describes the setup steps that you must complete in other Oracle applications before you can use Oracle Property Manager.

Integration Repository

The Oracle Integration Repository is a compilation of information about the service

endpoints exposed by the Oracle E-Business Suite of applications. It provides a complete catalog of Oracle E-Business Suite's business service interfaces. The tool lets users easily discover and deploy the appropriate business service interface for integration with any system, application, or business partner.

The Oracle Integration Repository is shipped as part of the Oracle E-Business Suite. As your instance is patched, the repository is automatically updated with content appropriate for the precise revisions of interfaces in your environment.

Do Not Use Database Tools to Modify Oracle E-Business Suite Data

Oracle **STRONGLY RECOMMENDS** that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle E-Business Suite data unless otherwise instructed.

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

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

When you use Oracle E-Business Suite to modify your data, Oracle E-Business Suite automatically checks that your changes are valid. Oracle E-Business Suite also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

Overview of Setting Up Oracle India Localization

Introduction

Implementing a Tax solution for India for each regime has specific needs. Oracle Financials for India helps you meet the Tax defaulting, calculation and accounting requirement arising from GST, Customs, and Income Tax (restricted to TDS and generation of FA schedule) regimes. It provides you with valuable information to use for statutory and management reporting.

This topic includes steps required to implement in other Oracle products along with advanced implementation topics for you to consider.

Oracle Financials for India includes following responsibilities. Each of them is associated with a Standard Application Responsibility

- Oracle Inventory
- Oracle Purchasing
- Oracle Payables
- Oracle Order Management
- Oracle Receivables
- Oracle Fixed Assets

Oracle Financials for India Basic Setups

Oracle Financials for India Basic Setups

Oracle Financials for India is a tax product that supports India Tax requirements across regimes with respect to tax defaulting, computation, accounting, and repository updates. The tax regimes that are currently supported in the product are GST, Tax Deducted at Source & Tax collected at source.

Indian indirect tax regimes transitioned to GST Regime in July of 2017 where majority of the indirect taxes have been condensed in to the Goods and Services Tax (GST). By amalgamating a large number of central and state taxes into a single tax, the aim was to mitigate cascading or double taxation and pave the way for a common national market. The India GST is a country-level destination based indirect tax Applied on Supply of goods or services as against the previous concept of tax on the manufacture of goods, on sale of goods, or on provision of services.

Based on the principle of destination based consumption taxation, the state portion of the revenue from GST goes to the consuming state Central GST (CGST) and State GST (SGST/UTGST) is applied in the course of intra-state supplies where both the taxes are computed on the same taxable basis Integrated GST (IGST) is levied on inter-State supply. IGST is applicable for Interstate supplies as well as for cross-country supplies (import and export).

GST is applicable on supply of all goods and services based on Harmonized System of Nomenclature (HSN codes). Certain products are not in the scope of GST currently, and these items continue to be taxed as per the old structure, for example, alcohol for human consumption, petroleum products might be included in GST in the future. GST may be applied per the following formats – Standard transaction tax Self assessed tax, for example, non-registered suppliers, imports, specified commodities, and as Withholding tax in specific circumstances, for example, e-commerce entity making a supplier payment.

Oracle Financials for India now supports the indirect tax regime through Goods and Service Tax (GST). You can now customize and add any newly introduced tax at any

point in time. Tax regimes are user-configurable. Using the new GST functionality, you can define regimes, tax types and determine the attributes for a selected tax type.

Following are the basic setups required to use Oracle Financials for India:

- Defining tax configuration
- Defining reporting types

Defining Tax Configuration

Using Tax Configuration, you define different tax regimes based on business requirements, the tax types, tax codes and so on.

Following are the topics covered in the tax configuration:

- Defining Regime
- Defining Tax Types
- Defining Tax Rates
- Defining Tax Categories
- Defining Tax Rules
- Defining Common Configurations
- Defining Specific Functionality
- Defining Party Registration
- Creating Item Classification
- Defining Item Category
- Defining Document Sequencing
- Defining Interface Tax Mapping
- Setting Up Exemptions

Defining Regime

You can define any new tax regime introduced by using the Regime definition window. You define regime and its attributes, such as effective dates here. You can define all the regimes in one place and also review the historical data. You define a new tax regime called India GST, and configure the system to handle the transactions that have the GST

applicability.

Using Regime you can perform the followings:

- Specify the effective start date for those regimes. You can also specify an end date for the regime.
- Classify a Regime as Transaction Tax Regime or Withholding Tax Regime. Based on the selection, the attributes on the Tax Type window and Rates window are determined and relevant repository is updated.
- Assign Calendar at the Regime Level, which determines downstream impacts like tax invoice number generation.
- Assign Tax Authority at the Regime level that determines settlement invoice generation.
- Assign regime classification type to a regime and code can also define regime. Classification code can be modified on the transaction and can be used in the settlement.
- Define rounding at the regime level. Rounding can be determined for the tax basis level and also for the computed tax with effective start date and end date for rounding basis.
- Provide Rounding Rule to configure the same either at the document level or at the line level.

Regime Field Description

Following are the fields available in the Regime window:

1. Navigate to the Define Regime window using (N) Oracle Financials for India > Tax Configuration > Define Regime.
2. Provide a unique short code for the tax regime in the Regime Code field. For example, GST.
3. Define the name of the Tax Regime in the Regime Name field. It is a mandatory field. For example, Good and Services Tax.
4. Specify the Start Date which is the date from when the regime is effective. Start date is always the current date by default. This is a mandatory field.
5. Specify the End Date until when the tax regime is valid. If you enter end date for a tax, then the tax will become ineffective from that date.

Regime Attribute Region

1. Select the type of regime you want to use in the Regime Type field. Valid values are:

- Transaction Tax

Transaction Tax includes taxes like GST, Excise, CST, Custom duty can be mapped to this.

- Withholding Tax

Withholding Tax includes taxes like TDS - Tax Deducted at Source and TCS - Tax Collected at Source can be mapped to this.

Based on the value selected, the attributes of the tax type and tax rate are shown in the respective windows. Transaction Tax Regime is the default value.

2. Enter the valid Tax Authority. You assign Tax Authority at the Regime level and site is assigned at the Registrations level. The field displays all the suppliers with the classification of India Tax Authority. A new classification, India Tax Authority is seeded.
3. Define the tax calendar to use from the list of calendars defined in General Ledger in the Tax Calendar field. This is a mandatory field only when the Regime Type is Withholding Tax. This calendar is used for determining the tax invoice number and in case of withholding taxes if any threshold are used, then they are also considered.
4. Displays the default Conversion Rate Type. The value is picked up from GL daily conversion. You can override the conversion at the transaction level.

Rounding Tab

1. Indicate the Rounding Basis to which the tax basis amount is rounded off to. Select the valid value from the following options:
 - Enter the Quantity. If taxes are based on the quantity and there is a requirement for rounding of the quantity, then this value is used for computing taxes.
 - Enter the Tax Amount. Rounding rule for the tax is determined based on the value setup here. If the rounding rule is defined as zero (0), then tax has two decimal places. If the rounding rule is defined as one (1), then tax is rounded to the nearest rupee. Tax Rounding default value is one (1).
 - Enter the amount that is taxable in the Taxable Amount field. In the current architecture rounding is defined at the Tax code level and a regime can have multiple tax codes and you can define each tax code differently.
2. Indicate if the amount should rounded to the nearest decimal or to the nearest unit in the Rounded To field. Valid values are:

- Nearest Decimal
 - Nearest Rupee
3. Indicate the Rounding Factor. The valid values are:
- 1
 - 2
 - 3
 - 4
 - 5

If 1 is selected, then the taxable basis is not rounded and the line amount is considered without any rounding factor for tax computation.

If 2 is selected, then the taxable basis is rounded to the nearest rupee.

If 3 is selected, then the taxable basis is rounded to the nearest ten rupees.

If 4 is selected, the taxable basis is rounded to the nearest hundred rupees.

If 5 is selected, then the taxable basis is rounded to the nearest thousand rupees.

4. Enter the Start Date. This is a mandatory field. This date is when the specified taxable rounding rules are considered while computing taxes for the transactions.
5. Enter the End Date when the specified taxable rounding rules ceases to exist.

Reporting Codes Tab

The values are configurable or seeded based on the selected reporting type.

1. Indicate the reporting type for the tax, such as if it is First party Registration or Custom Type in the Reporting Type Name field. This helps store any business-specific requirements.
2. Displays the associated Reporting Code.
3. Displays the description of selected reporting code in the Reporting Code Description field.
4. Enter the Start Date. The date when the specified setup is considered while computing taxes at the transactions. This is a mandatory field.
5. Enter the End Date when the specified setup ceases to exist.

Defining Tax Types

The Tax Type window lets you define the tax type and its attributes. You can define any new tax type introduced by a Statute using the Tax Type definition window. For example, in the current context, you can define the tax types, CSGT, SGST, and IGST. These tax type codes can further be attached to the transaction flows as applicable.

In case of upgrade customers migration is provided for the existing regimes to the new tax type window for the new implementations there is no impact of migration from previous releases.

Tax Type Field Reference

Enter the following options:

1. Navigate to the Tax Type India Localization window using (N) Oracle Financials for India > Tax Configuration > Define Tax Type.
2. Select the Tax Regime Code from the list of values for which the tax code is defined. List of values displays all the tax regime codes that are effective on the date of Tax Type creation. This is a mandatory field.
3. Displays the Tax Regime name for the selected Tax Regime Code.
4. Specify a unique short name for the Tax Type Code. This is a mandatory field.
5. Specify the Tax Type. For example, CGST. This is a mandatory field.
6. Enter the Start Date from when the tax type is effective. This is a mandatory field.
7. Enter the end date until when the tax type is valid.

Details Tab

1. Indicate if the tax is recoverable or not by checking the Recoverable Tax option. If the option is selected, then the specified tax type is recoverable and the input tax can be availed in setting off the tax liability incurred.

Note: If this option is not enabled, then you cannot avail the input tax credit and cannot offset against the corresponding tax liability.

2. Indicate if the abatement is allowed by checking the Allow Abatement option. Abatement is used in the tax regimes where there is movement of goods or services. In abatement, the tax is computed only on a portion of the invoice or tax. Define where the tax must be computed at the tax rate level.

If a value is specified, then the taxable basis for the invoice is computed based on

the value. For example, if you specify 75%, then tax is computed on 75% of the invoice value only. If abatement is specified as 65% and the actual tax rate is 10%, then tax is computed on the whole invoice value but the rate is 65% of 10%, that is 6.5%. The setups for the percentage of the tax rate or invoice are an attribute which will be available on the tax rate.

3. Enable the Applicable for Off Set option, to offset the tax liability of other tax type codes. You can use the recovery of this tax type against the liability of another tax type or use the other tax recovery to adjust the liability of this tax type.
4. Indicate is the tax type code is a Self Assessed/Reverse Charge tax. For example, it is like Service Tax reverse charge.
5. Indicate if you are setting the tax for reporting purposes only in the Set Tax for reporting purpose only option and there are no accounting involved.

If the tax is set as self assessed tax, then the tax is paid by the buyer not by the seller. In the Accounts Receivables side if this tax is used, the same is not updated to the Receivables and update the tax repository for liability at the time shipment or completion of Accounts Receivables invoice.

If this option is checked, then taxes are computed on the transaction but are not updated to the supplier liability or customer's recoveries. It will not be updated to the liability of the tax accounts on the tax repository and this amount can be used for computing other taxes.

6. Enable the Update Vendor on Transaction if you want to override the vendor name defaulted for the tax code during the transaction flow. This is used when one person buys the goods and another persons ships them, and the third person raises the invoice. In such cases, the tax invoice is raised for the supplier and claims are settled. In case of freight, attach any transporter to the tax and you can change it during transaction.
7. Indicate if the Withholding Tax Applicable option is enabled. When enabled, the tax type code being defined is a withholding tax.

Note: If the Withholding Tax Applicable option is enabled, the above mentioned options are disabled,

8. Indicate the Tax Point Basis. It lets you specify the point at which Tax is accounted and posted to repository. This feature makes the tax type user-configurable. This determines the taxes for accounting, credit, liability and update of repository on the transactions. Valid values are:
 - Accounting
 - Delivery

- Invoice
- Payment

Note: Set the tax point basis as Delivery for GST taxes for manufacturing organizations and as Invoice for Services Organization.

Select Accounting when there is no requirement from the tax authorities for tax point basis as accounting. The taxes are accounted, credit or liability is determined and repository is updated only on accounting of the documents, that is, invoices or payments or debit memos or credit memos.

Delivery Taxes are accounted and updated to the repository at the delivery event on the transactions.

When Tax point basis is Invoice, the non recoverable part of Tax is still computed at Receipts. Only, recovery is done on invoicing.

If tax point basis is payment, the taxes are accounted, liability or credit is available only as payment of the document in case of Payables invoice or application of debit memos or credit memos.

Accounting Tab

1. Indicate whether the regime type is withholding or transaction type in the Ledger field. Define the ledger and select the operating unit and inventory organization and location under the certain ledger scope.
2. Indicate if Operating Unit is withholding or transaction type. If you indicate a ledger to be Withholding regime type, then only operating unit displays. If the ledger is a Transaction regime type, all the attributes display. Operating Units will be shown here based on MOAC.
3. For a transaction tax type, this field displays the Inventory Organizations for which you have access to. In the case of withholding tax type, it shows the operating units. If it is for the withholding regime tax, location is grayed or disabled. The same cannot be updated on saving and it is grayed out and disabled on query. This is a mandatory field.
4. Indicates the applicable HR location code. Location includes a list of values and it shows all the locations associated with an Inventory Organization.
5. Select Interim Recovery Account when taxes are defaulted on a transaction, the interim recovery account is shown. At the time of accounting, interim recovery account is updated and at the time of claim the interim recovery account is knocked off and recovery account is updated. Recovery account is updated at the time of claim based on the tax point basis. The account is debited or credited for the

recoverable taxes with reference to Purchase to Pay transaction flow.

6. Recovery Accounts is enabled only if tax type is checked for Interim Recoverable Tax and in only for Transaction tax regime. The account is debited or credited for the recoverable taxes with reference to Purchase to Pay transaction flow.
7. Interim Recovery Account is not in use.
8. Select from the list of service tax liability account values. Liability Accounts is enabled for tax liability that are created by Order to Cash tax settlement transactions, such as Ship Confirm and AR Invoice flow. The liability is enabled for Purchase to Pay flows too when debit memos are accounted.
9. Expense Accounts are used for writing off taxes for Bill of Entry where small amounts remained or left over due to rounding difference. Also, needed for the GST reversal feature. This is enabled for only transaction tax regime only.
10. Rounding Account is not in use.
11. Suspense Account is used in the Order to Cash flow. For example, if the Tax Point Basis (TPB) is Delivery, then for a ship confirm transaction, this account is debited and the Liability account gets credited.
12. Advanced Suspense account is used for Advance Receipt (AR) transactions. It is debited or credited for any receipt confirmation or application as applicable,
13. ISO Suspense Account is used in the IR-ISO transaction flow.

Reporting Codes Tab

1. Indicate the reporting type for the tax, such as if it is First party Registration or Custom Type in the Reporting Type Name field.
2. Displays the associated Reporting Code.
3. Displays the description of the selected reporting code in the Reporting Code Description field.
4. Enter the Start Date from when the tax type will be active. This is a mandatory field.
5. Enter the End Date when the tax type ceases to exist.

Defining Tax Rates

Tax Rate window lets you define the rate of tax used for calculating tax rate percentage on the transaction. This tax rate code is attached in the tax category definition so that a group of taxes can be attached to the transactions during the transaction flow.

Tax Rate Field Reference

Following are the attributes of the Tax Rate window:

1. Navigate to the Tax Rates window using (N) Oracle Financials for India > Tax Configuration > Define Tax Rate.
2. Select or enter the Operating Unit. This is a mandatory field.
3. Select from the list of Tax Regime Codes displayed based on the selected Tax Regime. This is a mandatory field.
4. Select from the list of regimes displayed that are active on the day of tax rate creation in the Tax Regime Name field.
5. Select from the valid Tax Type Codes for which the tax rate details are defined. This is a mandatory field.
6. Enter the short name for the Tax Rate in the Tax Rate Code. This is a mandatory field.
7. Select from the valid Tax Types that are attached to the regime selected and are active, displays.
8. Specify the Tax Rate Name. Should be a unique value. This is a mandatory field.
9. Select the Tax Rate Type. Valid values are:
 - Percentage
 - Adhoc Amount
 - Unit of Measure
 - Unit of Measure – Adhoc

Note: The selected regime code should be a transaction tax regime code.

10. Specify the Tax Status. Valid values are:
 - High
 - Low
 - Medium

- Zero
 - Exempted
11. Enter the applicable Recovery Rate.
 12. Indicates if the tax rate is an Inclusive Tax.

Rate Details Region

Enabled based on the selected Tax Rate Type value. Percentage is the default value for the Tax Rate Type.

1. If Percentage is selected as the Tax Rate Type, then the following attributes are enabled:
 - Percentage
 - Mandatory
 - Start Date - Mandatory
 - End Date
2. If Adhoc is selected as the Tax Rate Type, then Rate Details region is grayed out.
3. If Unit of Measure is selected as the Tax Rate Type, the attributes are enabled:
 - Unit of Measure
 - Mandatory
 - Unit of Measure Rate – Mandatory
 - Start Date – Mandatory
 - End Date
4. If Unit of Measure – Adhoc is selected as the Tax Rate Type, then the following attributes are enabled:
 - Unit of Measure
 - Mandatory
 - Start Date – Mandatory
 - End Date

If Rate Percentage has multiple records, then the first rate percentage is ended. The Start date for the next record should be greater than the End Date of the previous record. Recovery Percentage is enabled only if the Tax Type selected is marked as Recoverable. The Tax is used for reporting purpose and it does not impact the tax determination.

Exemptions Region

1. Enter or select the Tax Rate Classification from the following list of values. Valid values are:
 - Concessional Rate
 - Exemption Rate
 - Standard Rate
2. Enter or select the Original Rate for the exempted tax.
3. If Concessional or Exemption Rate is selected as the Tax Rate Classification, then the standard rate and Form Type are enabled. Tax Rate Percentage defined is lower than the Standard Rate, if Concessional Rate and Exemption Rate are selected in the Tax Rate Classification.
4. Enter the Remark for the tax rate being exceptional.

Abatement Region

Abatement is enabled only when the selected Tax Type is marked for Allow Abatement.

1. Select the Abatement Type. Valid values are:
 - On Invoice Value: If On Invoice Value is selected, then item line value is considered and on that a percentage of the amount is excluded for tax computation. For example, if Invoice Value is Rs 10,000 and Tax Rate is 10% and abatement is given for 60% of the invoice value, then taxable basis will be $10000 \times 60\% = 6000$ and on this 10% Tax is to be computed, that is, Rs 600.
 - On Tax Rate: If On Tax Rate is selected, then the tax is computed on a reduced rate. For example, if normal Tax Rate is 15% and abatement is 25%, then the effective tax rate is $15\% \times 25\% = 3.75\%$.
2. Enter the amount of abatement to be availed as Percentage here.
3. Select the Start Date from when the abatement comes into effect. This is a mandatory field.
4. Enter the End Date when the abatement ceases to exist. Once the abatement is end

dated, it cannot be used in transactions.

5. In case of non-item transactions, abatement is applicable on a new tax rate and must be created. Otherwise, the abatement is considered on all transactions. Assignment Tab is enabled for all Tax Rates.
6. Accounts for the Tax Rate is default from the Tax Type and can be overridden wherever you want to specify separate accounts at the tax rate level.
7. No new accounts are allowed for addition at the tax rate level.

Accounts Region

All the accounts related to this tax rate are defined here. All the accounts are default based on the selected tax type, but you can override them here.

1. Displays a valid Ledger from the list of values. This is a mandatory field.
2. Displays the operating unit.
3. If the regime assigned is a transaction tax regime, then the Inventory Organization displays. If the withholding tax regime is selected, then this option is grayed out.
4. Displays the corresponding organization's Locations for transaction tax. If it is withholding tax regime, then this option is greyed out.
5. Recovery Accounts has the following options:
 - Interim Recovery: This option is enabled only when the Recoverable Tax Flag is selected.
 - Recovery: This option is enabled only when the Recoverable Tax Flag is selected.
6. Liability Accounts has the following options:
 - Select the Interim Liability. This account tracks liability for interim purpose, which is more like suspense account.
 - Select Liability. This account tracks liability accounting of Tax.
7. Indicate the Expense Account applicable.
8. Other Accounts has the following options:
 - Indicates Rounding Account.
 - Indicates the Suspense Account where liability is accounted.

- Indicates the Advanced Suspense account to track tax liability for advanced receipts.

Reporting Region

1. Displays all the Reporting Type Names that are created in the Reporting Code window as the First Party entity. For a Regime there can be more than one Reporting Type Name but the Reporting Codes have to be unique.
2. Select from the Reporting codes that are associated with the selected Reporting Type and are created for use as the first party entity. If the Reporting Type Name for the Reporting Code is user configurable, then you must enter the reporting code manually. List of values is not displayed.
3. Enter or select the Reporting Code Description.
4. Enter the Start Date as the system date or lesser than system date. Start date indicates that the specified rounding is applied to the regime. This is a mandatory field.
5. Enter the End Date until when the rounding rule will cease to be applied to the specified regime.

Defining Tax Categories

A group of different tax codes having applicable tax rates belonging to different regime codes are defined in Tax Categories. This is a mandatory setup to enable Tax defaulting and automatic calculation at the transaction line level. Tax Categories are based on the taxes that will be applicable to the transaction and the Tax Base Amount calculation are determined.

You can associate an Item Class to the Tax category. This Tax category can be applied to all items under this class.

Tax Category is a group of relevant Tax Codes with precedence applicable to them.

Tax Categories Field Reference

Header level

1. Navigate to the Tax Category Setup window using (N) Oracle Financials for India > Tax Configuration > Define Tax Categories.
2. Select or enter the relevant Operating Unit. This is a mandatory field.
3. Enter a Unique name for Tax Category. The Tax Category Name should be Suggestive, you should be able to identify the applicability of the Tax Category.

4. Enter meaningful Description for the Tax Category. This should describe the Tax Category Name in detail.
5. Enter an Item Class. One Tax Category cannot be applied to more than one Item Class and vice-versa. The Tax Category defined with an Item class defaults at the transaction level based on the Item Class that has been associated to the transaction level 'Item Attribute'. Once an Item Class (Predefined by Oracle Financials for India) is associated to a Tax Category, the same Item Class cannot be associated to any other Tax category. Based on this Item Class the GST Register update is done for an item.
6. Enter the Item Class Code.
7. Enter the Start Date as the system date or lesser than system date. Start date indicates that the specified tax category is effective from. This is a mandatory field.
8. Enter the End Date when the tax category ceases to be effective.

Details Region

1. Displays auto-generated line Number. This value is used to define precedence.
2. Select or enter the Tax Name. The Tax Rate applicable on the date is applicable for the transaction.
3. Enter or select from the list of valid Regime Code available based on the selected organization type. If Withholding Tax Regime is selected as the Regime Type, then the list of values only displays the Withholding Tax Regime Names. If Transaction Tax Regime is selected as the Regime Type, then the list of values only displays the Withholding Tax Regime Names.
4. Select from the valid Tax Types that are attached to the regime selected and are active, displays.
5. Precedence refers to the manner in which the tax will be applied in the Tax Precedence 1-10 field. The Tax Rate may be applied on the transaction base value or on another tax line or compounding them or combination of all. The base amount or material sale value is by default given a precedence value of '0'. The subsequent precedence are assigned to the Tax Names' respective Line Numbers. A maximum of five levels of precedence are permitted.

The taxes included in Tax Category would default on a transaction line. But, you would also have a provision to add new tax lines manually. Tax precedence for Additional CVD Tax Type should be set to the Tax on which it is calculated.

If a tax name is defined as adhoc or as Amount Per Unit of measure then the Precedence has no Relevance in tax computation of such tax, however, calculation of other taxes can be based on this tax. A tax cannot be dependent on itself.

However, interdependent taxes can be set up in precedence e.g. tax at line 1 can depend on tax at line 2. Similarly, tax on line 2 can depend on tax at line 1.

For example Define a Tax Category for an Item A purchased for Location B and the following taxes are applicable.

- Define the above Tax Names and percentages in the Tax Name Definition.
 - Associate the above Tax Names in the Tax Categories window accordingly for tax calculations. At this point, the dependence of tax on other tax needs to be defined in the system. If Sales Tax needs to be calculated on both line price and GST Duty, the same can be defined in this screen. If '0' is defined then tax will get calculated only on the line price. In the 2nd line if it is 0 and 1, then the 2nd line tax will be calculated on the line price and the 1st tax.
6. Select the Recoverable Flag, if the selected Tax Rate has a recoverable percentage greater than Zero.
 7. Select the Inclusive Flag. In this example line amount is Rs. 1000/-. The taxes mentioned below are applicable.
 8. Select the Self Assessable flag.
 9. Indicates the Tax Calculation.

Defining Tax Rules

Tax Rules window lets you define tax defaulting and tax determination rules. You setup rules for operating units based on which tax determination is determined. Tax Determination basis is defined by using the Tax Rules feature. A Tax rule code is defined in which, the you can attach the tax category.

Tax Rules Field Reference

1. Navigate to the Define Tax Rules window using (N) Oracle Financials for India > Tax Configuration > Define Tax Rules.
2. Select the valid Operating Unit. This is a mandatory field.
3. Enter the Tax Rule Code. This is a mandatory field.
4. Select or enter the Tax Category available with the selected operating unit. This is a mandatory field.
5. Displays the Description of the selected tax category selected.

6. Enter the relevant Priority value. The lower the value, the more the priority. Priority value must be unique to the Tax Rule definition.
7. Enter the Start Date as the system date or lesser than system date. Start date indicates that the specified tax rule is effective from. This is a mandatory field.
8. Enter the End Date until when the tax rule will cease be effective.

Tax Determination Rule Details Region

1. Select the appropriate Tax Determination Basis. The valid values are:
 - Application
 - Bill To
 - Customer Reporting Code
 - First Party Reporting Code
 - Item Classification
 - Item Reporting Code
 - Ship From
 - Ship To
 - Supplier Reporting Code
 - Third Party Registration Number

2. Select or enter the Tax Determination Values.

Note: If no value is selected for Tax Determination Basis, then the treatment would be that the tax rule would be applicable for all the possible combinations. For example, if Ship From is blank, then it implies that the rule is applicable for all the States.

3. Indicate if the Ship From or Ship To has value of Other. If no value is selected, then it means the same is applicable for all the countries.

Defining Common Configuration

The Common Configuration lets you define Tax Determination Basis. Common configuration determines the tax defaulting and determination basis by operating unit. You can modify the same at any point of time based on the date attributes.

When you change values, the tax defaulting happens on the downstream documents based on the tax determination basis as on the date of transaction available in the setup. For Example, a purchase order is created on 25 Dec, 2010 and at the point of time the tax determination basis is item based, and you change the same on 1 Jan, 2011 to determination based on the rules. Receipt is made on 5 Jan, 2011 and on this date the tax determination is based on Rules, so the rules determine the basis for taxes on the receipt.

The tax determination basis is set up on an operating unit level. Customer can set up tax defaulting basis for transaction taxes and withholding tax.

Common Configuration Field Reference

Following options are available in Common Configuration:

1. Navigate to Common Configuration window using (N) Oracle Financials for India > Tax Configuration > Define Common Configuration.
2. You can select the following values:
 - Inventory Organization
 - Operating Unit

Operating Unit level setup is required for identifying whether the tax defaulting basis is set to Rule Basis or Item Category Basis. The inventory organization level setup is applicable for the OSP transactions.

3. Enter the applicable organization name. The system fetches the operating units that are part of the security profile associated with the responsibility.
4. Select the location for selected inventory organization. Not applicable for operating unit.

Transaction Tax Tab

1. Determines the basis for tax defaulting on the transaction. Select the valid value for Defaulting Basis. The valid values are:
 - **Rule Basis** -- tax defaulting rule applicable to the operating unit. The tax category is determined against tax rule setup.
 - **Item Category Basis** -- which is the same tax defaulting rule in current solution
2. Maximum Days of Self-assessed Tax is not applicable at this time.
3. Select the Start Date from when the defaulting basis comes into effect. This is a mandatory field.

4. Enter the end date when the defaulting basis ceases to exist.
5. If the Copy Tax from Source option is enabled, then taxes are copied from the source document to target document until the TPB is reached. If this option is not selected, then taxes are redetermined in the target document irrespective of any modification in the source document until the TPB is reached.

Inventory Level Setup Region

1. Select the Allow dispatch quantity to exceed original quantity option to allow dispatch more quantity than original quantity.
2. The OSP Return Days option is not used at this time. This option provides provision for GST computation on goods sent for OSP operations, not returned within the specified days.

Withholding Tax Tab

For Withholding tax, the setup is used when withholding tax registration number is not available. The tax category for withholding tax is default directly by tax regime. This is necessary only for setting up defaulting for Direct Taxes.

1. Enter the withholding regime in the Tax Regime field. The relevant TDS Regime for which the setup is required to be done.
2. Enter the tax category that includes the tax regimes in the Tax Category field.
3. Select the, Create Pre-Validated TDS Invoice and Credit Memo, option to allow creation of pre-validated Tax Deducted at Source (TDS) invoice and credit memo.
4. Select the, Create Pre-Approved TDS Invoice and Credit Memo, option to generate the TDS invoice and TDS Credit memo with Workflow Approval status Not Required.

Defining Specific Functionality

You define the specific functionality in this window.

The tax amount treatment for a specified list of tax type codes can be determined by doing this specific setup. For example, for any Import Purchases, which would attract Basic Customs duty and IGST taxes, you must attach these tax type codes here.

These tax amounts are paid to the Customs Authority and shall not be charged to the end supplier. This setup plays a significant role in mapping the Import Purchases scenario.

Note: It is highly recommended to define a separate regime code for mapping the Customs Duty, as these taxes are adjusted against the Bill

of Entry (BOE) Invoice and are not charged to the end supplier.

Define Specific Functionality Field Reference

The Define Specific Functionality window has following options:

1. Select the relevant applicable value. Valid values are:
 - Bill of Entry
 - Bond Registry
 - Credit Reversal
 - Tax Collected at Source
 - Trading

Note: The Bill of Entry setup is of more functional significance. Therefore, you can configure this setup for BOE functionality.

2. Select or enter the Tax Regime Code to be associated with.
3. Displays the Tax Regime name associated with the selected Tax Regime Name.
4. Select or enter the relevant associated Tax Type. The system fetches all the active tax type codes having TPB set to Invoice or Delivery and are associated with the specific regime code for which the setup is being done.
5. Select or enter the relevant associated Tax Rate. The system fetches all the active tax rate codes defined for the tax type code selected and are associated with the regime code for which, the setup is being done.
6. The Export Oriented Unit is not used at this time.
7. Enter the Start Date when the functionality starts to become effective.
8. Enter the End Date when the functionality ceases to be effective.

Defining Party Registration

There are two types of party registrations:

- First Party Registration

- Third Party Registration

Defining First Party Registrations

You define all the relevant attributes of the Business unit, for example Manufacturing Unit and Service provider here. You define important attributes such as GST Registration number, PAN number.

First Party Registration Field Reference

Following are the options available:

1. Navigate to First Party Registration window using (N) Oracle Financials for India > Party Registration > Define First Party Registration.
2. Select or enter from the list of values in the Regime Type. This is a mandatory field. Valid values are:
 - Transaction Tax Regime
 - Withholding Tax Regime
3. Indicate if the organization is Inventory or Organization Unit in the Organization Type field. This is a mandatory field. If you select Transaction Tax Regime, then you can choose either Inventory organization or Operating Unit organization type. Location and address fields are enabled. If you select Withholding Tax Regime Type, you can only have an Operating Unit by default. Location is greyed out.
4. Enter or select the Organization Name based on your regime type selection. This is a mandatory field.
5. Enter or select the location name for which the setup is being defined.
6. Select or enter the Organization Activity to be Manufacturing or Trading. This field is enabled only when Transaction Tax Regime is selected. This is a mandatory field.
7. Enter the address of the location selected.

Registration Region

1. Enter or select from the list of valid regime codes available based on the selected organization type in the Regime Code field. This is a mandatory field. If Withholding Tax Regime is selected as the Regime Type, then the list of values only displays the Withholding Tax Regime Names. If Transaction Tax Regime is as the Regime Type, then the list of values only displays the Withholding Tax Regime Names.

2. Select the valid registration type from the list of values in the Primary Registration Name field. For example, GSTIN in the current context) System This is a mandatory field. Only one Registration Name can be assigned to a Primary or Secondary Registration Number. Valid values are:
 - ECC Number
 - GST Registration Number
 - PAN Number
 - GST Registration Number
 - TAN Number
 - TIN Number
3. Enter the Registration number in the Primary Registration Number field. This is a mandatory field.
4. Select the valid registration type from the list of values in the Secondary Registration Name field. Only one Registration Name can be assigned to a Primary or Secondary Registration Number. Valid values are:
 - ECC Number
 - GST Registration Number
 - PAN Number
 - GST Registration Number
 - TAN Number
 - TIN Number
5. Enter the Secondary Registration number.
6. Select from the list of suppliers that are defined and classified as India Tax Authority in the Tax Authority field. This is a mandatory field. On the authority only the settlement invoice is generated for transaction taxes and debit memo and tax authority invoice are generated for withholding taxes.

Note: Existing tax authorities are migrated with the same classification or with the new classification.
7. Select from the list of sites associated with the selected tax authority in the tax

Authority Site.

8. The Intercompany Payables is not being used at this time..
9. The Intercompany Receivables is not being used at this time..
10. Enter the Start Date as the system date or lesser than the system date. Start date indicates the specified registration number and all the other details effective from that date for the selected regime.
11. Enter the End Date when the specified registration and other details are cease to exist.

Rounding Region

1. Displays the selected Regime code.
2. Select the valid Rounding Basis. Valid values are:
 - Quantity
 - Tax Amount
 - Taxable Amount
3. Select if the amount must be Rounded To the Nearest Decimal or Nearest Rupee.
4. Rounding Factor differs for different Tax Codes. Specify the required rounding factor for a particular Tax based on the legal requirement. If this field is left blank, then the calculated Tax figure is rounded to the nearest Rupee.
5. Enter the Start Date as the system date or lesser than the system date. Start date indicates that the specified rounding is applied to the regime. This is a mandatory field.
6. Enter the End Date when the rounding rule ceases to exist.

Reporting Codes Region

1. Displays the selected Regime Code.
2. Displays all the Reporting Type Names that are created in the Reporting Code window as the First Party entity in the Reporting Type Name field. This is a mandatory field. For a Regime there can be more than one Reporting Type Name but the Reporting Codes have to be unique.
3. Select from the Reporting codes that are associated with the selected Reporting Type and are created for use as the first party entity in the Reporting Code field. This is a mandatory field. If the Reporting Type Name for the Reporting Code is

user configurable, then you must enter the reporting code manually. List of values is not displayed.

4. Enter or select the Reporting Code Description.
5. Enter the Start Date as the system date or lesser than the system date. Start date indicates the specified rounding is applied to the regime. This is a mandatory field.
6. Enter the End Date until when the rounding rule ceased to exist.

Defining Third Party Registration

Customers are referred to as Third Parties. Defining customers is necessary for tax defaulting when transacting in Order to Cash cycle. Define all the relevant attributes of the supplier and customer, for example, dealer, Service provider, end customer here. You also define important attributes such as GST Registration number, PAN#.

Third Party Registrations Field Reference

Following are the options available:

1. Navigate to Third Party Registration window using (N) Oracle Financials for India > Party Registration > Define Third Party Registration.
2. Select the Operating Unit available. This is a mandatory field. The system retrieves the Operating units that are part of the Security profile associated with the Responsibility.
3. Indicate if the third party is a Customer or Supplier in the Party Type field. This is a mandatory field.
4. Select the valid party name from the list of values in the Party Name field. This is a mandatory field.
5. Displays the associated party number to the selected customer or supplier in the Party Number field. This is a mandatory field.
6. Select the party site name based on the selected Party Type in the Party Site Name field. This is a mandatory field.
7. Select the Item Category that is applicable. Item category displays all applicable regimes that are associated with an Item (inventory or non inventory item). This is a mandatory field.
8. Select the Default Tax Category for Standalone Invoice option. Displays all tax categories for which taxes are not associated with item, such as GST, Customs.

9. Displays the address associated with the selected Party in the Party Site Address field. You cannot modify the value.

Registration Region

1. Enter or select from the list of valid regime codes available based on the selected organization type in the Regime Code field. This is a mandatory field. If Withholding Tax Regime is selected as the Regime Type, then the list of values only displays the Withholding Tax Regime Names. If Transaction Tax Regime is as the Regime Type, then the list of values only displays the Withholding Tax Regime Names.
2. Select the valid registration type from the list of values in the Primary Registration Name field. This is a mandatory field. Only one Registration Name can be assigned to a Primary or Secondary Registration Number. Valid values are:
 - ECC Number
 - GST Registration Number
 - PAN Number
 - GST Registration Number
 - TAN Number
 - TIN Number
3. Enter the Registration number in the Primary Registration Number field. This is a mandatory field.
4. Select the valid registration type from the list of values in the Secondary Registration Name field. Only one Registration Name can be assigned to a Primary or Secondary Registration Number. Valid values are:
 - ECC Number
 - GST Registration Number
 - PAN Number
 - GST Registration Number
 - TAN Number
 - TIN Number
5. Enter the Secondary Registration Number.

6. Select the appropriate Assessable Price List based on the selected regime. If assessable price list is assigned, then the tax computation is done based on the assessable price list and not the item price or line amount. Tax Computation first looks for the Assessable Price List at the Party Site level, then at the Party Null Site level, and if one is not available then tax is computed based on the item line amount.
7. The Default Section is not used at this time.
8. Enter the Start Date as the system date or lesser than system date. This is a mandatory field. Start date indicates that the specified registration number and all the other details are applicable for that date for the selected regime.
9. Enter the End Date until when the specified registration and other details are effective to.

Exemptions Region

NOT Available NOW

1. Enter or select from the list of valid regime codes available based on the selected organization type in the Regime Code field. If Withholding Tax Regime is selected as the Regime Type, then the list of values only displays the Withholding Tax Regime Names. If Transaction Tax Regime is as the Regime Type, then the list of values only displays the Withholding Tax Regime Names.
2. Select the valid Registration Name from the list of values. Only one Registration Name can be assigned to a Primary or Secondary Registration Number. 12. Select or enter the Exemption Type.
3. Assign a tracking number.
4. Enter or select the Exemption Number for the selected type.
5. Enter the Start Date as the system date or lesser than system date. This is a mandatory field. Start date indicates that the specified registration number and all the other details are applicable for that date for the selected regime.
6. Enter the End Date until when the specified registration and other details are effective to.

Reporting Codes Region

If Tax Determination Basis is Tax Rules and defaulting attribute is Customer Reporting Code, then define the Reporting Code.

1. Displays the selected Regime Code.
2. Displays all the Reporting Type Names that are created in the Reporting Code

window as the Third Party entity in the Reporting Type Name field. This is a mandatory field. For a Regime there can be more than one Reporting Type Name but the Reporting Codes have to be unique.

3. Select from the Reporting codes that are associated with the selected Reporting Type and are created for use as the third party entity in the Reporting Code field. This is a mandatory field. If the Reporting Type Name for the Reporting Code is user configurable, then you must enter the reporting code manually. List of values is not displayed.
4. Enter or select the Reporting Code Description.
5. Enter the Start Date as the system date or lesser than system date. Start date indicates that the specified rounding is applied to the regime. This is a mandatory field.
6. Enter the End Date until when the rounding rule will cease to be applied to the specified regime.

Creating Item Classification

In the Item Classification window you setup a list of attributes that are used across the regimes.

Items need to be classified in order to define recovery claim terms for them. You can define your own item classifications to fulfill multiple industry requirements. These attributes decides if credit can be taken on the item or it is a tradable item.

Item attributes are seeded values as they determine recoverability of tax.

Following functions are performed:

- Define the Item Classification Template
- Assign the Template to the Inventory Organization
- Assign Template to different regime codes
- Associate different reporting type codes to the Item classification

This feature plays a vital role in the tax rules definition. The tax defaulting mechanism is enabled by setting the value for TDB Item Classification.

Item Classification Field Reference

Following are the attributes of the Item Classification window:

1. Navigate to the Item/Template Attribute Registration window using (N) Oracle

Financials for India > Item Definition > Define Item Classification.

2. Enter or select a valid inventory organization or operating unit in the Organization field for which the relevant template is being defined. This is a mandatory field.
3. Enter the valid Item name. This is a mandatory field.
4. Enter the name of the item template in the Template Name field. Item template lets you create the item template, assign all attributes to this template. This is a mandatory field.
5. Enter the item Template Description indicating the business purpose of the template.
6. Enter the Item Classification details. For example, Raw Material, Finished Goods and so on. This is a mandatory field.

Item Attributes Region

1. Enter or select the Tax Regime Name, and then enter the attribute value from list of value. This is a mandatory field.
2. Indicates if the selected regime is or is not applicable to this item at during transaction in the Applicable field.
3. Enter or select the name of the attribute in the Attribute Name field, for example, Recoverable, Tariff and so on that can be a part of the template definition.

Note: The Recoverable attribute has significant impact on the recovery management process. Therefore, use care when selecting this value.

4. The Template Value options is not used at this time.
5. Enter the value for the selected attribute in the Attribute Value field.
6. Enter if the item can be restored or not in the Restore field.

Reporting Codes Region

1. Enter the usage of the reporting type in the Reporting Usage field. You can select the appropriate reporting Usage value, for example Reporting, Tax Determination, based on the business requirements. This value, Reporting Usage = Tax Determination, plays a vital role in tax defaulting if the user selects the Item classification option in the tax rules.
2. Displays the selected Regime code in the Regime Name field.

3. Displays all the Reporting Type Names that are created in the Reporting Code window as the First Party entity in the Reporting Type Name field. For a Regime there can be more than one Reporting Type Name but the Reporting Codes have to be unique. This is a mandatory field.

Following two seeded values are provided to attach the relevant HSN/SAC code values to the item as applicable:

- HSN Code Type for GST
- SAC Code Type of Item for GST

The values for the items defined here are defaulted in the HSN/SAC codes during the transaction flow.

4. Select from the Reporting codes that are associated with the selected Reporting Type and are created for use as the first party entity in the Reporting Code field. If the Reporting Type Name for the Reporting Code is user configurable, then you must enter the reporting code manually. This is a mandatory field. Following are seeded values:
 - GST_HSN_CODE
 - GST_SAC_CODE_ITEM
5. Enter or select the Reporting Code Description.
6. Enter the Start Date as the system date or lesser than system date. Start date indicates that the specified rounding is applied to the regime.
7. Enter the End Date until when the rounding rule will cease to be applied to the specified regime.

Defining Item Category

Item Category List associates the Tax Category to an Inventory Item in an Organization. You can add many items in a list and select relevant Tax Category for them. There can be many such item category lists defined and associated to the Vendor or Customer sites.

If the Item Category is attached to the Additional Customer or Supplier Information, then the Item Category is default whenever a transaction is done with the Customer or Supplier. Use this window to associate Inventory items to Tax Categories.

Item Category Field Reference

To setup a new item category:

1. Enter the unique name for item category in the Name field.
2. Enter the unique Description for item category.
3. Select the item from the list of values associated with the tax category in the Item field.
4. Select the Tax Category from the list of values associated with the item.

You need to define tax categories and define item category, this setup is for item based transactions. The item category could be attached with the third party or third party site while define the third party. The tax lines for a particular third party for a particular item will get defaulted according to the precedence setup in the tax category.

Important: Important: By assigning this Tax Category list to a Supplier Site in the Supplier Tax Information - India Local window, the tax lines for a particular Vendor or Vendor Site or Customer or Customer Site, for a particular Item will get defaulted according to the precedence set in the Tax Category. The user should use a unique Item Category List Name and meaningful description.

Note: In case of Standalone AP invoice where there is no item association at the transaction time, you can assign the default tax category for standalone invoice in third party setup.

Defining Document Sequencing

You define the document sequencing and tax invoice generation set up here.

Document Sequencing Field Reference

1. Navigate to the Document Sequencing window by using Oracle Financials for India > Tax Configuration > Document Sequencing.
2. Enter the unique Document Sequence Number used for generating the tax invoice number.
3. Enter the Start Number here. If you wish to start the document sequencing from 1, then you enter 0 as the start number.
4. The system displays the running sequence number of the tax invoice number generated in the Current Number option.
5. Enter a Prefix to be used for the tax invoice number generation.

6. Specify upper limit number in the Last Number field up to which the system can generate the tax invoice number value. If the document sequence is exhausted, the VAT invoice generation program will end in an error.
7. Enter the Start Date from when the document sequence becomes effective. It is the system date.
8. Enter the End Date when the document sequence ceases to exist.
9. Indicate if the Delivery challan is needed.

Document Sequencing Assignment Region

1. Select or enter the relevant Tax Regime Name for which the tax invoice number generation setup is done.
2. Select or enter the relevant GST Registration Number.
3. Select or enter the relevant Organization Type. You can select from the following options:
 - Inventory Organization
 - Operating Unit
4. Enter the Organization Name.

The system retrieves all the organizations for which, the active First Party Registration records exists for the Regime code, for which the setup is done. If the operating unit is selected as the organization type, then the system retrieves all the relevant Operating Units the user has access to.
5. Select the Location associated to the organization.

The system retrieves all the active Location codes, that have been attached with the Organizations for which the setup is being done. And for which the First Party Registration setup exists for the combination of Organization and Location for which, the setup is being done.
6. Define different document sequences for different types of documents in the Document Type field. If you select the default, the document sequence applies to all of the documents.
7. Enter the applicable Document Category for which the tax invoice sequence is applied.

The values retrieved here are based on the selected Document Type. This value plays a vital role in the tax invoice generation for different transactions flows. For example, if the document type is selected as Sales Order, the system retrieves

the order entry transaction types existing for the selected Operating Unit. If the document type selected is AR Transactions, then the system retrieves Account Receivables Batch source values defined for the operating unit. If the document type is selected as Receipts, then the system retrieves the AR Receipt method values existing for the operating unit.

8. Select the relevant value that indicates the Intended Use. Valid values are:
 1. Manufacturing
 2. Non Recoverable
 3. Non Manufacturing
 4. Recoverable
9. Select or enter the relevant Item Classification.
10. Enter the Start Date from when the document sequence becomes effective. It is the system date.
11. Enter the End Date when the document sequence ceases to exist.

Defining Claim Terms

You define the recovery claim terms here. This setup plays a vital role in the Recovery Management process, wherein any tax rate code is treated as a Recoverable tax, provided the relevant recovery claim terms are defined.

Define Claim Terms Field Reference

1. Navigate to the Define Claim Terms window using Oracle Financials for India > Recovery Management > Define Claim Terms.
2. Select the Tax Regime Code for which the recovery claim terms is defined.
3. Displays the Tax Regime Name.
4. Enter the Recovery Claim term name.
5. Enter the number of installments of the recovery claim.
6. Enter the installment number value.
7. Select the relevant applicable value for Claims Interval. Valid values are:

- Immediate
 - Next Financial Year
 - Next Month
 - Next Quarter
 - Specified Month
8. Select the Day of Claim. Valid values are:
 - First Day
 - Last Day
 - Other Day
 - Same Day
 9. Enter the Month of Claim in which you want to record the input tax credit.
 10. Enter the Day of Month on which to record the input tax credit. This option is enabled conditionally based on the values selected before.
 11. Enter the claim Percentage to be recorded.

Assignments Region

1. Select the relevant Tax Type code for which the claim terms assignment being done.
2. Select the relevant GST Registration Number.
3. Recovery Account is not in use at this time.
4. Select the Item classification code for which the claim terms assignment is being defined.
5. Select the relevant applicable value for which, the claim terms assignment is being defined.

The value specified plays a vital role in the recovery management, and the system validates the value of Intended Use entered during the transaction flow with this value for which claim terms are defined. The system processes recovery, if and only if the recovery claim terms are defined for the Organization-Location combination.

6. Select the relevant Organization Type. Valid values are:
 - Inventory Organization

- Operating Unit
7. Select the relevant Organization Name for which the claim terms is setup. The system retrieves all the Organizations where the active First party registration setup exists for the Regime code for which, the setup is done.
 8. Select the Location for which the Claim terms is setup. The system retrieves all the locations where the active First party registration setup exists for the combination of Organization, Regime code and Registration number.
 9. Enter the effective start date value from when the setup becomes active.
 10. Enter the effective end date value when the setups ceases to be active.

Defining Interface Tax Mapping

You setup tax mapping to be used here.

Interface Tax Mapping Field Reference

1. Enter or select the Operating Unit.
2. Enter or select the Taxable Event. Valid values are:
 1. External
 2. Standard
3. Check the Use EBS Tax Rate option.

Tax Code Mapping Region

1. Enter the Imported Tax Rate Name.
2. Enter the OFI Tax Rate Name.
3. Check the Inclusive Flag.

Setting Up Exemptions

You set up exemptions here.

Exemption Setup Field Reference

1. Enter or select the Operating Unit.

2. Enter or select the Tax Regime Code.
3. Enter or select the Registration Number. 4. Enter or select the Exemption Type.
4. Enter or select the Tracking number.
5. Enter or select the Inventory Organization.
6. Enter or select the Location associated to the organization.

Exemption Balance Tracking Region

1. Enter the Tracking Account.
 2. Displays the Tracking Balance.
 3. Enter the Entered Amount.
1. Enter or select the Tax Type.
 2. Enter the Start Date which is the system date when the exemption becomes effective.
 3. Enter the End Date when the exemption ceases to exist.

Defining Reporting Types

Reporting window lets you define the reporting tax type used for calculating tax on transactions. Any business would have the requirement of storing business specific details or attributes based on various business needs. For example, the Organization or the Supplier PAN#, other contact details need to be stored and this requirement can be mapped by using the Reporting feature of OFI. In addition, there can be a requirement of tracking the service type values of the suppliers, which can be mapped by using this feature

Reporting Field Reference

Reporting window lets you setup the following options:

1. Navigate to the Reporting window.
2. Enter the Reporting Type Code, such as Service Type. This is used in the future transaction flows. This value is mandatory.
3. Enter a description for the reporting type being used in the Reporting Type Name.
4. Select a valid Reporting Usage:

- Legal Reporting
- Reporting
- Tax Determination
- Transaction Attribute

Legal Reporting and Reporting Usage values: Select these options to use for mapping any business-specific reporting requirements. For example, for storing additional business and contact details of suppliers and vendors.

Tax Determination: Select this option to use tax-defaulting feature, which is used for determining the tax basis. For example, you can attach this to the third party registration and the tax rules based on which, the tax defaulting mechanism is defined.

Transaction Attribute: Select this option to store additional attribute values that can be attached to a supplier or a vendor, and the same details are carried forward during the future transaction flows.

5. Indicate which entity, item, or supplier the reporting code values are associated with in the Entity field. Based on the selected Reporting Usage value, Entity displays different values. Reporting and Legal Reporting selection, displays the following values:
 - First Party
 - Item
 - Regime
 - Tax Rate
 - Tax Type
 - Third Party

If the Tax Determination Reporting Usage is selected, then Entity has the following options:

- First Party
- Item
- Third Party

If the Transaction Attribute Reporting Usage is selected, then Entity defaults to the only option, Third Party.

6. Select the following valid Data Type values:
 - Alpha
 - Alpha Numeric
 - Date
 - Numeric
7. Select the User-Configurable option. You would be able to define the reporting type code based on your requirements. Once you define the reporting type code, you cannot modify it.
8. Specify the Start Date which is the system date from when the reporting type code is effective. This is a mandatory field.
9. Specify the End Date when the reporting code ceases to exist.

Reporting Code Details Region

1. Enter the reporting type code, based on your business requirement, in the Reporting Code field. This is a mandatory field. For example, service transactions, you can track and store the values such as service type.
2. Enter the description for the reporting code, that clearly defines the business requirement, in the Reporting Code Description. This is a mandatory field.
3. Specify the Start Date which is also the system date that indicates the reporting code is effective from that date. This is a mandatory field.
4. Specify the End Date when the reporting code ceases to exist.

Tax Deducted at Source

Tax Deducted at Source Setup

A withholding tax, also called a retention tax, is a government requirement for the payer of an item of income to withhold or deduct tax from the payment, and pay that tax to the government. Tax Deducted at Source (TDS) is a withholding tax which is a direct tax administered by the Central Board of Direct Taxes (CBDT) under Income Tax Department. Goods and Services Tax (GST), an indirect tax, is administered concurrently by the Federal and State Governments through Central Board of Indirect taxes (CBIC which was formerly known as Central Board of Excise and Customs - CBEC) and respective state commercial tax departments. GST being an indirect tax, does not impact TDS provisions and requirements. Provisions of the current Income tax for TDS and all procedural requirements including classification through sections, threshold computations, taxable events, tax accounting, tax settlement and tax reporting are not impacted with introduction of GST. The way in which TDS is configured has changed where you use the GST infrastructure to configure the TDS types of taxes through Regime to Rate flow.

This document provides details of the functional flow of Tax Deducted at Source (TDS) from GST infrastructure configuration perspective. Post GST, the TDS solution capability and functionality remain the same. The TDS setup and the way it is configured has changed.

Setups for Withholding Tax (TDS)

Following are the required setups for Withholding Tax:

Define Tax Authority

The TDS standard Invoice is generated against the supplier defined here. The liability arising from the Income Tax Deducted at Source, while making Supplier payments are accounted against an Income Tax Authority. Create a Supplier and assign the Site for

this Authority. Additionally, in the Type field on the Classification tab, choose Tax Authority-IND. On doing this, when defining a Tax Deduction at Source Tax Type, the Supplier Name is listed in the Vendor field list of values on the Tax Definition window.

You define the Tax Authority using (N) India Local Payables > Oracle Payables > Suppliers > Entry.

Define TDS Tax Calendar

Define a special accounting period as TDS financial Year in the standard AP Periods Definition window. This period start from 1-Apr and ends on 31-Mar of next year as the Year type. After defining the TDS period, assign it to the TDS regime as TDS financial Year.

You define the TDS financial year using, (N) India Local Payables > Oracle Payables > Setup > Calendar > Accounting > Periods. Specify the Calendar as, TDS_CALENDER, Period Type as Year, and start and end date must be a financial year (Apr- Mar).

Define Regime Registration

Define the respective Tax Regime used. This Regime name entered is a user-configurable field and you can enter a value for the Regime Name.

Regime is used define rules applicable to all taxes assigned to it. You need to complete this setup step before you move ahead with other setups.

Setups made for a regime are applicable to all transactions created for the organizations assigned to it. Information defined here is generic unless you assign different properties at the organization level.

1. Navigate to the Define Regime window by using (N) Oracle Financials for India > Tax Configuration > Define Regime.
2. Enter or select the Regime Code and Regime Name for Tax Deducted At Source.
3. Choose Regime type as Withholding Tax. Regime Type of Transaction Tax will be used for Indirect Taxes (GST Taxes).
4. Choose Tax Calendar which was defined.
5. Choose the Tax Authority which was defined.
6. Define Rounding Rules.

Define Tax Type

Define the respective Tax Type.

1. Navigate to Define Tax Type window using (N) Oracle Financials for India > Tax

Configuration > Define Tax Type.

2. Choose the Regime code which was defined.
3. In Details Tab Select the checkbox Withholding Tax applicable.
4. In the Accounting tab, select a Ledger and Operating Unit.
5. Specify the Liability Account and Rounding Account Details.

Define Tax Rate

Define the rate of tax which is calculated on the transaction. As per requirement, if the tax is Recoverable or inclusive in nature.

1. Navigate to the Define Tax Rate window by using (N) Oracle Financials for India > Tax Configuration > Define Tax Rate.
2. Select the Operating Unit.
3. Choose the Regime which was defined earlier.
4. Choose tax type code which was defined earlier.
5. Enter the Rate Details.
6. Accounting information defaults from the Tax Type. You can modify the accounting information at the Tax rate level for Withholding.

Define Tax Category

Define Tax category that has to be used or defaulted while creating the transactions.

1. Navigate to the Define Tax Category window by using (N) Oracle Financials for India > Tax Configuration > Define Tax Category.
2. Select the Operating Unit.
3. Enter the Tax category Name.
4. Enter the Start Date.
5. Choose the Tax Rate that has been defined.
6. Specify the precedence.

Define Common Configuration

1. Navigate to the Define Common Configuration window by using (N) Oracle Financials for India > Tax Configuration > Define Common Configuration.
2. Select the Operating Unit.
3. In the withholdings Tab:
 - Provide tax category that has to be defaulted when Registration number is not available.
 - Check the options, if the TDS invoice generated should be validated and approved accordingly.
4. Select one of the options:
 - Create Pre-Validated TDS Invoice and Credit Memo
If this option is selected, the system invokes Approval of TDS invoice concurrent program and validates created TDS invoices.
 - Create Pre-Approved TDS Invoice and Credit Memo
If this option is enabled, the system creates TDS invoices with approve status, NOT REQUIRED.

Define First Party Registration

Provide the tan number and Pan number of the Organization in the first party Registration.

1. Navigate to the Define First Party Registration window by using (N) Oracle Financials for India > Party Registration > Define First Party Registration.
2. Choose Regime Type as Withholding Tax.
3. Select the Organization as the Operating Unit.
4. Select the operating unit's name.
5. Click New in the Registration tab.
6. Choose the Regime code.
7. Select Primary Registration Name from the list of values, ECC Number, PAN Number, TAN Number, TIN Number, GST Number.

8. Enter the value in Primary Registration Number.
9. Enter the Secondary Registration Name, PAN Number.
10. Enter the value in Secondary Registration Number.
11. Enter the Tax Authority and Tax Authority Site.

Define Third Party Registration

Define third party registration for the Suppliers for which the tax deducted at source has to be deducted. Third party registration has to be done for the null site first and then for the site level at the operating unit.

1. Navigate to Define Third Party Registration window using (N) Oracle Financials for India > Party Registrations > Define Third Party Registration.
2. Define Third Party Registration for Null Site. Do not select Operating Unit.
3. Select Party Type as Supplier.
4. Select the Party Name.
5. Click New.
6. In the Registration tab, select the Regime Code.
7. Enter the PAN number as Primary Registration Number.
8. Select the default Section Code that is defaulted at the transaction.
9. Vendor classification is added in the Reporting Codes tab. Choose Reporting Type Name as the Vendor Type and choose the appropriate value in the Reporting code.

Define Third Party Registration at the Site Level.

1. Select the Operating Unit.
2. Select the Party Type as Supplier.
3. Select the Party Name and Party Site.
4. Select New.
5. Select the Regime Code.
6. PAN Number value is defaulted from the Null site level.

7. Select the Section code to be default.
8. At the Reporting Codes tab, classify the Vendor Type.

Define Threshold Setup

Define the threshold setup for the section code, Regime type and the vendor Type combination. Select Exception setup if the vendor has a tax deducted at source certificate. If the Exception setup has been selected, then assign vendors tab is enabled to define the vendor name, certificate number, start date and end date. Define the Operating Unit and Tax Category Name that has to be defaulted for the applicable section code.

1. Navigate to the Define Tax Category window by using (N) Oracle Financials for India > Withholding Tax Setup > Define Withholding Thresholds.
2. Select the Regime, Vendor Type and Section code.
3. Click New.
4. Select Threshold Type, From and To Amount range, Start and End date.
5. In Taxes section, select the operating unit and the Tax Category that is to default for the threshold Limit.

Applying TDS on Manual Invoice

TDS section code on the invoice is default based on the Defaulting rules setup at the third party registration. Tax category is defaulted based on the setup done for an operating unit and the section code at the threshold setup.

Follow these steps to apply TDS on manual invoices:

1. Create an Manual Invoice with Item Line.
2. Populate the account information for distributions.
3. Save Distributions.
4. Navigate to the TDS Tax Details window using, Invoice header > Click on Tools > TDS Tax details.
5. Check whether the TDS tax category and section code has been defaulted as per the setup done.
6. Check the Overridden option, if the tax category or the section has been overridden or manually applied.

7. Save the data.
8. Validate the Invoice.
9. Verify whether the concurrent programs has been triggered and completed Normally:
 1. India TDS Processing (India - TDS Processing Concurrent)
 2. Import TDS invoices - invoice validate (Payables Open Interface Import)
 3. Approval of TDS Invoices (India - TDS Approval)
10. Requery the Invoice by Appending % to the Invoice number to verify the standard TDS Invoice against Tax authority and Credit memo against Supplier has been generated or not

Applying TDS on Prepayment Invoice

Follow these steps for applying TDS on a prepayment invoice:

1. Create a Prepayment Invoice.
2. Save Invoice distributions.
3. Apply TDS taxes.
4. Navigate to TDS Tax Details window using Tools > TDS Tax Details.
5. Click on Override option when the tax has been applied manually.
6. Validate the Invoice Check whether the TDS invoice has been generated.
7. Make payment for the prepayment Invoice.
8. Query the invoice on which the prepayment has to be applied.
9. Check whether the same section code has been applied to the invoice as of that prepayment.
10. Apply Prepayment Invoice on to invoice
11. Revalidate the Invoice and verify whether the RTN Invoice has been generated.

Tax Collected at Source

Tax Collected at Source Setup

Define TCS Regime

Use Regime to define rules applicable to all taxes assigned to it. You must complete this setup step before you move ahead with other setups.

Setups made for a regime are applicable to all transactions created for the organizations assigned to it. Information defined here is generic unless you assign different properties at the organization level.

1. Navigate to Regime Registration window using Oracle Financials for India > Tax Configuration > Define Regime.
2. Enter or select from the list of values, Tax Collected At Source, regime.
3. Enter the description of the regime.

Registration Tab

Captures the registration details of the regime. These registration details are used in the reports that are generated. Enter the registration details in the registration value column by picking up the appropriate registration type and name. You can capture as many registration details as required.

1. Indicate the Sequence number of the registration types to capture. This may not be serially numbered. You cannot use duplicate sequences.
2. Select appropriate Registration Type from Primary Registration Number, Secondary Registration Number, and others.
3. Select appropriate Registration Name from TAN No, AR Receipt Class, Batch Source Debit Memo, Batch Source Credit Memo.

4. Enter the actual Registration value.

These registration details are applicable at the regime level and default on all the organizations that are assigned to the regime. You can change the default values at the organization level.

To implement SHE Cess Solution, Regime Registrations for GST and Tax Collected at Source needs to be updated with the SHE Cess Tax Type Accounts. To update TCS Regime, access Regime Registration window from Oracle Financials for India > Tax Configuration > Regime Registrations.

Note: It is advisable to use different Accounts for TCS SH Education Cess Tax Type - Interim Liability Account and Liability account.

Organizations must register with various Tax Collected at Source Authorities. This registration is the basis for all settling tax liability and tax repository updates. You setup TCS registration details using the TCS Regime. If the TCS Registration varies by organization, then you can change the default values at the organization level.

To create TCS Registration Details, access Regime Registration window from Oracle Financials for India > Tax Configuration > Regime Registrations > Registrations.

- TCS tracking or reporting for Organization is based on the TAN Number defined. It is mandatory to define the correct TAN number for the organization. You must not change the TAN Number.
- For entry of Advance Receipts, Receipt Class entry is required. The Zoom feature is enabled only for the Receipt Class entered in Regime Registration.
- Batch Source for Debit Memo and Credit Memo are required to enable system to generate Debit or Credit memos for TCS Transactions. Debit notes are generated whenever you save an Advance receipt while Credit notes are generated when this advance receipt is applied to an Invoice transaction, and the TCS. Localization inserts data in AR interface tables based on the values setup here. In Receivables, you must run the Autoinvoice import program to get the actual Debit/Credit Memos for TCS.

Assign Tax Types

TCS Tax Types are assigned to TCS regimes. All transactions with taxes of these Tax Types assigned are considered for TCS Repository updates. The following three Tax Types have been seeded and can be used for TCS Tax:

- Tax Collected at Source

- TCS Cess
- TCS Surcharge

You cannot add additional Tax types for Tax definition and need to use only the seeded Tax types. You can assign TCS Tax Types to TCS Regime. Transactions for the Tax Types that are assigned to the regime are considered for TCS related processing and settlement. For each Tax Type, you specify GL Accounts. You can change these accounts for each organization.

To assign TCS Tax Types, access Regime Registration window from Oracle Financials for India > Tax Configuration > Define Tax Type.

Assigning Tax Accounts

For each Tax Type, you specify GL Accounts and also have a separate GL Account for each organization.

To assign GL Accounts for Tax Types:

1. Navigate to Regime Registration window from Oracle Financials for India > Tax Configuration > Define Tax Type > Tax Account Details.

Regime Registration Details Region

Tax Type Tab

1. Select or enter the Sequence number of the tax types to capture.
2. Associate all three Tax Types - Tax Collected at Source, TCS Cess and TCS Surcharge.
3. Enter the Description of the Tax Type.
4. The Parent Tax Type is not applicable for Tax collected at source.
5. % of Parent is not applicable for Tax collected at source.

Tax Accounting Details Region

Enter or select the Accounts that are used for accounting of Tax Collected at Source.

1. Displays the Sequence number of the Account to capture.
Choose from Interim Liability Account and Liability Account.

Note: Refer Accounting section for detailed discussion on the accounts.

2. Select accounting flex fields for each of the account in the Accounting Value field.

Apart from the final Liability Account, you must define one interim account to store the TCS that is not accrued. For example, Shipment is made but Invoice not raised would result in balance in Interim account. Defining separate accounts for each tax type and specific to each Organization in General Ledger helps in better tracking of TCS accounting.

Assign Organizations and Locations

Regime must be assigned to all organizations it applies to. Taxes defined under this regime default only for transactions created for those organizations.

As TCS is applicable on sale of specified goods, Inventory organizations and locations are considered for TCS setup. Assign Inventory organizations and locations to the TCS Regime. If the Registration details and the Tax Account details vary by organization, you can change the default values.

1. Navigate to Regime Organization Registration window from Oracle Financials for India > Tax Configuration > Regime Registrations > Organizations to assign organization and location.
2. Displays and defaults from the value specified in the Regime Registration window.
3. Displays and defaults from Description as specified in the Regime Registration window.

Organization Details Region

1. Select the Organization Type. For TCS, only Inventory Organization is applicable.
2. Enter the Name of the Inventory organization that has to be associated to this regime.

Registrations Tab

Registration Details Region

1. Registration Type defaults from the Regime Registrations window.
2. Registration Name defaults from Regime Registrations window
3. Registration Value defaults from the Regime Registrations window. You can edit this field.
4. Check Defaults to default registration value at the regime level are retained. When registration value is modified, it is unchecked.

Define Organization Registrations

Organizations having their operations spanning across different states would register

under each state. In such cases, you can define TCS Registration number for each Inventory Organization and Location combination. To assign organization and location's details, navigate to the Regime Organization Registration window from Oracle Financials for India > Tax Configuration > Define Regime > Registrations > Organizations.

Defining Organization Tax Accounts

You can have different GL code combinations for each of the Organization and Location. To enable this, you must assign Tax Accounts for Organization and Locations. Unless, different accounts are setup for each organization and location combination, the Accounts specified at Regime Registration level are used for all organizations.

1. Navigate to Regime Organization Registration window from Oracle Financials for India > Tax Configuration > Define Regime > Registrations > Organizations, to create GL Accounts by Organization and location.

Tax Types Tab

Tax Details Region

1. Tax Type defaults the value defined in the Regime Registrations window.
2. Description defaults the value defined in the Regime Registrations window.

Account Details Region

1. Account Name defaults the value defined in the Regime Registrations window.
2. Account Value defaults the value defined in the Regime Registrations window. Select accounting flexfields for each account specific to the organization.
3. Check the Defaults option o default registration value at the regime level are retained. When registration value is modified, it is unchecked.

Defining Item Classification

Under TCS Regime, items have to be classified into following categories:

- Alcoholic liquor for human consumption
- Timber obtained under a forest lease
- Timber obtained under any mode other than forest lease
- Any other forest product not being timber or tendu leave
- Scrap

- Parking Lot
- Toll Plaza
- Mining and Quarrying
- Tendu leaves

You must classify the items under the above categories, which would be required for proper reporting. You can setup templates with possible Item classifications. Multiple items can be assigned to templates at a time. This feature enhances usability and minimizes time required to complete this setup.

To define Item Classifications, navigate to Oracle Financials for India > Tax Configuration > Items Definition > Define Item Classification.

Note: If item classification is not carried out for an item, when you book a sales order or when you try to complete a Receivables Invoice with TCS Taxes, you get the error:cannot find item classification for TCS regime and LocFGIN item of 2832 Organization ID.

- You cannot enter a TCS AR Invoice without using items, that is, using description or memo line. In such cases, item classification is not possible.
- Item classification is mandatory to meet the reporting requirements of TCS regime and hence the above restriction to use an item that is properly classified.

Define TCS Tax Authority

In the base application, classify the supplier as India TCS Tax authority and register the supplier in Oracle Financials for India.

Define Tax Codes

Define Tax code for tracking TCS Taxes. You identify a TCS tax by defining a Tax code using the following Tax types:

- Tax Collected at Source
- TCS Cess
- TCS Surcharge

To define a Tax code, access Tax code definition window from Oracle Financials for India > Tax Configuration > Tax Type.

Note: You need to define a different Tax Code each for TCS Cess and TCS Surcharge Cess. TCS Cess should not be used for TCS Surcharge Cess even though the Tax percentage is the same. This is essential because a single transaction cannot have the same tax ID multiple times.

To carry out a transaction classified as TCS exempted transaction, you must define a tax code with zero Tax Percent and the Original Tax Percent that would have been normally charged. Similarly, to carry out a transaction classified as Concessional TCS transaction, you must define a tax code with reduced Tax Percentage that needs to be charged and the Original Tax Percent that would have been normally charged, if such transaction did not attract a concessional TCS rate.

Defining Tax Categories

Tax category should be defined for defaulting Taxes. You can create multiple Tax Categories with TCS Taxes to ensure that defaulting or selecting right Tax category results in correct TCS taxes with Surcharge and Cess. Apart from above, you need to create two additional separate Tax categories:

- Tax Category with only tax type of Tax Collected at Source and TCS Cess to attach to receipts to deduct TCS on Advance Receipts.
- Tax Category with only tax type of TCS Surcharge and TCS Cess to be attached.

To define a Tax category, access Tax category definition window from Oracle Financials for India > Tax Configuration > Tax Categories.

Note: If the Tax category has other type of taxes, then the same would not appear in list of values of the TCS.

Defining Item Categories

Item category should be defined to default TCS taxes based on the selected Customer and Site combination. You can create Item Category to ensure the right Tax Categories with TCS Taxes is attached to corresponding items to ensure that defaulting and selecting right Tax Category results in correct TCS taxes with Surcharge and Cess. To define an Item category, navigate to the Item category definition window from Oracle Financials for India > Item Definition > Define Item Categories.

Define Threshold

You must define TCS Thresholds to ensure the system automatically tracks cumulative sales above a specific limit (current limit is 10 Lakhs) and starts charging Surcharge for sales when such Threshold is crossed. To perform Threshold Setup, navigate to the

Thresholds setup window from Oracle Financials for India > Withholding Tax Setup > Vendor Threshold Grouping.

Defining Customer Registrations

Tax Identification or Permanent Account Numbers (PAN number) is allotted to eligible organizations. You must capture these details through the Customer Additional Information, *Oracle Financials for India User Guide*. To enter TCS Registration number for a Customer, access Customer Tax Information India Local window from India Local Receivables > Customers > Additional Information.

Miscellaneous Setups

Miscellaneous Setups

Define Customs Authority

The Duty advance paid to the Customs Authority has to be booked against a Customs Authority, through a Bill of Entry. Before you create a Bill of Entry Transaction, you should have defined a Customs Authority. You would create a Supplier and Site for this Authority. Additionally, in the Type field on the Classification tab, choose Custom Authorities-IND. On doing this, when defining a Bill of Entry transaction, the Supplier Name is listed in the Customs Authority field list of values on the Bill of Entry India Localization window.

Define BOE Agent

It would be a prerequisite to define a BOE Agent before you do a Bill of Entry transaction. Navigate to the Payables Setup and define the Clearing and Forwarding agent information. The Agent Codes would appear in the list of values for Agent Code on the Bill of Entry window.

Supplier Additional Information

The existing window has been modified to capture Additional TDS Information.

- You capture TDS Vendor Type value for the vendor at the NULL Site Level.
- Enter PAN for the Vendor for TDS Details.
- Confirm PAN by checking the Confirm Pan option. Once selected, the record is saved. You cannot modify the PAN for the Vendor.
- Enter default TDS Section Code value in the Default TDS Section field. The Tax

Name value can be given only for the Site Level record. Even though the Tax Name is attached, the system does not generate any TDS until the first TDS Threshold slab is crossed. At any point of time, total TDS deducted would be as per the TDS Threshold setup slab amounts.

- Based on the TDS Threshold setup, Section Type, Section Code and Threshold Setup Name are defaulted. Indicate if this is an exception setup or not.

Steps to be followed in defining Additional Vendor Information:

- Open the Additional Vendor Information window.
- Select the value of the Vendor from the List Of Values. Don't select any value for the field 'Site'.
- Save the record.
- Click the TDS Details option.
- Select the value for the field TDS Vendor Type.
- Enter the value for the field PAN No. This should be a 10 digit valid alphanumeric value. Enough care should be taken while entering this value, as you cannot update this value once it is saved.
- The fields TAN No, Ward No and Create Pre-Approved TDS Invoice Credit Memo are optional fields. Before saving the record, you must enable the check box Confirm Pan and then save the record.
- Once the Null Site record is saved, requery the record and select the value for the field Default TDS Section and save the record. Observe that the TDS Thresholds setup details are getting queried in the Vendor Additional Information screen at the Null Site level.
- For creating a Site level record, select the site value from the list of values of the Site field. Save the record. Then, click TDS Details and save all the values defaulted from the NULL Site record.
- Once the Site Level record is saved, requery the record and then attach the values for the fields Default TDS Section and Tax Name.

Importance of PAN

TDS Threshold is maintained by Vendor PAN. Therefore, entering and confirming PAN is mandatory. Ensure that you enter the correct value for this field.

Importance of TDS Vendor Type

TDS Thresholds are for a combination of TDS Section Code and Vendor Type. Vendor Type seeded as part of this solution are:

- Company-IND
- Individual-IND
- Other Persons-IND
- Hindu Undivided Family-IND

You can create more TDS Vendor Types in the TDS_VENDOR_TYPE purchasing lookup and create more TDS Threshold based on the new TDS Vendor Types.

1. Navigate to Suppliers - Additional Information window, using India Local Payables - India Localization - Suppliers - Additional Information.
2. Displays Name of the Vendor defaulted from the Supplier Additional Information window.
3. Displays Vendor Number defaulted from the Supplier Additional Information window.
4. Displays Vendor Site name defaulted from Supplier Additional Information window
5. Displays Vendor Type defaulted from the Supplier Additional Information window. This is not applicable for the TDS Functionality.

Invoice Approval Region

1. Select the, Create Pre-Approved TDS Invoice Credit Memo, to generate pre-validated TDS Invoices and Credit Memos.

TDS Information Region

1. Enter or select the TDS Vendor Type.
2. Enter or select the PAN Number of the Vendor.
3. Enter or select the TAN Number of the Vendor.
4. Enter or select the Ward Number of the Vendor.
5. Check the Confirm PAN of the Vendor.

TDS Details Region

Default TDS Region

1. Select a default Tax Name as the code . You can select the value for the Vendor Site level record. Even though the Tax Name is attached here, system will not generate any TDS until the first TDS Threshold slab is crossed. At any point of time, total

TDS deducted would be as per the TDS Threshold setup slab amounts.

If you wish to deduct the TDS based on the TDS Thresholds setup, then do not attach any TDS Tax Code value. The value of the TDS Tax Code is picked up from the TDS Thresholds setup for a specific Operating Unit.

2. Displays the Section Type under which Threshold setup has been made.
3. Displays the Section Code under which Threshold setup has been made.
4. Displays the Threshold Setup Name that has been setup for the selected vendor.
5. Indicates whether this Threshold is an Exception setup or not.
 - There can be scenarios, wherein the Suppliers have applied for PAN, but are yet to get the PAN Number value. In those cases, user has got the option to change the value of PAN Number for the suppliers. User has to follow the steps mentioned below:
 - Run the concurrent program 'India - Pan number Update'.

The Concurrent program takes the values for the following parameters:

Parameters:

1. Enter or select the Vendor Name for which, the user wants to modify the value of PAN Number.
2. Enter or select the value of Old PAN Number.
3. Enter the value of New PAN Number. Debug: Takes the values Yes/No. This should be used for any debugging purposes. Expected TDS behavior.

The following is the behavior of TDS in different scenarios.

1. Invoice created that does not reach the Threshold (Single/Cumulative). No TDS Invoice is generated.
2. Invoice created that reaches Single Invoice Threshold. TDS is deducted based on the Tax Code applicable for Single Invoice Threshold.
3. Invoice created that reaches Cumulative Invoice Threshold. TDS is deducted based on the Tax Code applicable for Cumulative Invoice Threshold. Adjustment Invoice is generated based on tax already deducted, if any.
4. Create Invoice with 2 distribution lines and for each line, TDS Tax belonging to a different section is attached. System generates the TDS Invoices, based on the Threshold setups of that particular Section and Vendor Type.

5. Standard Invoice is created. In the Invoice Distributions GDF, TDS/WCT/ESI taxes are attached in all the segments (3 segments). System generates 3 TDS Invoices on validation of Standard Invoice for each of the segment.
6. Standard Invoice having TDS/WCT/ESI Invoice is cancelled. TDS/WCT/ESI Invoice is cancelled.
7. Standard Invoice with one negative distribution line and one Positive Distribution line, and the same TDS Tax is attached to both the distributions. System generates the TDS Invoice for both the lines.
8. Create a Standard Invoice in foreign currency and validate the same. System generates the TDS Invoice and Credit Memo in functional currency.
9. TDS calculation based on Type of Vendor - Surcharge applicable to Vendor Type above Threshold Limit. When Threshold Limit for surcharge is reached, Tax Code that includes the Surcharge applies to all the Invoices generated during the year.
10. TDS Threshold calculations by manually updating the Total Threshold Invoice amounts in the Manual Thresholds window.
11. A PO matched Invoice for 2 item lines. System generates the TDS Invoices based on the current Thresholds.
12. A Receipt matched Invoice for 2 item lines. System generates the TDS Invoices based on the current Thresholds.
13. Creation and validation of a prepayment Invoice. System generates TDS Invoices based on the current Thresholds.
14. Application of Prepayment Invoice to a Never Validated Standard Invoice. The Standard Invoice is validated after prepayment application and if any TDS tax code is applicable to the standard invoice and if the corresponding prepayment invoice (which is applied on the standard invoice) is already having any TDS generated.

System generates TDS invoice for Vendor and CM for the TDS Authority for the TDS tax code attached to the standard Invoice and also an RTN invoice for the vendor and CM for the TDS Authority is generated by the system in lieu of the TDS generated for the Prepayment Invoices. Adjustment and reversal entries are generated by the system for the TDS deducted on Prepayment.
15. Unapply the prepayment invoice on the standard invoice. When prepayment invoice is applied to a NEVER VALIDATED standard Invoice.

Reversal of the above point (point no. 14).
16. Apply the Prepayment invoice having the TDS invoice to the Validated standard invoice having the TDS Invoice. System generates RTN invoice for Vendor and CM

for the TDS Authority.

17. Unapplication of prepayment of invoice on to a VALIDATED Standard Invoice. System generates a RETURN Invoice for the TDS Authority and Credit Memo for the Vendor.

Note: Works Contract Tax (WCT) and Employee State Insurance (ESI) deductions are implemented only as a work-around. There is no support for any reporting for these taxes.

Defining Customer Additional Information

1. Navigate to the Enter Transaction India Localization window from India Local Order Management > Customers > Additional Information or from India Local Order Management > Customers > Additional Information.
2. Enter or select the Operating Unit for the Customer Additional Information.
3. Select the Customer Name and Site from the list of values for which the Additional Information regarding tax is defined. The Customer Number defaults and the Customer Site is selected from list of values. The Customer Additional Information is defined for a location also and this is treated as location NULL.

Note: Additional Customer Information is recorded in the system when you save the Customer Information.

4. Select the Exempt option if the Customer is exempted from GST.

GST Tab

State Tax Region

Information regarding Sales Tax like CST No and LST No which are relevant to identify the Sales Tax information for a Customer for a Location.

1. Specify the GST Registration Number applicable to the Customer, Customer Site.
2. Select from the list of Price Lists for Assessable Value. The price specified in the list here would replace the Line Amount while calculating GST Taxes.

GST Region

1. Select or enter the Customer GST Registration Number.

Income Tax Region

Information regarding Income Tax like PAN No and TAN No which are relevant to

identify the Income Tax information for a Customer for a Location.

1. Select or enter the Item Category List from the list of values. The selection of the Item Category List will affect the default status of the taxes defined within the Tax Categories associated to the Items within this Item Category list. This is an optional field.
2. There are cases where the price charged for the transaction is not the sole consideration and the Customer relationships will have an impact on the sale consideration. Section 4 of the Central GST Act, specifies that if there is any other consideration built up in the price, GST Duty needs to be worked out on the normal transaction value of the goods.

There are cases, where GST Duty or GST Tax must be calculated on a different price. This requirement is addressed through the functionality of Assessable Value. You can create a simple Price List (Without use of pricing Attributes that are available in Advanced Pricing Module) as the Assessable Value/Transaction value Price List and the same can be attached to any Customer/Customer Sites.

While performing a transaction for a Customer and or Customer Site, first system checks whether any Assessable Value list is attached for the Customer for the Item or Item Category under transaction. If there is any Assessable Value attached to the Customer for the Item or Item Category, the GST Duty is calculated on the Assessable Price List and not based on the line price.

If no Assessable Value is defined for a Customer, Item, or Item Category, GST Duty is calculated on the line price amount.

When Customer relationships have been defined, the List of addresses will show LOV of related Customers also. However, the LOV will not show all values based on Profile setup for Customer relationship.

- Whenever the price charged is not the sole consideration and a different price needs to be considered for calculating GST Duty, you must attach the price as Assessable Value. The price that needs to be considered for calculating GST Duty / GST needs to be defined in the Price List.
- All the columns have been not described. Do we need to describe for all the values. If yes we can pick and paste it from AR.

Tax Defaults and Preferences Setup for Project Billing

The Tax Details window lets you set up tax defaults and preferences for Project Billing.

1. Navigate to the Tax Defaults window using the India Local Project Billing>Setup>India Local Tax Setup window.

The Tax Default window has two tabs:

- **Contexts tab:** Use this to define the tax categories to be used for each of the context names: Event Type, Project, Expenditure Type, and Customer/Site.
- **Preferences tab:** Use this to define the tax defaulting hierarchy preference for the Distribution Rule and Context Name.

Context Tab

1. Enter or select a context name.
2. Define the tax Category.

If this is selected, then tax category is assigned to all the context values in the lines section where the tax category is empty. This does not override the current tax categories for any of the context values.

If this is selected, then Tax Category is assigned to all the context values in the lines section. This overrides the current tax categories for any of the context values.

3. Select or enter the appropriate context name for which you want to assign a tax category.
4. The list contains values based on the context name selected. For example, if the Event Type context name is selected, then all the event types as per Oracle Project Billing setup will be displayed here.
Select the appropriate Context Value for which you want to assign a tax category.
5. The list contains customer site for the customer selected as the Context Value. This list is available only if the context name is Customer or Site.
6. The list contains the tax categories defined. Select the appropriate tax category you wish to use as the default tax category for the selected context value.

Preferences Tab

1. Displays the distribution rules as per the Project Billing setup.
2. You will define the preference number for each of the context name. This preference number will determine the hierarchy of tax defaulting to be used.
3. You can enter any unique number for a combination of Distribution Rule and Context Name. This preference number will determine the tax defaulting hierarchy.

Frequently Asked Questions

Goods and Services Tax

How does a customer configure EBS for addressing India GST compliance requirements?

Oracle has enhanced the E-Business Suite India localizations (Oracle Financials for India), that enables you to map India Goods and Services Tax (GST) requirements through flexible user configuration. With the new flexible user-configuration approach, you can configure the GST regime, different tax types proposed under the new GST regime, applicable tax rates, define and default applicable taxes to specified transactions and account the tax liability and input tax credit.

How do you plan to implement the changes in software in the existing clients?

Customers must configure their GST and other transaction tax requirements using the new India Localization GST solution. Using the new GST solution, customers can configure their GST requirements. GST brings in significant process changes to the compliance requirements and the flexibility provided by the new software solution that enable customers to configure their GST requirements.

Would separate license be required to be purchased to apply GST patch?

No, as a product legislative update, the GST patch works for all Oracle E-Business Suite versions that are on premier or extended support as of the date of the release of patch (for example, 12.1.x and 12.2.x). GST feature is not available for any release versions that are in sustaining support (for example, 11.5.10).

What is the minimum version of Oracle EBS that will be supported by the patch?

The India GST patch is available for Oracle E-Business Suite application release version 12.1.1 onwards. India GST is a product legislative update patch made available per the Oracle support policy for release versions in Premier or Extended support.

What are the key changes in functionality delivered by this patch?

There are major functional and design changes for the GST solution. Some of that

includes:

- unified regime to rate flow for every tax type with user-configurable tax types
- date effective tax computation logic, user-configurable taxable events
- tax defaulting logic based on user-configurable rules
- major process changes for input tax credit management
- and unified tax repositories

Would there be any changes in India localization functionality other than indirect tax (for example, TDS, TCS, BOE, outside processing transactions, and so on)?

No functionality changes on TDS and TCS except the way in which TDS and TCS taxes are defined or configured. Bill of Entry (BOE) design has minor changes. Outside Processing solution supports calculation of GST on the value addition and availing input tax credit on GST.

Will all tax reporting requirements be met through GST patch or will new custom reports need to be developed?

The E-Business Suite GST patch makes the reporting data through unified repositories and extracts. The electronic transmission of returns to the GSTN portal must be routed through appointed GSPs (GST Suvidha Provider).

What would be the impact on current master data and tax register balances data?

You need to configure the master data like the First party registration, Third party registration, Item classification, service classification in the new patch. The GSTN fetches the closing balance of input tax credit from the last returns filed under the existing tax regime and carries forward as an opening balance under the GST regime.

Can I configure the India GST solution if I did not previously implement India localizations?

Yes. There is no requirement that India Localizations must be implemented first before configuring the GST solution. The final patch for India GST replaces all previous India localization functionality. To use the final patch for India GST, you must configure the GST solution as per the requirements and complete all mandatory setups including configuring GST, GST, existing transaction taxes that are not going to get subsumed by GST for specific industries.

Is it mandatory to use the E-Business Suite GST patch?

Yes. With the transition to India GST, use of the E-Business Suite GST legislative update patch is mandatory for enabling compliance with India localization requirements. The current India localization solutions will be de-supported once the transition to GST regime is complete. Support for India localization is available only for the new solution. To get continued support, it is mandatory for customers to upgrade to the India GST patch.

How is the management of co-existence of different tax regimes handled as GST is not applicable in the case of some of the exempted goods (for example, petroleum products).

You can configure this requirement by using the new GST solution. For example, two different regimes can be created and these regimes can be used for transactions.

Is there going to be anything available in Oracle patch to capture GSTN number for Customer or Dealer and Vendor master and HSN/SAC number for item master?

The GST registration number of the organization, supplier and customer need to be captured using the Oracle Financials for India First party and Third party registrations. The GST solution support captures the registration details of all the parties involved in the supply of goods or services.

Is any utility going to be provided to update the Customer or Dealer, Vendor, or item masters?

No. There are no utilities to upload the master data information. You are expected to update the master data for the GST regime manually or build custom utilities for mass data upload.

There is a specific window for capturing the GST registration information for the organization, customers, suppliers, and item or service classification.

Is there going to be anything in the Oracle India GST patch for computing and accounting GST on stock-transfers happening using the sub-inventory?

Yes. IRISO transactions across operating units are supported.

Will the India localization around GRN be maintained as it is, or will it change? Will multiple tax lines for the item (for SGST, CGST and IGST) be allowed on the GRN?

There are many changes to the existing solution. Receipt and tax recovery related features are completely re-engineered to enable compliance to the GST requirements and for better computation. Multiple taxes are allowed.

How will the AP ERS invoices deal with multiple tax lines for an item (for example, SGST and CGST)?

Taxes confirmed on receipt are imported to Accounts Payable.

Is Oracle patch going to come up with new tax codes for GST?

Yes. The GST solution provides complete flexibility to configure the regime to rate flows. The set up procedures are very different in the new GST solution.

Is the GST patch covering the functionality for TDS of Indirect taxes?

Specifications on requirements for TDS under GST are not yet available. Any important requirements related to TDS for GST will be considered once the final specifications are available.

How will the IGST on imports be handled in the patch?

The BOE functionality supports computation of IGST on imports and the application of

customs type of taxes and IGST paid on import.

Is Oracle building an out of the box interface to send data to the government website?

No, the interface for electronic submission to GSTN and from GSTN back to company systems will be done through intermediaries call GSPs. GSTN is in the process of finalizing work with GSPs and we expect additional information on selected or approved GSPs to be available soon.

Oracle Purchasing

Following are the frequently asked questions in Purchasing area.

Purchase Orders

1. How do I use Supplier Merge effectively?

- a. Setup Supplier Additional Information window for the new Supplier before running Supplier merge report.
- b. After completing the setup Run Supplier Merge

If you do not do the above, Supplier Merge Report ends with an Error.

2. Which Purchasing tables are updated in the course of Purchase transaction created with Taxes?

Data will be stored in jai_tax_det_factors and jai_tax_lines which is common across all entities

For PO

- ENTITY_CODE -PURCHASE_ORDER
- Application id -->201
- TRX_ID --po_header_id
- trx_line_id -->po_line_id
- trx_loc_line_id --> po_line_location_id

For Reciepts

- ENTITY_CODE -PURCHASE_ORDER
- Application id -->201
- TRX_ID --shipment_header_id
- trx_line_id -->shipment_line_id

- `trx_loc_line_id` --> `transaction_id`

To check accounting entries.

Data will be populated in `jai_tax_journal_entries` and `gl_interface`

where `det_factor_id` --> `gl_interface.reference23`

`tax_line_id` --> `gl_interface.reference24` material transaction is not changed and it is as is as before

3. How do taxes default on a Purchase Orders?

India Localization Tax Configuration follows 3-way defaulting methodology for Tax Defaulting. This feature automates defaulting of Taxes that would be applicable to the Transactions. Below are the actual setups required to default the taxes:

1. Based on Common Configuration the system considers Rule Basis or Item Category Basis. If it is an item category basis we will check whether there is any active Item category and we will default if we find one.
 1. a. First level considers the Item Category list attached to the Supplier and Site.
 2. b. In the absence of Item Category list for Supplier and Site combination, the Item Category for the null Site of the Supplier is considered.
2. If neither of the above returns any Tax Category, the same is fetched based on the Item Class assigned to the Item. Tax Category and Item Class relationship are set in the Tax Category window.
3. If it is rule basis, then the system matches transaction level data to current rules and if any matches, then it is defaulted. If more than one transaction is matched, the precedence of rule and default tax category are considered.

In all the cases, after arriving at the Tax Category, the taxes defined thereof are defaulted. You can make changes to the taxes that are defaulted.

Where all levels of defaulting fail, you would have an option to assign Taxes to the Shipment lines manually.

4. Can we change taxes on an Approved PO?

Yes, you can modify taxes if Approver Can Modify option is enabled for the PO in the Document Type page. It can be modified only before approving the Purchase Order. When you modify the taxes in Purchase Order Financials for India windows and attempt to save it, a message confirms if you wish to save the updates.

5. What is the impact on taxes on changing quantity on a PO Release?

Whenever you change Quantity, taxes are calculated based on new Quantity upon saving the release.

Purchase Orders - Errors

6. How to avoid the Error: Currency conversion rate not defined in the system, when the PO was amended?

This error occurs when PO is created or updated.

Verify if the inventory organization on that date is in foreign currency for the PO.

This happens only when Inventory Organization is not attached to the Ship To Location

To resolve this:

Attach the Inventory Organization to Ship To Location by navigating through India local Inventory - Setup - Organization - Location.

Quotations

7. How is Per landed cost calculated for a quote that includes localization taxes?

Per landed cost = Unit Price + [Sum (non cenvatable taxes) / qty]

You can view Per Landed Cost through Quote Analysis window by navigating through Oracle Purchasing RFQ and Quotations Quote Analysis

8. How do we make the Supplier available in the Supplier LOV on a Quotation?

Please set HOLD_FLAG attribute of the supplier to N in the Supplier window.

Navigation - Oracle Purchasing - Supply base - Supplier.

Receipts

9. What happens to RTP when the taxes are not confirmed at Reciepts?

RTP errors out when Confirm option is not enabled. You must confirm the taxes before saving the receipt. For Direct Delivery, you must confirm before saving and it is mandatory. For Other routing methods, you need not save the receipt but if the transaction has child events, such as Inspect, Accept, Transfer, or RTV, then you must confirm before saving.

10. How does average costing work with localization taxes?

When material with non-recoverable taxes are attached, non-recoverable amount is populated into Value_Change column of Mtl_Material_Transactions_Temp (MMTT).

Inventory transaction worker fires and pulls the record from Mtl_Material_Transactions_Temp and puts it into Mtl_Material_Transactions table.

You can identify the record where transaction_ID = 1001 and Value_Change Column is populated in MMTT for the Rcv_Transaction_Id.

The next Average cost update worker Request that is submitted picks up all the records

from Mtl_material_transactions that are not costed and add to the item cost.

11. How do we handle third party taxes included in a Purchase transaction?

Pre-requisite Setup: Creating a Third Party Tax

- Create a Tax Code and Assign a, Vendor Name and Vendor Site.
- To change the Third Party Vendor while creating a Purchasing Transaction then, select the Update Vendor option.
- Third Party Tax type should have Update_vendor_on_transaction set to Y, then you can change the Party Details at the Transaction level. For TP taxes, TP Invoice is generated separately and the taxes don't appear in the matched invoice.

Transaction

- Create a Purchase Order with above tax (Third Party Tax), attached.
- The Vendor information specified in the Tax Code would default. You can update this information by changing the Vendor Name Field in the Po Tax Details window.
- You can change the Vendor Site only through the Tax Details screen opened through Receipts window.

After saving the receipt submit India Concurrent for Third party Invoices concurrent program from India local Purchasing. This concurrent runs, in turn, submit Payable open interface to generate the third party Invoices.

12. What are the impact of changing Taxes on Receipts?

The standard applications, Receiving Transaction Processor, needs to be completed before the localization window reflects the taxes.

On Receipt, all modifications are permitted if the TPB (Tax Point basis) is set to Delivery.

hey can change the Taxes only if the TPB is Delivery and flowwing changes are allowed. 1. Deletion 2. 3.4.

Following changes are allowed:

- Deletion of a tax line
- Update tax rate
- Update ADHOC tax amount
- Change of Party details for Third party taxes.
 - These modification of tax lines can be done only before closing of

Receipt window, once the Receipts window is closed, the corresponding accounting entries are passed and you cannot modify the tax lines.

- Also, changes made to a Tax Line are not recalculate the dependent Tax Lines.

Once the Receipts window is closed, concurrent for passing accounting entries program is submitted. This concurrent updates GST Registers - RG 23A-C Part II, RG23D based on Manufacturing or Trading Organization respectively. In a Manufacturing Organization, these entries are passed only when the Claim CENVAT on Receipts Flag is set to Y.

This request also posts Delivery entries if the Receipt Routing is Direct Delivery.

You can check for the successful completion of the above concurrent program by navigating through View - Request.

13. Which Costing methods does Oracle Costing support?

Oracle Costing supports Average and Standard costing methods.

14. What is the process to recover Recoverable amount on Receipts ?

All recoverable taxes can be recovered in the Process Claim window by querying a particular transaction.

15. How does Receipt Quantity Corrections impact Localization Taxes?

For Corrections, taxes are copied from Receipt and are calculated as per the corrected Quantity.

16. How to handle Receipts for which GST Invoice is not received or is missing?

For these types of transactions, navigate to the Process Claims window. Set these transactions not eligible for recovery and these are accounted as Expense.

17. Is Partial Recovery allowed?

Partial recovery is allowed only if the recovery percentage is less than 100 at Tax rate level. For example, if the tax rate per Recoverable is 50%. If Total tax is 100 for a transaction, then 50 is recoverable and 50 is non-recoverable. Only 50 is available from the Process claims window.

18. Why are Receipts not appearing for recovery on receipt window to avail claims credit?

Receipts are considered for recovery only when the following conditions are satisfied.

1. Tax should be Recoverable.
2. FP details should be populated at Transaction Level.

3. TPB should be set to Delivery.

You can verify this using the following queries:

a. Select * from JAI_INV_ITM_SETUPS where inventory_item_id = & item_id and organization_id = & organization_id

b. Select * from mtl_system_items where inventory_item_id = & item_id and organization_id = & organization_id

19. What conditions should be satisfied in order to claim GST Credit?

Following conditions should be satisfied so as to claim recovery Credit:

1. Organization or Location should be defined as a Manufacturing Organization
2. GST and Modvat options should be set to Yes for the Organization Item in the item setup.
3. Goods should be received into a Bonded Subinventory.
4. The Receipt should carry GST Type of Tax for which the Credit Percentage has been set to 100. You can also use Additional Customs (CVD) Taxes to claim Recovery.
5. Claim Recovery on Receipt option should be set to Yes for the Receipt. Else, the Recovery Claim is deferred. Recovery on such deferred receipts are claimed through Claim Recovery On Receipts window.

20. Which Taxes are recoverable? How are such taxes accounted?

In the case of tax types other than GST and Additional Customs, you can specify the percentage of tax that can be recovered. The recoverable portion are accounted in the tax account defined. The non-recoverable portion is added to the Item Cost.

Returns

21. How should we treat Recoverable on Capital Goods when these goods are returned in the year of purchase?

100% Recoverable credit has to be availed before carrying out the Return To Vendor transaction. This should be through the Process Claim on Receipts window.

In case you return the material without claiming Recovery, the To Handle Deliver RTR RTV runs into error. This impacts the reversal of Accounting and GST Register Entries.

The error message would be, ORA - 20010: The RTV Quantity is equal to Receipt Quantity and the remaining 50% Recovery is not availed.

To process these error records, run the India Program to Execute Pending Records.

22. How is a separate GST Invoice Series is setup for Purchase Returns Transaction?

Setup for Return To Vendor transaction type needs to be set in Additional Organization

Info screen for a given Organization, Location combination. Else the default GST Invoice Number sequence is considered.

23. How are Duty Registers impacted on RTV?

GST Registers are updated on a Return transaction only when you set the Generate GST Invoice option to Yes in the Existing Return to Vendor window in Actions columns. You enter Yes or No each for GST or GST indicating whether he wants to generate GST or GST Invoice Numbers respectively.

GST Register entries for RTV is passed only when the value entered is Yes, otherwise GST Register entries are not updated. The default value is No.

In the case of Manufacturing Organizations, the Duty Registers selected depends upon the preferences set up done in the Additional Organization Info window.

If PLA is set as the last preference and the item returned is a capital good (CGIN Item) then, balance in RG 23C Part II would be considered first. PLA would be updated only if there is no adequate balance in RG 23C Part II. However, balance in RG 23A Part II registers is not considered.

RG 23D Register would be updated for Trading Organizations.

24. How to generate GST Invoice for a Return Transaction?

Fill RMA Number in the field provided in Returns window and select, generate GST Invoice No = Y. Run India Return To Vendor report for the given RMA Number.

25. How to ensure that PLA is debited on RTV when sufficient balances are not available in RG?

PLA register is debited depending upon the Allow negative PLA option. If allow negative flag is set to N, and if the balance is not available in PLA, then the system raises the application error as there are no available balances in registers, if sufficient balance is available in PLA then PLA Register is debited.

26. How to return the material at different GST rate for Small-scale industry?

If you have to return the material received from SSI, then at GST rate of 16% though the material is received at 9.6% rate.

In order to achieve this, please create the Return To Vendor transaction from Return to Vendor-India and change the GST rate from 9.6 to 16% in Return To Vendor-India taxes window.

When the tax is applied the difference of 6.4% tax amount entries are reversed.

Returns - Errors

27. Why does To Handle RTR/RTV ends with Error: RTV Expense account not found?

This error occurs when the RTV Expense Account is not defined in the Additional Organization Information.

28. What should I do when, To Handle RTR/RTV ends with Error: 'RTV Expense

account not found?

1. Define the RTV Expense Account in Additional Organization Information.
2. Run the India Program to Execute Pending records for this Receipt.

Accounting

29. Does Oracle Financials for India support Accrual on Receipt or period end Accrual?

Yes, Oracle Financials for India supports only for Accrue on Receipt.

30. How do we pass Accounting or Register entries when they are not generated on Receipts, Claim CENVAT or on Return Transactions?

Schedule the India program to execute pending records concurrent program to generate accounting entries for all unprocessed records. You should ensure that there are no online receipt transactions when this program is submitted.

Optionally, you can submit it for a given Receipt Number. Submit this record by navigating through **(N) Oracle Financials for India > Purchasing > Report > Run India** program to execute pending records.

31. What journal categories populated into GL for local Tax entries?

- **Purchasing:** Receiving India
- **Manual Entries:** RG Register entry
- **Sales Orders:** RG Register entry
- **AR Invoices:** Receivables
- **Inventory:** RMA Receipts'
- **Payables:** BOE Write-off
- **Value Added Tax:** GST

32. How to track local tax entries while reconciling GST Registers with General Ledger?

Unposted Entries: Check the following fields in GL_Interface

- reference1: Organization Code
- reference10: Transaction Description
- reference22: India Localization Entry

- reference23: Object Name
- reference24: Table Name
- reference25: Unique Reference of the Table
- reference26: Column of the Table for which the unique reference is populated.
- reference27: Organization ID

Posted Entries: Check the following fields in GL_JE_Lines

Description: Description

- reference2: India Localization Entry (Hard Coded Value)
- reference3: Object Name
- reference4: Table Name
- reference5: Value
- reference6: Column Name
- reference7: Organization ID

Period End

33. What caution must be taken before closing the PO and AP Period?

- Ensure that CENVAT credit is availed on all receipts for which Receiving entries are generated.
- Ensure that none of the Receipts have 'N' as the value for the following fields in 'Jai_rcv_lines' table.
- Process Receiving flag,
- Process RG,
- Process Populate CENVAT,
- Process CENVAT option
- Ensure that you have performed GST Settlement

If there are any such Receipts then you need to run India Program to execute pending records to clear these.

34. How do I Reconcile differences between the GST Register Entries and General

Ledger entries?

Reconciliation of the General Ledger with the Subledger data provided by India tax shall be done as per the following process:

You need to have the india tax queries to complete the reconciliation process.

Step 1

Import all the records pending in interface table and ensure that there are no pending transactions in the interface. Compare the GL account balances with the India Tax subledger balances to verify whether the balances are tallying. The following are the India Tax reports that could be used for this purpose:

- India Receiving Account Distribution Report.
- India Receiving Accounts Report.
- Accrual rebuild Reconciliation Report.
- India Recoverable monthly return Inputs and Capital Goods.
- India Recoverable monthly Abstract Report.

Step 2

If any differences are observed in these balances, the queries provided by India Taxes shall be run to find out the exceptions. The list of queries are given below:

Receiving Entries:

- MultipleEntries_Receive.sqlQuery to identify multiple entries generated for receiving entries.
- SumofAmounts_Receive.sqlQuery to identify total tax amount to be passed for receiving entries.

Modvat Entries:

- SumofAmounts_Deliver.sqlQuery to identify total tax amount to be passed at the time of delivery
- SumofAmounts_Modvat.sqlQuery to identify total Recovery amount to be passed for Modvat entries.

Delivery Entries:

- MultipleEntriesinMTA.sqlQuery to identify multiple entries populated into mtl_transaction_accounts when material is delivered.

Return to Receiving Entries:

- DuplicationRTR.sqlQuery to identify multiple entries generated for Return to

receiving entries.

- SumofAmounts_RTR.sqlQuery to identify total tax amount to be passed at the time of Return to Receipt.

Return to Vendor Entries:

- MutlipleEntries_RTV.sqlQuery to identify multiple entries generated for Return to vendor entries.
- SumofAmounts_RTV.sql Query to identify total tax amount to be passed at the time of Return to Vendor.

AP Accrual:

1. APaccrualreconciliation.zipQuery to find the total tax amount to be passed for AP Accrual account generated for Receiving and Return to vendor transactions.
2. DuplicateReceiving_apaccrual.sqlQuery to identify multiple entries generated for receiving entries for AP Accrual account.
3. SumofAmounts_Receiving_APaccrual.sqlQuery to identify total tax amount to be passed to the AP Accrual account at the time of Receipt.
4. SumofAmounts_RTV_APaccrual.sqlQuery to identify total tax amount to be passed for AP Accrual at the time of Return to Vendor.
5. SumofCreditnotequaltoSumofDebit_RTV.sql
6. NoReceivingQueryAPAccrual.sqlQuery to give total tax amount for AP Accrual where the tax entries are not generated.
7. Discrepancy_invoices.sqlQuery to identify Cases of discrepancy, invoice distribution and the corresponding tax amount in Receipt/PO.

Query to find the transaction wise tax amount:

1. SumofTaxesTransactionTypewise.sqlQuery to give total sum of the taxes based on transaction type from JAI_RCV_JOURNAL_ENTRIES.

The reconciliation shall be done based on the output of these exception queries. This shall be in the form of rectification entries, if the exception has proved to be a one-off case.

Step 3

If the exception thrown up in the earlier step is found to be of a repetitive or replicable nature, the issue has to be taken up with India Tax for a necessary code fix or data fix. India Tax shall treat such issues with highest priority so that the month closing activities are not hampered in any way.

Oracle Inventory

Following are the frequently asked questions for Inventory module

Inventory Transactions

35. How to upload the opening balance GST Quantity Registers?

Use Miscellaneous Issue (RG Update) and Miscellaneous Receipt (RG update) type of Inventory transactions to update RG23A/C part I Registers and RG 1.

36. How do we upload opening quantity to RG-1?

There are no interfaces available to upload local tax data.

You can upload Quantity Balances to RG-I using RG 1 Register Entry screen or using Miscellaneous Receipt (RG Update) Inventory transaction.

37. What Inventory transactions are supported by local tax data in the Inventory module?

Following Transaction Types are supported by updating the GST registers:

- Inventory sub transfer / Replenish supply Subinventory.
- Miscellaneous Issue (RG Update).
- Miscellaneous Receipt (RG Update).
- Move Order Issue.
- Inventory Delivery Adjustment
- Cycle Count Adjustment
- Physical Inventory Adjustment.

Setups

38. What basic india local tax setup is required for a Manufacturing Organization?

Organization Setup

1. Additional details setup for Organization and Location should fall under Manufacturing and this is achieved when GST region with ECC CODE is filled.
2. Fill all the Accounting details from Accounting Tab and make sure that the information is filled though not required in some cases as per business requirement. For example, if there are no Bill of Entry (export) related transactions, still you need to supply the BOE account.

3. Financial Year can be setup by clicking the Calendar button, fill the Fin Year that will compute the Actual Tax Calendar.
4. Fill the GST Invoice Number if you require generating the predefined GST Invoice Numbers depending upon the document.
5. Trading Info Tab is automatically grayed out since the Organization is falling under the Manufacturing Organization.
6. GST Regime needs to be setup with appropriate Organizations assigned to the regimes.

Item Setup

1. GST Flag = Y if the item is falling under excisable goods.
2. Modvat Flag = Y if the CENVAT credit on this item can be taken
3. Item class = RMIN / CGIN depending upon the classification of the item.
4. Trading option = N this flag identifies whether the item is tradable or non tradable, since the Organization is manufacturing item cannot be trading and local india tax does not have the concept of classifying the Organization to become Manufacturing and Trading.
5. GST Item classification needs to be performed.

Sub inventory Locations Setup

1. Sub-inventory should be bonded, that is, bonded flag is set to Y.
2. If the Sub-inventory is Non-bonded or duty paid Sub inventory, that is, Bonded flag is N then all the cenvatable taxes are inventoried.
3. Trading Sub-inventory Flag is grayed out.

39. What basic setup is required for a Trading Organization?

Organization Setup:

1. EC Code and other GST Registration details need to be filled in the Trading Tab of the Organization Tax Information window.
2. Fill Accounting details from Accounting Tab and make sure that the info is filled though not required in some cases as per business requirement. For example, if there are no BOE (export) related transactions, you need to supply the BOE account.
3. Financial Year can be setup by clicking the Calendar button,
4. Fill the GST Invoice Numero if you intend to generate predefined GST Invoice

Numbers depending upon the Order/Invoice Type.

Item Setup

1. Ensure that GST option = Y and Modvat option = N
2. Item class = RMIN/CGIN depending on the item type.
3. Trading flag = Y. This flag would identify whether the item is a Trading Item

Sub inventory Locations Setup:

- Trading Sub inventory Flag is automatically checked.

39. What is the need to define Master Child Relationships among Organizations?

The master child relationship among the organization and location are used only to generate consolidated GST registers at Master Organization level. You need to submit India Master Org RG request set in order to get GST Registers consolidated at Master Organization.

40. What to consider when setting up Master and Child Organization?

In the Master Organization Information block you have to specify whether the Organization represents an GST Licensed Organization or a Child Organization. If you select a Child Organization, you need to specify which is the GST Licensed Organization under which the Child Organization belongs. For a Master Organization and Location combination you need to enable the Master Organization flag. This should be done for the Organization with Location specified. The ECC Number defined for the Master Organization would default to all Child Organizations when Master Organization is selected.

41. Is it necessary to define PAN No, TAN No in Organization Tax Information window?

These fields are only for information and most not be used anywhere else by India Local taxation. India taxation uses PAN and TAN Numbers defined in the Regime Registration window for reports.

42. What should be the functional currency for the Organization using India Local Taxation?

The Functional Currency is INR for the Legal Entity that uses India Local Taxation.

43. Can we proceed to India Local Taxation Organization setup as soon as I define Organizations in Base Applications?

You should have completed the following before you move to define Additional Organization Information through India Taxation:

- Define Locations
- Assign Organizations to Locations

44. Can an Organization be defined both as Manufacturing and Trading Organization?

Through India Local Taxation an Organization Location combination can either be a Manufacturing Organization or a Trading Organization.

If an Inventory Organization Location is a Manufacturing Unit (Not a Trading Unit) and you enter details in the Tax Info Block (On Organization Tax Information window), then you cannot enter any information in the GST - Trading Information Block through Trading Information Button.

Similarly, if an Inventory Organization Location is a Trading Unit (Not a Manufacturing Unit) then No Information should be entered in this Tax Info Block since this GST Block is meant for entering GST Registration details for a Manufacturing Inventory Organization/Location.

45. Can a different Tax Calendar be defined for different Locations of an Organization?

The Tax Calendar should be defined only at Organization level with Null Location. This Calendar will be defaulted for each Location falling under the Organization. The tax period is meant for setting up the serial numbers of GST Registers and related reports.

46. Is it mandatory to complete setup in the GST Generation India Taxation for generating GST Invoices?

It is not mandatory to define GST Invoice Generation Serial Number. If you do not define the GST Invoice Generation window, then auto-generated system numbers are allotted to the GST Invoice as stipulated under the Central GST Rules (one sequence for Domestic transactions and another for Exports).

47. Can I skip the Assign Sub-inventories to Locations India Local Taxation for the Sub-inventories that I will not be using for GST Transactions?

It is mandatory to complete this setup, irrespective of the fact that the Sub-inventory is not bonded. You can leave the Bonded option, if the sub-inventory is non-bonded. Else, this impacts Shipping transactions.

48. Is it necessary that the India Taxation Item setup should be same for all Organizations?

India Items Context can be setup at an Organization level. An Item can be Excisable in one and non-excisable in another.

If an Item is tradable in one Inventory Organization but considered as Production Input in another Inventory Organization, then the user has to update its Item Template through the Item Template assignment form depending upon the nature of the business. If an item is defined as Trading Item, then the Modvat Flag has to be set to NO. This would update only the RG 23D Registers and not the CENVAT Registers.

49. Can India Local Taxation be used to define calculate and account for Negative Taxes?

India Local Taxation provides flexibility to define negative taxes. You can use Any other

Tax type of taxes with negative Percentage or Unit Rate to handle such taxes. India Local Taxation would also handle any other debit/credit that needs to be done for any transaction.

Work In Process

Following are the frequently asked questions in WIP module

50. What WIP transactions are supported by India local taxation? Which GST Registers are updated for each of these transactions?

India Local taxation supports certain transactions in order to keep track of movement of Excisable Goods. Whenever there is a transaction using Excisable goods is created from the following features supported by Base Application, then India Local Taxation updates GST Quantity Registers. Following is a list of such transactions and their impact of GST Registers:

Transaction Type	Impact on GST Registers for Item Types: RMIN	Impact on GST Registers for Item Types: CCIN	Impact on GST Registers for Item Types: FGIN	Impact on GST Registers for Item Types: CGIN	Impact on GST Registers for Item Types: OTIN
Miscellaneous Receipt RG Update	RG 23A Part 1	RG 1	RG 1	RG 23C Part 1	NA
Miscellaneous Issue RG Update	RG 23A Part 1	First RG23A Part 1, then RG 1	RG 1	RG 23C Part 1	NA
Cycle Count Adjustment.	RG 23A Part 1	RG 23APart 1	RG 1	NA	NA
Physical Inventory Adjustment.	RG 23A Part 1	RG 23APart 1	RG 1	RG 23C Part 1	NA
Move Order Issue	RG 23A Part 1	RG1	RG 1	NA	NA
WIP Component Return.	RG 23A Part 1	RG 1	RG 1	NA	NA
WIP Assembly Completion.	RG 23A Part 1	RG 1	RG 1	NA	NA

Transaction Type	Impact on GST Registers for Item Types: RMIN	Impact on GST Registers for Item Types: CCIN	Impact on GST Registers for Item Types: FGIN	Impact on GST Registers for Item Types: CGIN	Impact on GST Registers for Item Types: OTIN
WIP Assembly Return.	RG 23A Part 1	RG 1	RG 1	NA	NA
WIP Negative Component Issue.	RG 23A Part 1	RG 1	RG 1	NA	NA
WIP Negative Component Return.	RG 23A Part 1	RG 1	RG 1	NA	NA
WIP Scrap Transaction.	RG 23A Part 1	RG 1	RG 1	NA	NA
Staging transfer of a sales order	RG 23A Part 1	First RG23A Part 1, then RG 1	RG 1	NA	NA

Oracle Payables

Following are the frequently asked questions in Payables module:

Payables Setup

51. What should be the Setup steps when I wish to implement TDS features only?

Following India Local Tax Setups must be completed:

- Define TDS Related Information for the Organization
- Define Income Tax Authority
- Define TDS Sections
- Define TDS Tax Codes
- Defining TDS year Information
- Define TDS Details for Suppliers

52. How should I define surcharge for a TDS Tax?

In Withholding, tax is calculated based on tax category. In tax category, assign the Surcharge tax rate, and TDS is calculated.

This section will be available when you create a Tax Deduction At Source Type of Taxes.

53. How would you define WCT Type of Taxes?

Firstly, define WCT Regime under WCT TAX TYPE. Based on that, WCT Tax Rate is created.

54. What should I do when there is a change in the TDS Rate or Surcharge rate?

Whenever, there is a change in the TDS Rates or Rates of Surcharge, user has to do the following to ensure that correct rate of TDS is applied to the transactions

- Close the existing Tax Code by entering the 'Effective To' date.
- Create a new Tax Code with the Revised Rates
- Navigate to Supplier Additional Information, query for the Supplier, Supplier Site.

Replace the Default TDS Tax Name with the new Tax Code.

55. What impact does the Income Tax Registration details (entered in the First party Registration window) have on transactions?

The Value entered in the TAN No option is very importance. It is the basis on which the TDS threshold limits are calculated. Tan No is defined only for the Operating unit level, all the invoices created on the operating unit is subjected TDS deduction of threshold limits. Different operating unit can have the same TAN No assigned. Both share the same threshold limit.

56. What setup should I check when the TDS Invoice or Credit Memo are not generated?

Check the following set up:

1. TAN Number is attached to the Operating Unit.
2. TDS year info (Calendar) is defined in GL for this Ledger.
3. Check If Active Thresholds are defined for the Section and vendor type .
4. Check if the Third Party registration is done for the supplier and site.
5. Check if the invoice amount is positive and the limit reaches the threshold defined for the period.
6. Check if India TDS Processing concurrent program is run based on invoice validation.

Tax Deduction At Source - Calculation, Accounting and Reporting

57. What is the impact of assigning a Default Section on third party Registration?

This automates TDS Calculation for every invoice created for the supplier site. This happens in spite of the fact that you override or delete the TDS Section before saving the Invoice Distribution.

58. How many TDS Invoices are created when multiple Invoice Distributions have the same TDS Tax ID?

Invoice created for the TDS Authority and the Credit Memo for the Supplier would be consolidated for all Invoice distributions having the same TDS Tax ID.

59. What is the pre-requisite to assign WCT Type of Taxes on Invoice?

It is necessary to assign a TDS Tax ID before you specify a WCT Tax ID. However, if you only have WCT applicable to the Invoice, then, assign this code in the TDS Tax ID.

For Supplier who does not have TDS Applicability but only have WCT calculated for services provided by them, then, assign the WCT Tax Id in the default TDS Tax Name field.

60. What will be the impact on TDS Invoices when Prepayment Invoice with Single TDS Code, applied to Standard Invoice has different TDS Codes attached?

TDS calculated on the Standard Invoice would be reversed in proportion of the amount applied to the total amount standard invoice bearing TDS.

61. What happens when Standard Invoice having multiple TDS Codes is applied to a Prepayment Invoice with multiple TDS Code?

TDS calculated on the Prepayment Invoice distribution to which the Standard Invoice is applied is considered for reversal.

TDS Amount calculated on the applied Prepayment line would be reversed in proportion to the amount applied to the Total Amount Prepayment Invoice.

62. Why should the user define a Fin Year for TDS? What is the impact of creating such Fin Year? When should I close the current Fin Year?

This is mandatory for calculating TDS on Invoices. Also, the TDS Certificate Number would be re-set every Fin Year.

Once the current financial year-ends, you will have to navigate to the TDS Period India Localization screen and press New Financial Year option..

63. What would be the Invoice Date and GL Date on the TDS related Invoice created on cancellation of a Base Invoice? What if the GL Date on the Invoice cancelled falls in a closed accounting period.

The Invoice Date and GL Date for the Standard Invoice created for Supplier on cancellation of the Original Invoice would bear the same date as the GL Date on the Reversal Distribution created for Cancelled Invoices.

In case, the cancelled Invoice falls in a closed period then, then the Invoice created will bear the first date of the subsequent Open Period.

64. How should you account for TDS calculated on Provision for Outstanding liability?

Create an Invoice with Zero Amount. Create two distributions. The first with provision amount. Assign TDS Tax ID to this line.

The second line should be created negative of the provision amount. This should not have any TDS Tax ID.

The first line should have the GL Date of the last date in the current period and the second should GL Date as first day of the new period.

This will automate provision creation and reversal. At the same TDS would be calculated for the provisioned amount.

65. What caution should you take in assigning the TAN Numbers to the Operating Units? What would be the impact of changing the TAN Number?

TAN Number is the basis for Calculation of Threshold Limits for TDS Calculation and also for generation of TDS Certificates.

It is mandatory that you specify correct TAN Numbers before you define the TDS Fin Year. These should not be changed once you have created the Financial Year. Any change would hamper the TDS Certification creation and also the Threshold limits calculation.

66. What steps do you need to take when you observe that TDS Invoices are not created on Invoice Approval?

You should check if the Payables Open Interface Audit Report and Payables Open Interface Rejection Report generated for the Payables Open Interface request submitted for creation of the TDS Invoices.

Make corrections through to the Invoice or the Setups and then resubmit Payables Open Interface.

In case, you see that the Payables Open Interface is not submitted on validation of the Invoice, then you need to check the following:

- TDS Details Setup for the Supplier Site.

67. What should you do in case you have to change Invoice Amount or TDS Tax Code for a validated Invoice?

The TDS and WCT Amount will not be recalculated when you re-validate these Invoices. In case you would like to have TDS impacted for the revisions then, you should cancel the original Invoice and create a new one with the revised details.

68. TDS Invoices/Credit Memos are generated, even though the TDS tax category is not Provided in the TDS Tax Detail window. How do we avoid this?

Default TDS works based on Default Section provided at the third party registration

setup from the site level to null site level. Either this need to removed. So that Tax Category assigned to that Section code and vendor type at Withholding threshold will not get defaulted.

69. What should we check when the RTN Invoice for the Supplier is not created on applying Prepayment Invoice?

In such cases, check the following:

1. Once Prepayment is applied, Invoice submits the concurrent Program, India TDS Processing Concurrent, which in turn submits Import TDS invoices and also submits Approval of TDS Invoices.
 - Uncheck the check box Run Alone and
 - Set the Format type = Text and
 - Save the record.
2. Check whether the Payables Open Interface Import is rejecting the RTN Invoices
3. Check whether the TDS Tax code is attached both to standard invoice and prepayment invoice. Check if TDS is generated on both of these Invoices.

70. How do we ensure that the TDS Invoices and Credit Memos are always generated with Approved Status?

Ensure that the Create Pre-approved TDS Invoices and Credit Memos option is checked in the Common Configuration window under Withholding Tab for the Operating Unit for which the TDS is deducted.

Reports

71. India - Withholding Taxes Report

This is the only report being delivered officially.

Following functionality it supports:

1. Can you please outline the requirements for a transaction to be displayed on the report?

The report displays TDS invoices generated for the selected parameters, for example, date range (applies on GL date of invoice). Withholding type, Vendor, Section code, TAN number, Organization ID, Payment status of the TDS Authority invoice. The report displays Invoice Number, GL date, Invoice Type (Stand/Prepay), Invoice Amount, Withholding Tax Rate, Tax type (TDS), TDS AMount, Credit memo gen, TDS Inve Number, Payment status.

2. Does the invoice need to be validated, accounted, or Paid?

It is not required to pay if paid and you must indicate it to pass the Payment status as Yes or No.

3. Any steps to be performed for a transaction to get reported?

Tax Deducted at Source is generated for this Report.

4. Is there an option to create this report in Excel format?

The report generates only in the Text Format.

72. Is there a report where I can see all TDS related Invoices and Credit Memos created for an Invoice?

You can run India - TDS Related Invoices Report to view details of all TDS related Invoices created for an Invoice. Run this report for a specific period.

73. Is there a report where I can view Tax Deduction for a Supplier for a particular period?

You can run India - TDS Prescribed Rate Report to view details of all Tax Deductions for a particular TDS section.

This report provides you information by Supplier.

74. What is a pre-requisite for generating TDS Certificates?

1. Invoice created for TDS Authority should be paid.
2. There should not be any change in the Organization TAN Number

75. How should I generate TDS Certificates when the Generate TDS Certificates Program ends with the error NO Withheld invoices found for TDS Certificate(s) Generation?

Only the Invoices to TDS Authority that have been paid will be considered for generation of TDS Certificates. Hence, you need to ensure that TDS Invoices for the TDS Authority are paid before you generate the Certificates.

76. What can be the reason when the Payables Open Interface Import program rejects the Invoice for TDS Authority with the reason as Invalid Vendor Site?

Remove the TDS Tax name attached in the Additional Supplier Information window at the Null Site level of the Supplier. Attach the TDS tax name at the Supplier and Site Level and save the record and do the transactions.

77. Where do we enter Date of Deposit and Bank Name details for payments made to TDS Authorities?

To capture additional information related to payment made to TDS Authority, a new interface has been created with the name TDS Challan Details.

Complete the payment transaction first and then navigate to this interface to enter the additional details. A query finds window has been provided to search payments made to TDS Authority.

PO - AP Localization Tax Flow

78. How would the Localization Taxes be carried forward to AP for ERS Invoices?

You need to schedule India - To insert taxes for Pay On Receipt to carry forward Localization Taxes from PO to AP. This program captures localization taxes in Receipts and inserts Tax lines in Invoice Distributions, for the ERS Invoice created for the Receipt.

You have to schedule the concurrent to submit requests at suitable intervals.

The concurrent India - To Insert Tax Distributions would run to Insert Tax lines in Invoice Distributions, on matching Invoice to PO or Receipt.

79. How do we create Invoices for 3rd party taxes included in receipts?

You need to submit India Concurrent for 3rd Party Invoices concurrent request to create AP Invoices for Third Party Taxes.

You can schedule the concurrent from India Local Purchasing to submit requests at suitable intervals.

80. Which Vendor Site would be considered for Invoices created for Third Party Tax?

Vendor Site specified in the Tax definition would be considered. In the absence of such information, you need to Specify Vendor Site for the Tax line, before saving the Receipt.

If Vendor Site is not specified for a Third Party Tax, then an error displays

The Vendor Site does not belong to the specified Vendor and cannot proceed.

81. What is the impact of a Return to Vendor (RTV) transaction on 3rd party Taxes?

Third Party Taxes would be debited to RTV Expense Account specified for the Organization and Location. It is not eliminated from the AP Accrual Account.

82. What entry would be passed to account for Customs Duties on RTV transaction?

Customs Duty is debited to RTV Expense Account specified for the Organization and Location. It is not eliminated from the AP Accrual Account.

83. How would the India Local Taxes be carried forward to AP for Debit Memos auto-created on RTV transaction?

You need to schedule India - To insert taxes for Pay On Receipt to carry forward India Local Taxes from the Return transactions to Debit Memo.

This program captures first party localization taxes in Receipts and inserts Tax lines in Invoice Distributions for the Debit Invoice created for the Return transaction.

84. How are taxes populated in ERS Invoice created based on Receipt with India Local taxes?

India Local Taxes included in a Receipt are carried to the ERS Invoice by the next request submitted for To insert tax distributions for pay on receipt concurrent program.

The concurrent program, To insert tax distributions for pay on receipt, for processing of

tax Lines for ERS Invoices created based on Purchase Receipts runs in batch mode.

Whenever, some of the tax lines remain unprocessed due to errors, the error message is captured. Reprocessing Error Pay On Receipt Invoices Tax Records feature provides you with an option to view these error records and corresponding messages and mark them eligible for Reprocess. You can also delete these records.

To view the error records, navigate to India Local Payables Other India - Resubmit Taxes for Pay on Receipt.

The window merely make the Invoices eligible for reprocessing. You have to explicitly run the concurrent program, India - To Insert Taxes For Pay On Receipt, for processing these Invoices.

Sales Tax Concessional Forms

85. How would we define a new Form Names that are applicable to your state?

Navigate to India Local Payable - Purchasing Lookups. Query FORM_NAME. Change the Access Level to User and add the Form Code, Meaning and Description. Enter the Effective Dates and check the Enabled option.

86. How would you create record for tracking ST Forms?

You need to submit India - ST Forms Issue Processing with appropriate parameters to create ST Forms records for Sales Taxes.

87. How do I Auto-Select unmatched Invoices for a Declaration Form issued for a particular amount?

This you can achieve by entering the Form details in the header of define Sales Tax Form Details. Enter in the Form Amount field, a value that you would like to issue the Form for. Check the Match All option to select the Invoice Automatically. After which, you can save the data.

88. Would cancelled Invoices be considered for ST Forms Issue?

In case no declaration form is issued for this Invoice, these Invoices will not be considered for further Form issues.

89. Would reversed Invoices distributions be considered for ST Forms Issue?

In case no declaration form is issued for this Invoice, these Invoice distributions will not be considered for further Form issues.

Bill of Entry

90. Is there any way that we can create a Bill of Entry without having to enter all Item details?

You can check the BOE Item Independent option, while you are creating the BOE Header. You need to enter only a Single line with Total Customs Duty Amount. This BOE is available across all receipts lines.

GST Payments

91. We have PLA Payments accounted through General Ledger. However, we do not see these entries in the PLA Register. What can be the reason?

You should ensure that Acknowledge Received and Acknowledgment Date options on the Capture PLA Payments window are updated once you receive an acknowledgement on the TR Challan. On saving this, a credit entry will be passed in PLA.

The acknowledgment cannot be made unless the AP Invoice created for the PLA Payment is paid.

Order Management

Following are the frequently asked questions for Order Management module

Sales Orders

92. Why does "Please note that 1 line(s) do not have taxes" Note appear?

This message appears whenever there are no Taxes attached to one or more tax lines.

This is an intended functionality to caution users that though he has used India Localized form for entering the order, the said number of lines do not have taxes defaulted using the standard defaultation logic. This has been provided to ensure that when there is large number of lines in order entry, you are able to keep track of missing defaultation setups against lines that do not have such setup made.

93. What can be the reason for Taxes not defaulting on a Sales Order?

You need to check the following setups:

1. The Item Category has been assigned either to Customer/Site.
2. Tax Category is assigned to the Item in the Item Category List.
3. Trigger JAI_OE_OLA_ARIUD_T1 should be enabled and valid
4. The Functional Currency of the Organization is 'INR'

If any of the above setup is missing please add the missing setup.

94. How to enable GST calculation for a RMA?

In the Oracle Inventory Responsibility, query the Organization/Location in the 'Organization Tax Information - India Localization' screen. In the Accounting Info tab check if values have been assigned to 'GST Return Days' & 'Sales Tax Return Days'.

Alternatively check if the difference between RMA Order Date and Original Order Date is more than the value specified in the 'GST Return Days' & 'Sales Tax Return Days'

fields.

95. What can be the reason for Sales Order Lines not being deleted on canceling a Sales Order Line?

This happens when the JAI_OE_OLA_ARIUD_T1 trigger is invalid or disabled.

96. How are the Taxes impacted on changing a Customer Site on SO?

Localization Taxes default based on the Item Category List attached to the Customer Site. If you have changed the Customer Site with the one that does not have this setup then, existing Tax lines will be removed. Else, the appropriate Tax Category will be used to recreate the Tax Lines.

97. Why does change of Item on a Base Sales Order not reflect in Sales Order Localized?

Please note that such change of item on a Sales Order Line is not supported. The correct process is to cancel or delete the existing Sales Order line and add a line with the new item.

98. Why is data shown in Order tab (instead of Return Tab) when an RMA is created by copying an Order?

This problem comes up when the Order category used to copy is MIXED.

The Order being copied to an RMA Order has to be necessarily of the Order category as 'ORDER' (In the Transaction Type setup).

For already entered orders in the above order category, RMA Order can be entered by direct entry of order with reference instead of using the copy feature.

Sales Orders - Errors

99. When does the Sales Order (Localized) show an error 'Modvat type of Tax must be entered for this line' in a loop?

This error occurs when you assign GST Exemption Form values (Such as 'CT2-OTH_IND' or 'GST Exempt Cert OTH-IND') to Sales Order and also Modvat recovery is specified for the Organization.

In such cases, the system expects Modvat Recoverable Type of Tax to be attached to the Order. This error comes up when such Tax line is missing. To resolve this, ensure that a Modvat Recoverable type of tax is defined in system and the same is attached in the sales order line.

100. When does the Sales Order (Localized) screen show error ' JAI_OE_OLA_ARIUD_T1 CURRENCY RATE NOT DEFINED'? How do we resolve this?

This message comes up whenever the Currency Setup is missing for the Transaction Type. You can resolve this problem by making the correcting the following setups:

1. Check the Transaction Types Setup by Navigating through Setup -> Transaction

Types -> Define. Ensure that for the specific Order 'Conversion Type' field on the Finance Tab is not null.

2. Also ensure that Exchange rate is defined for this conversion type in the Daily rates. This enables the system to derive a conversion to functional currency from the Transaction currency.

101. On Clicking BOOK Order Button - user gets the following Error "Please Specify the Tax Code. This Line Type requires Tax Calculation." How do we resolve this?

Ensure that Tax code 'Localization' is defined as specified in the India Localization URM and the same is attached to this Sales Order

102. Fulfilled Order ends with Error " ORA-20405 : Taxes are not matching in JAI_OM_OE_SO_LINES and JAI_OM_OE_SO_TAXES FOR LINE_ID". What can be wrong? How can this be corrected?

This error indicates corruption of data in Sales Order & hence is a preventive measure to ensure that such corrupted data does not flow to GST Registers and AR Transaction.

To rectify this, rectify the taxes attached to the corresponding Sales Order Line for which you are trying shipment. In case of Partially Shipped Orders, please note that the correction is required in the new line that is being Shipped & not the one that is already shipped. Post correction of taxes, the shipment can be made successfully.

103. Copy an Order to create a RMA Order results in error " ORA-20001 - No data found in localization shipping tables, hence copy cannot be done".

Taxes on RMA are based on shipping tax Lines. Hence, if there are no tax lines in localization shipping table, copy of such order to create an RMA Order is not allowed.

In scenarios where there are no taxes in shipping tables, it is advisable to create the RMA by way of manual entry with reference to the original Order instead of trying to use the copy feature.

104. Copying an RMA Order to create another RMA Order results in error " ORA-20001 - Copying of Return Order to Return Order is not currently supported with India Localization Taxes".

A RMA cannot be copied to create a new RMA with localization taxes. It is necessary to use either a Shipped Order or enter the RMA Order directly with reference.

105. While Booking a Sales Order error "User defined exception in Package OE_SHIPPING_INTEGRATION_PVT" is displayed and the line status changed to Booked, where as it should be awaiting shipping. Is this due to some setup missing in India Localization?

To diagnose and ensure that it is India Localization error, please do the following

1. Ensure that all India Localization triggers are valid and enabled which are returned by the following script:

```
SQL> SELECT table_name,trigger_name, SUBSTR (owner,1,10) OWN, status
```

```
FROM all_triggers
WHERE (table_name IN ('WSH_DELIVERY_DETAILS'))
and trigger_name like 'JA%'
ORDER BY 4,1;
```

2. Post this, disable all the above triggers & try a cycle. If the error persists then it is a not a India Localization issue.

This issue occurs when any of the trigger on base applications table 'WSH_DELIVERY_DETAILS' is invalid.

106. While saving a Sales Order system shows error 'ORA-20101, 'Warehouse Id is Mandatory for Calculating Localization Taxes - Enter Warehouse id before Saving'.

As mentioned in the error, for calculation of Localization taxes Warehouse needs to be entered in the Others Tab of the Base Sales Order screen. This being a Base Sales Order field, the property of the same is not changed, but instead the above error is shown to ensure that the user enters the Warehouse id prior to saving the record.

Fulfilled Orders

107. Why are no rows fetched on querying for a shipment on Fulfilled Orders Localized Form?

Check the following before querying for the Shipment:

- Order has localized taxes attached.
- Base Order line shows tax code as 'Localization'
- Inventory Interface/Inventory Trip stop has not completed in error.
- Running the query does not show no rows selected.

```
'select * from JAI_OM_WSH_LINES_ALL where Delivery_id = &Delivery_id;'
```

This would mean that the Trigger on fulfilled order failed & could not insert lines in localization table.

- The screen does not show "Invalid Object JAI_OM_WSH_DELIVERIES_V"

108. What Setup and transaction information should be checked when RG1 / Payment Register do not get updated post shipment?

Check the following Setup:

1. The Item shipped has Item class as FGIN (For RG1) at Organization Items level.
2. The Item shipped has Item as Excisable at Organization Items level.
3. The Order type used is attached to Bond Register.

Check the following Transaction Data:

- The Order shipped has GST Type of tax attached to it.
- Inventory Interface has completed normally .
- The Payment Registers have sufficient balance to clear the transaction.
- India - GST Invoice Generation' Program has been run for the transaction & completed without error.
- By Running query.

```
'select * from JAI_OM_OE_GEN_TAXINV_T where Delivery_id = &Delivery_id;'
```

shows no rows selected

If the above shows rows, rerun the India - GST Invoice Generation program giving delivery_id in the parameter & check the log file.

- By Running query

```
'select * from JAI_CMN_ERRORS_T where Application_Id = 'JAI_OM_WSH_PKG' and Creation_Date like Sysdate;'
```

Checkup if any errors are reported for OM Transactions.

Fulfilled Orders- Errors

109. Fulfilled Orders results in error 'ORA-20406 - Mandatory India Localization Sub-inventory Setup not done for this Location from where shipment is made' or 'ORA-01400: cannot insert NULL into ("JA"."JAI_OM_WSH_LINES_ALL"."LOCATION_ID")'. What does this mean? How do we resolve this?

This error indicates that Sub inventory Location setup in India Localization is missing.

To resolve this do the following:

1. Navigate to India Local Inventory responsibility -> Setup -> Organizations -> Sub inventory Locations.
2. Query for the Organization and Location combination were you are trying to ship. Ensure that all the Sub-inventories for this combination are added in this form. Post this try to carry out Fulfilled Order.

110. Fulfilled Order results in error 'ORA-20401, 'Matched Quantity - 0 should be equal to Shipped Quantity - 5 in trading Sub inventory 'XXXX'. What does this mean? How do we resolve this?

For a shipment made from the Trading Organization, Matching of the Delivery with Receipt is pre-requisite.

It is also necessary that the Matched quantity and shipped quantity tally. India

Localization does not support features of backordering in case of Trading Organization and the full quantity matched needs to be necessarily shipped.

You should match the delivery to receipts prior to shipment to ensure matched quantity is physically available for shipments.

111. Fulfilled Order results in error 'ORA - 20401 - LC Matched Quantity - 10 should be equal to Shipped Quantity -- 5 for LC enabled Orders'. What does this mean? How do we resolve this?

An LC enabled Order has to be matched to an LC with the quantity that is being shipped, prior to shipment.

For cases where splitting is required, please split first & then match. Try shipping only post matching is completed.

112. Fulfilled Orders results in error "ORA-20120: Currency Conversion Rate Not Defined In The System ORA-06512: at "APPS.JA_CURR_CONV", line 75 ORA-06512: at "APPS.JAI_OM_WDD_ARIUD_T1", line 503 ORA-04088: error during execution of trigger 'APPS. JAI_OM_WDD_ARIUD_T1". What does this mean? How do we resolve this?

The error occurs for a foreign currency transaction for which the currency conversion rates are not maintained. Please update the daily rates & then run the ITS (Interface Trip Stop).

113. Querying on Fulfilled Orders Localized screen shows Invalid Object JAI_OM_WSH_DELIVERIES_V. Trying to compile the same gives error ORA-01730: invalid number of column names specified. How do we resolve this?

This error occurs when there is any change to the table structure of base applications table Wsh_Delivery_Details & is resolved by reapplying the Jai_om_wsh_deliveries_v.sql from the latest patch set objects.

Letter of Credit

122. Why does Customer Number/Site not appear in LC Master Screen?

Please check & ensure that Customer and Customer Site Information is properly setup in Customer Additional Information screen.

123. How do we ensure that LC Number generated on LC Master is in sequence?

Ask your DBA to check the Sequence, JAI_OM_LC_HDRS_S, and see that it has a value.

Cause When the application is launched, after the database is restarted, new request numbers are cached in memory for use when LC Masters are created. The number cached is controlled by the Sequence JAI_OM_LC_HDRS_S. Numbers are cached, bouncing the database for any reason will cause sequence numbers to be skipped. All numbers remaining in cache are lost when the database goes down. When the database is restarted and the application is launched new numbers are cached beginning where the last full set of cached numbers ended.

Fix This is functionality as designed. The Sequence JAI_OM_LC_HDRS_S comes with a seeded value, or may have been adjusted by your DBA during installation. The feature can be turned off, however. To disable the feature set the sequence to NOCACHE in the JAI_OM_LC_HDRS_S table.

This should be done by the Database Administrator. From the SQLPLUS prompt type the following:

```
ALTER SEQUENCE JAI_OM_LC_HDRS_S NOCACHE;
```

When NOCACHE is set, you can view the next available sequence by querying the USER_SEQUENCES table.

Additional Information: This can impact performance because when the feature is turned off, creation of each Service Request will cause a table query for the next id instead of getting it from the cached values.

Trading - Match Receipts

114. What can be the reason for the Order Type not appearing in Match Receipt screen?

Ensure that the following are completed:

1. The Order is attached in 'Define Bond Register' to 'Trading Domestic with GST'
2. The Order Entered has an 'Adhoc GST' Tax line with zero value
3. The Order is in a Trading Organization and Location that has been defined

124. How do we correct a delivery wrongly matched to a Receipt?

If such error is noticed prior to shipment then the existing match can be undone using Unmatch feature. This feature is provided in the Match Receipts form. On selection of 'Unmatch' Button, system lists only those Orders that are not yet shipped. Unmatch can be performed either for the full delivery or for a delivery line.

However, once the shipment is made, such mistakes cannot be rectified.

115. Why does the ON-UPDATE TRIGGER ERROR occur on performing Match Receipts?

The above occurs when there is a corruption of the tax lines in the Sales Order. This gets rectified on querying the Sales Order and rectifying the tax lines.

116. What should be checked when an entry for one line does not appear in Match Receipt screen?

Please check and ensure the following:

1. The Items attached in this line are properly set up as trading item.
2. The Order line entered has an 'Adhoc GST' Tax line with zero value

3. The line has been pick released.
4. The Item class of the Item is set as 'FGIN' and not 'OTIN'.

117. In what circumstances is the fulfilled order (from a Trading Organization) allowed without completing Match Receipts?

This happens when the trigger JAI_OM_WDD_ARIUD_T1 is either invalid or disabled. This trigger ensures that the shipping is stopped in case of any error & if the same is disabled, all the checks will be bypassed & will result in either data corruption or will cause the Interface Trip Stop to run into error.

118. Can Matching in RG23 D receipts be LOT controlled?

Trading functionality of India Localization does not work on LOT Control provided by base applications. Hence, LOT numbers selected in the shipment have no bearing on selection and matching of receipts for trading functionality.

119. Why no Accounting Entries are passed for GST for Sale made through a Trading Organization?

As per localization functionality / design, use of RG23 D / Trading does not have any impact on GL. The account entered in RG23D account in Organization Additional Information is not used in Shipment. However, Account defined on the GST Tax is credited when the 'Order Price GST Inclusive' flag is set to 'NO'.

GST Exemption Transactions

120. Why is an RG 23/PLA entry created on carrying out an GST Exemption Transaction?

CENVAT Reversal entry is passed automatically based on the Cenvat Reversal Percentage value entered in Organization Additional Information for the Organization/Location from where the material is shipped. This happens only when the GST Exempt type is 'CT2-IND' and 'GST Exempted Certificate - IND'.

This percentage is normally supposed to be set up as 8% for duty debit under Rule 6 of The Central GST Rules.

121. What can be the reason for a Zero Value entry in the Bond Register?

Use of 'Customs' & 'CVD' type of taxes on Sales Order results in this problem. 'Customs' & 'CVD' are supposed to be input taxes & are not to be used with Sales Orders. 'GST' Type of Taxes should be used while creating a Sales Order for an exempt transaction.

122. Can we change the GST Exemption values on Sales Order once they are entered and saved?

Once a Sales Order is marked as GST Exempt, no further changes to the GST Exemption data is allowed. User should take sufficient care to enter correct data & verify the same prior to saving.

123. Why are Shipments Taxes made under Bond and having 'Additional GST' are

updated in AR Transactions?

GST type 'GST - Additional' has been created specifically to cater to Additional GST duty. This is applicable to items like Sugar, Tobacco & also few textile items, like fiber, yarn etc. which attract Additional GST Duty under Additional Duties of GST (Textiles and Textile Articles) Act, 1975. Mapping of the SED is supposed to be made to 'GST - Special', which has been specifically provided for this issue. Use of correct Tax type should be made for proper product behavior.

GST Invoice Generation

124. What can be the reasons for GST Invoice Numbers not being generated on running the 'India - GST invoice Generation' concurrent program?

Anything missing in the following setups and transaction data can lead to non generation of GST Invoices.

Check the following Setups:

1. The Item shipped has Item class setup at Organization Items level
2. The Item Class should exist and should not be 'OTIN' or 'OTEX'
3. The Item shipped has Item as Excisable at Organization Items level
4. Check if the table JAI_INV_ITM_SETUPS has been populated for this item
5. The Order Type used is attached to Bond Register
6. The Financial Year is setup in Localization for the Organization.
7. The Organization is either a Master Org or has been attached to a Master Org.
8. The EC Code for the Organization is not null & a distinct code is entered.
9. The shipment has been made from a bonded Sub inventory.

Check the following Transaction Data:

1. The Order shipped has GST Type of tax attached to it.
2. Inventory Interface has completed normally
3. The Payment registers have sufficient balance to clear the transaction
4. 'India - GST Invoice Generation' Program has been run for the transaction & completed without error.
5. Running the query 'select * from JAI_OM_OE_GEN_TAXINV_T where Delivery_id = &Delivery_id;' Shows no rows selected

6. If the above query shows rows, rerun the India - GST Invoice Generation program giving delivery_id in the parameter & check the log file.

125. Why is GST Invoice Number is always generated as Zero?

Correct records for new financial year have not been populated in JAI_CMN_RG_EXC_INV_NOS table as there was some problem during opening of new year.

Alternatively, The Organization is not defined as a Master Org nor has it been attached to a Master Org.

126. Why does the Delivery id not appear in the LOV while trying to Run the 'India - GST Invoice Generation' program?

1. Check & ensure that the setups as specified in Question 144 are made.
2. Run the following select script:

```
Select delivery_detail_id, oe_interfaced_flag, inv_interfaced_flag from  
wsh_delivery_details where delivery_detail_id = &Delivery_detail_id;
```

If the above output does not show 'Y' for both oe_interfaced_flag and inv_interfaced_flag the same means that the Interface Trip Stop has not been successful (completed in error) and the same needs to be processed. Please note that 'GST Invoice Generation' is a step post Interface Trip Stop & hence in the given scenario, Localization is waiting for successful completion of Interface Trip Stop.

127. What can be the reasons for Delivery id not appearing in the LOV of 'India - GST Invoice Generation' program?

Check output of the following select script:

```
Select delivery_detail_id, oe_interfaced_flag, inv_interfaced_flag from  
wsh_delivery_details where delivery_detail_id = &Delivery_detail_id;
```

If the above output shows 'P' for inv_interfaced_flag the same means that the Interface Trip Stop has run into warning & the same needs to be processed. GST Invoice Number is generated only when the Shipment is successfully interfaced to Inventory & in the current scenario, the program is waiting for the Interface to get completed. The GST Invoice in the above case will only get generated when the inv_interfaced_flag gets replaced with 'Y'.

128. Why does the GST Invoice Generation Program not show any output?

'India - GST Invoice Generation' Program does not have any RDF attached to it and hence the same is not supposed to show any output. This program when run results in generation of GST Invoice Number based on setups made & updates the necessary registers & passes accounting entries. The output is not provided as there is no generic format for GST Invoice printing & each Organization requires the same to be printed in a different format as per business requirement.

129. How to setup GST Invoice Number? How to initialize the Number to start from a

different Number?

In GST Generation India Localization screen Transaction Type field choose one of the options from the LOV. The options would be

1. **Order:** On selecting this option in combination with the Order Type, the GST Invoice Number generated on shipping the delivery created with this Order Type would be based on the definition specified for this record.
2. **Return To Vendor:** The document sequence defined here would be applicable to GST Invoice Numbers generated for a Return to Vendor Transaction.
3. **Domestic:** The document sequence defined here would be used for Domestic Transactions. A Domestic transaction would be the one created with a Order/Invoice Type attached to 'Domestic with GST' Type of Bond Register. Please note that this will be applicable to all Domestic Orders/Invoices other than those explicitly setup through this screen.
4. **Invoice:** On selecting this option in combination with the Invoice Type, the GST Invoice Number generated on completing an AR Invoice would be based on the definition specified for this record.
5. **Export:** The document sequence defined here would be used for Export Transactions. A Export transaction would be the one created with a Order/Invoice Type attached to 'Export with GST' type of Bond Register. Please note that this will be applicable to all Export Orders/Invoices other than those explicitly setup through this screen.
6. Also, note that you can initialize the default values of GP1 & GP2 in the table JAI_CMN_RG_EXC_INV_NOS to start from a different number.

129. How to ensure that GST Invoice does not get generated for certain shipments?

At Transaction level, GST Invoice generation is mainly dependant on the Sub inventory from where the material is being shipped & the Order Type association to Bond Register. Hence when for a particular shipment, GST Invoice should not be generated, the same should be shipped from a 'Non- Bonded' sub inventory. Alternatively an Order Type which is attached to 'Domestic Without GST' can be used to create shipments without having GST Invoice Numbers / GST Impact.

130. Why is that the GST Invoice Numbers are in a sequence but the date is not in the same Order?

GST Invoice Generation results in entry on Shipment Date as per localization intended functionality. This program is required to be scheduled to run on need basis and at least once per day. If the program is not scheduled but run manually for each shipment, and user forgets to run the same for a particular delivery, the same would remain pending in the temp table. As and when such record is processed the entry would get passed on the Date of the shipment and the number would be the current running GST Invoice Number. To avoid such kind of issue, Schedule the program to run without any

parameters at least once a day.

131. How should I avoid same GST Invoice Numbers being created for Multiple deliveries?

The 'India - GST Invoice Generation' program is required to be set as incompatible to itself. If this is not done and multiple users run this program at the same time without passing delivery id, this issue comes up. Check & rectify the program's incompatibility.

132. GST Invoice Number is seen in Fulfilled Orders Localization screen, but appears as blank in AR Localization screen. What can be the Cause? How do we resolve this?

Cause

The above scenario is caused when the ITS (Inventory Trip Stop) runs into warning & hence updates the OM interfaced flag without updating the Inventory interfaced flag. In such cases the Invoice in AR is generated prior to generation of GST Invoice in system and hence the problem.

Solution

Run the concurrent program 'India - Importing GST Invoice Numbers in AR' for the org_id and the Invoice Number. The Invoice Number will no longer appear in the LOV once the GST Invoice Number is updated.

133. What can be the reason for improper GST Invoice sequence?

If prefixes are not being used, it is most likely that more than one type of Invoice / Order will be using the same series. Under such circumstance, it is likely that the GST Invoice is not being skipped out but used against different series of Order / Invoice. Please check your GST registers, which should confirm this.

134. How can we rectify existing shipments for which GST Invoice has not been generated?

Please note that Data fix in the above case will not be possible, as the shipping event has already taken place.

Please carry out the following steps to rectify the books:

1. If the item is a FGIN item, Pass an entry in Manual RG1 Entry
2. Else pass proper manual entry in the payment registers.
3. While passing the above manual entries, you will see an GST Invoice Number that has been generated for this transaction.
4. Record the same Number in pre-printed Number at fulfilled orders localized form for further reference if required.

135. What should be checked when GST Invoice is not generated for a Manual AR Transaction?

Check the following:

1. The Item is an Inventory Item created in system.
2. The Item used for Manual Transaction has Item Class setup at Organization Items level.
3. The Item used for Manual Transaction has Item as Excisable at Organization Items level.
4. Check if the table JAI_INV_ITM_SETUPS has been populated for this Item.
5. The Transaction type used is attached to Bond Register as Invoice under proper register type.
6. The Financial Year is setup in Localization for the Organization.
7. The Organization is either a Master Org or has been attached to a Master Org.
8. The EC Code for the Organization is not null & a distinct code is entered.
9. Where you have not checked 'Allow -Ve Balance in PLA' at the Organization Level, check whether enough GST balance exists to clear the transaction.
10. GST Type of tax is attached to the transaction
11. The program 'AR Tax and Freight Defaultation' is submitted and has completed without error.
12. The Transaction is completed.

136. How do we handle Tax Collection At Source?

You can use the following approach to meet the calculation and accounting needs related to Tax collection At Source:

1. Create a Tax Code for Tax Collection at Source with the Tax Type as 'Any Other Tax'. Assign this Tax Code to the relevant Tax Category. Set the Item Category list appropriately so that this tax would default for sale scrap items to certain customers.
2. The Tax calculated thus would be accounted by debit to the Receivable Account and credit to account specified for the Tax code.
3. Where you would be able to identify the TCS applicability only on creating the transaction, the TCS Tax code should be added manually to such transactions.
4. Following Accounting entry will be passed on Accounting for the AR Transaction:

Sundry Debtors Dr 11550
 Scrap Sales Cr 10000
 Tax Cr 500
 TCS Collected Cr 1050

5. You have to generate TCS Certificates and returns outside India Localization.

Returns

137. RMA order is not picking the tax amount for the return order created with reference. OR Tax lines for RMA is created with Zero amount. Why does this happen?

Please check the following:

1. Query the Shipment against which this RMA is being entered and ensure that the same has taxes visible. (If not, RMA Order will not have taxes, as the Original Invoice in such case will also be without taxes).
2. Check that in the Sales Order Localized form the check if 'Allow GST Credit?' & 'Allow Sales Tax Credit?' have been marked as 'Yes'.
3. Ensure that the Tax type for the tax code used is one provided by localization and is not a customized tax type.
4. The value entered in 'Organization Additional Information' in the columns of 'Sales Tax Return Days' and 'GST Return Days' for the given Organization & Location combination is not null.
5. The difference between Shipment date and RMA creation date is less than the value entered in 4 above.

138. How to handle a case where taxes are not defaulted on Credit Note generated for the Customer, due to missing setups?

Create a Manual Credit Note for the tax amount and match the same with Original Invoice. Use of Manual Register entry form can be made for updation of GST Registers in such cases.

139. Why is tax not recalculated when Modifiers are used in RMA created with reference?

As per localization functionality, the RMA Taxes are copied from taxes applicable at time of shipment & are frozen. The same cannot be changed in view of the legal requirement that Credit Note for an Invoice cannot have different tax compared to that of the Original Invoice. In case of any business requirement to have change in taxes, a separate Credit Note for such tax differential can be issued.

Alternatively, RMA Order can be entered without reference to the Original Shipment that will then allow user to change taxes.

140. Why is RG 23D Register updated both on Return and also on re-Shipment?

If a dealer has to take back the goods in his stocks & afterwards to resell the same to another customer under cover of an GST Invoice, in this situation the procedure prescribed by the Pune Commissionerate vide Trade Notice No. 18/87 Dated 11/12/1997

should be followed by the Dealers or Depots of the Manufacturers or Consignment Agents or Importers etc., who are registered.

Under the above The Range Superintendent can cancel the Original Invoice after verifying deletion of relevant entries in RG23D & confirming that no CENVAT has been availed at other end & allow the dealer to issue fresh cenvatable Invoices in the Name of the other Customer. The above is the basis of current RMA architecture in a Trading Organization.

141. Are GST Quantity Registers updated on Inventory Transactions that happens from the Staging transfer of Sales Order?

GST Registers will be updated based on the Item Class, subject to the condition that the Staging Sub Inventory is Bonded.

India Local Receivables

Following are the frequently asked questions in Receivables module

Taxes in Receivables

142. What should we check when taxes have not flowed to AR for Invoices created by using Auto Invoice?

Check the following:

1. Sales Order had taxes attached
2. Such Taxes can be viewed on querying the shipments in Fulfilled Orders localized. If not refer details given above.
3. The Order does not have any exemption attached to it.
4. The Program 'India Local Concurrent for processing Order Lines to AR' has been scheduled / run after Auto Invoice.
5. Opening the form 'India Localization - Reprocessing Error OM Tax Records' does not show the same as stuck with any error. (This should be available under the menu Control -> India Resubmit AR Tax and Freight) If yes, resubmit the same and run the above program.

143. What can be the cause for the Taxes appearing in balance screen but not in distribution lines in Base AR Transactions screen?

This can happen in the following scenarios

1. The 'India Local Concurrent for processing Order Lines to AR' has not been set as incompatible to itself and is being run simultaneously by multiple users.
 - a. Solution for this is to set the above program incompatible to itself.

- The 'India Local Concurrent for processing Order lines to AR' has the parameters run for all Operating Units and the same is marked as 'Yes' and scheduled/run like this from Multiple Operating Units.

a. In such case cancel all the scheduled requests of this program & schedule it to run with this parameter as 'Yes' from only from one Operating Unit.

144. Why do GST Taxes not flow to AR when Order Type is attached to Bond Register?

Liability of GST Duty on Sales made under Bond Registers does not arise and need not be charged to the Customer. However, such transactions are to be tracked through Bond Register.

This GST Amount in bond register is credited back in 'Bond Register' on submission of 'Proof of Export' using the Bond Register Summary screen.

145. What can be the reason for GST taxes not flowing to AR created in Trading Organization?

This happens in cases where the Trading Organization setup in Additional Organization Information has 'Order Price GST Inclusive' field checked. This means that price includes GST and the same is not to be recovered separately from the Customer.

146. What can be the reason for Tax line having Zero Amounts in Base AR Tables?

1. This happens when an Invoice that has been imported using Auto Invoice and the Status is reset to Incomplete by the user manually. The cause of such issue is base applications behavior that replaces localization taxes with zero.
2. The user should be aware of such behavior and should avoid setting the Invoice to Incomplete Status post import of the same from Order Management.

147. Why do Taxes on Non-Inventory Items, created through Generic line workflow without shipment, not result in taxes in AR?

Localization will process taxes from Sales Order to AR only for 'Bill Only Workflow' and any other method like 'Servicable Item' getting imported using 'Line flow - Generic' will not result in taxes. The Localization architecture is shipment based and above 'Bill Only Workflow' is an exception route provided for handling of GST Items. Further note that this kind of transactions will not have GST Invoice Numbers, as GST Invoice requires shipment as a pre-requisite.

148. Why do discrepancies occur in Shipment Taxes (lines are split during shipment) when compared with Sales Order?

Such discrepancy (when the same is of value Rs.1) can be as a result of rounding when the tax in the Sales Order is to be rounded off to zero decimals & the lines are split at time of shipment but again consolidated at time of Invoice creation.

Taxes in Receivables - Errors

149. Auto Invoice program results into an error of 'Unable to locate a valid Sales Tax Rate for transaction.'

The above error is results of partial setups have been done on the Base applications tax windows. Please note the following points on the Base application Tax Setup when you are using India Localization:

1. Tax Method and Location flexfield selection has to be done in the System Options, as this is a mandatory setup requirement.
2. Ensure that E-Business Tax setup for Tax code localization is carried out as shown in the Implementation Guide.

E-Business Tax Setup

150. How should I setup E-Business Tax Regime to Rates

Oracle E-Business Tax is a new product that provides the infrastructure for tax knowledge management and delivery using a global system architecture that is configurable and scalable for adding country specific tax content. As the single point solution for managing transaction-based tax, Oracle E-Business Tax uniformly delivers tax services to all E-Business Suite business flows through one application interface.

From Release 12 E-Business Tax replaces the Accounts Receivable tax engine that is present in Release 11i.

You will have to do a dummy Regime to Rates setup in E-Business Tax as detailed in this chapter. Please refer to E-Business Tax documentation for further information.

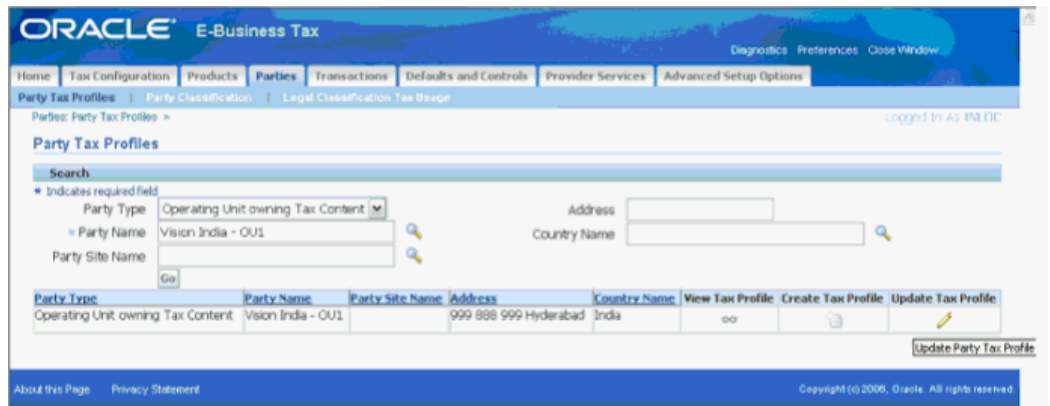
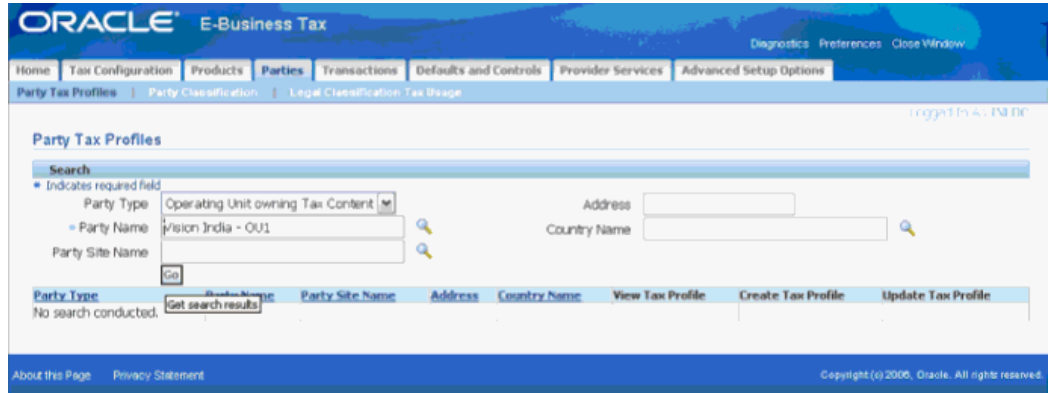
Please note that following steps to perform the E-Business tax setups are required for new implementations only. For existing Release 11i customers, migration scripts will ensure the required setups.

Step 1: Define "Party Tax Profiles"

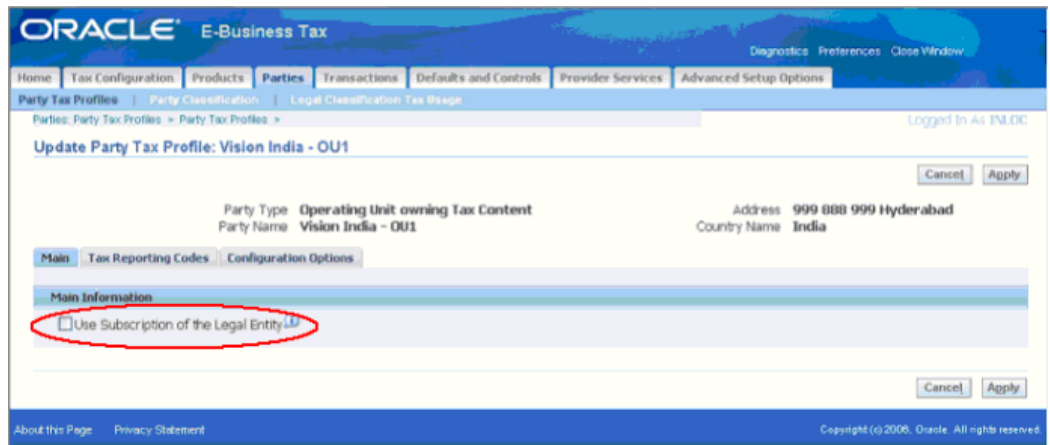
Search for Operating Unit using the "Party Tax Profiles" page.

Navigation : Tax Manager – Parties – Party Tax Profiles – Parties Tab

Click on "Update Party Tax Profile" button.



The following Flag should *not* be checked.



Important: Please note that "Use subscription of the Legal Entity" check box *must not* be checked.

You will not be able to use India Localization if this flag is checked.

Step 2: Define Regime

Navigation : Tax Manager – Parties – Party Tax Profiles – Tax Configuration Tab

Following regime should be defined with *exact* values as shown below:

Following data should be entered while defining the tax regime:

Tax Regime Code IN-SALES_TAX

Name IN-SALES_TAX

Regime Level: Country

Country Name : India

Effective Date : current date

The screenshot shows the Oracle E-Business Tax interface for creating a tax regime. The page title is "ORACLE E-Business Tax" and the user is logged in as "IN,DC". The navigation menu includes "Home", "Tax Configuration", "Products", "Parties", "Transactions", "Defaults and Controls", "Provider Services", and "Advanced Setup Options". The "Tax Configuration" menu is expanded, showing "Tax Regimes", "Taxes", "Tax Statutes", "Tax Jurisdictions", "Tax Recovery Rates", "Tax Rates", and "Tax Rules". The "Tax Regimes" menu item is selected, and the page title is "Tax Configuration: Tax Regimes".

The main content area is titled "Create Tax Regime: Main Details" and contains the following fields:

- Main Information**
 - Indicates required field
 - Tax Regime Code: IN-SALES_TAX
 - Name: IN-SALES_TAX
 - Regime Level: Country
 - Country Name: India
 - Parent Regime Code: (empty)
 - Effective From: 01-Apr-2000
 - Effective To: (empty)
 - Used to group Regimes:

There are two "Cancel" and "Continue" buttons at the bottom of the form. Below the form, there are links for "Show Controls and Defaults" and "Show Compounding Level Controls".

Set "Configuration Options" as follows:

You need to set value for "Configuration for Taxes and Rules" as "Common Configuration with Party Overrides"

ORACLE E-Business Tax Diagnostics Home Logout Preferences

Home **Tax Configuration** Products Parties Transactions Defaults and Controls Provider Services Advanced Setup Options

Tax Regimes Taxes Tax Statuses Tax Jurisdictions Tax Recovery Rates Tax Rates Tax Rules

Tax Configuration: Tax Regimes > Create Tax Regime: Main Details >

Create Tax Regime: Configuration Options

Tax Regime Code **IN-SALES_TAX**
Name **IN-SALES_TAX**

* Indicates required field

TIP Date format example: 17-Mar-2006

Party Name	Party Type	Address	Country Name	Configuration for Taxes and Rules	Configuration for Product Exceptions	Effective From	Effect
Vision India Operations	First Party Legal Entity	909 8877 776 Hyderabad	India	Common Configuration with Party Overrides		01-Apr-2000	

This setup needs to be carried out for once at the Legal Entity level and also for *EACH* Operating Unit in which you wish to use Oracle Financials for India.

ORACLE E-Business Tax Diagnostics Home Logout Preferences

Home **Tax Configuration** Products Parties Transactions Defaults and Controls Provider Services Advanced Setup Options

Tax Regimes Taxes Tax Statuses Tax Jurisdictions Tax Recovery Rates Tax Rates Tax Rules

Tax Configuration: Tax Regimes > Regime to Rate Flow > Update Tax Regime >

Update IN-SALES_TAX: Configuration Options

Tax Regime Code **IN-SALES_TAX**
Name **IN-SALES_TAX**

* Indicates required field

TIP Date format example: 17-Mar-2006

Party Name	Party Type	Address	Country Name	Configuration for Taxes and Rules	Configuration for Product Exceptions	Effective From	Effect
Vision India Operations	First Party Legal Entity	909 8877 776 Hyderabad	India	Common Configuration with Party Overrides		01-Apr-2000	
Vision India - OU1	Operating Unit owning Tax Content	999 888 999 Hyderabad	India	Common Configuration with Party Overrides		01-Apr-2000	

Step 3: Create Tax

Navigation : Tax Manager – Parties – Party Tax Profiles – Tax Configuration Tab

Create a Tax with following values:

Tax Regime Code IN-SALES_TAX

Configuration Owner Global Configuration Owner and Operating Unit *

Tax Source Create a new tax

Tax LOCALIZATION

Tax Name LOCALIZATION

Effective From current date

Tax Currency INR

Rounding Rule Down

Applied Amount Handling Recalculated

The screenshot displays the Oracle E-Business Tax 'Create Tax' form. The form is titled 'ORACLE E-Business Tax' and shows the 'Main Information' section. Key fields include: Tax Regime Code (IN-SALES_TAX), Configuration Owner (Global Configuration Owner), Tax Source (Create a new tax), Tax Name (LOCALIZATION), Effective From (01-Apr-2000), Effective To, Geography Type, Parent Geography Type, Parent Geography Name, Override Geography Type, Tax Currency (INR), Taxable Unit, Rounding Rule (Down), Tax Precision, Exchange Rate Type, Compounding Precedence, Reporting Tax Authority, Collecting Tax Authority, Applied Amount Handling (Recalculated), and checkboxes for 'Make Tax Available for Transactions', 'Set as Offset Tax', and 'Set Tax for Reporting Purposes Only'.

* This setup needs to be carried out for once at the Legal Entity level and also for *EACH* Operating Unit in which you wish to use Oracle Financials for India.

Please enter values for "Tax Recovery Controls" as follows:

Allow Tax Recovery check box should be checked and "Primary Recovery Type" should be PREC1.

Make Tax Available for Transactions ⓘ
 Collecting Tax Authority: _____
 Applied Amount Handling: Recalculated
 Set as Offset Tax ⓘ
 Set Tax for Reporting Purposes Only ⓘ
 Geography Type: _____
 Parent Geography Type: _____
 Parent Geography Name: _____
[Hide Controls and Defaults](#)

Controls and Defaults

Controls
 The following values if set enable the relevant functionality for this tax.

Allow Tax Inclusion
 Allow Override and Entry of Inclusive Tax Lines
 Allow Tax Rounding Override
 Allow Override for Calculated Tax Lines
 Allow Entry of Manual Tax Lines
 Use Legal Registration Number
 Allow Duplicate Tax Registration Numbers
 Allow Multiple Jurisdictions ⓘ

Tax Accounts Controls
 The following values control how accounts are defined for this tax.
 Tax Accounts Creation Method: Create Tax Accounts

Tax Recovery Controls
 The following enable and control the tax recovery functionality for this tax.

Allow Tax Recovery
 Allow Tax Recovery Rate Override
 Allow Primary Recovery Rate Determination Rules
 Primary Recovery Type: REC1
 Secondary Recovery Type: _____

Step 4: Create Tax Status

Navigation : Tax Manager – Parties – Party Tax Profiles – Tax Configuration Tab

Create Tax Status with following values:

Tax Status Code STANDARD

Name LOCALIZATION

Effective From current date

ORACLE E-Business Tax

[Home](#) | [Tax Configuration](#) | [Products](#) | [Parties](#) | [Transactions](#) | [Defaults and Controls](#) | [Provider Services](#) | [Advanced Setup Options](#)
[Tax Regimes](#) | [Taxes](#) | [Tax Statuses](#) | [Tax Jurisdictions](#) | [Tax Recovery Rules](#) | [Tax Rates](#) | [Tax Rules](#)

Tax Configuration: Tax Regimes > Regime to Rate Flow > Logged In As: INLDC

Create Tax Status
 * Indicates required field Cancel Create Another Apply

Main Information

Tax Regime Code: IN-SALES_TAX
 Configuration Owner: Global Configuration Owner
 Tax: LOCALIZATION
 Tax Status Code: STANDARD
 Name: LOCALIZATION
 Effective From: 01-Apr-2000
 Effective To: _____
 Set as Default Tax Status ⓘ

Default Controls
 Allow Tax Rate Override

Tax Rate Defaults
 The following values will default for all tax rates within this Tax Status and can be overridden at the Tax Rate level.

Default Recovery Settlement: _____

Cancel Create Another Apply

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This setup needs to be carried out for once at the Legal Entity level and also for EACH Operating Unit in which you wish to use Oracle Financials for India.

ORACLE E-Business Tax

Home | **Tax Configuration** | Products | Parties | Transactions | Defaults and Controls | Provider Services | Advanced Setup Options

Tax Regimes | Taxes | Tax Statuses | Tax Jurisdictions | Tax Recovery Rates | Tax Rates | Tax Rules

Tax Configuration: Tax Statuses > Logged In As: INLDC

Create Tax Status

Indicates required field

Cancel Create Another Apply

Main Information

Tax Regime Code: IN-SALES_TAX Effective From: 01-Apr-2000
 Configuration Owner: Vision India - OU1 Effective To: (example: 17-Mar-2006)
 Tax: LOCALIZATION Set as Default Tax Status:
 Tax Status Code: Standard
 Name: Tax for OU1

Default Controls

Allow Tax Rate Override:

Tax Rate Defaults

The following values will default for all tax rates within this Tax Status and can be overridden at the Tax Rate level.

Default Recovery Settlement: [Dropdown]

Cancel Create Another Apply

Review your work in the Regime to Rate flow

ORACLE E-Business Tax

Home | **Tax Configuration** | Products | Parties | Transactions | Defaults and Controls | Provider Services | Advanced Setup Options

Tax Regimes | Taxes | Tax Statuses | Tax Jurisdictions | Tax Recovery Rates | Tax Rates | Tax Rules

Tax Configuration: Tax Regimes > Logged In As: INLDC

Regime to Rate Flow

Search

Tax Regime Code: IN-SALES_TAX Tax Rate Code: [Field]
 Tax: [Field] Tax Jurisdiction Code: [Field]
 Tax Status Code: [Field] Go

The following table will allow you to drill down to each level within the Regime to Rate Flow.

Expand All Collapse All

Focus Code	Level Name or Jurisdiction Name for Rate Level	Level Type	Configuration Owner	Create Tax	Create Tax Status	Create Tax Rate	Update
IN-SALES_TAX	IN-SALES_TAX	Regime		[Icon]	[Icon]	[Icon]	[Icon]
LOCALIZATION	LOCALIZATION	Tax	Global Configuration Owner	[Icon]	[Icon]	[Icon]	[Icon]
STANDARD	LOCALIZATION	Status	Global Configuration Owner	[Icon]	[Icon]	[Icon]	[Icon]

Return to Tax Regimes Create Tax Rate

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Step 5: Create Tax Rate

Navigation : Tax Manager – Parties – Party Tax Profiles – Tax Configuration Tab

Create Tax Rate with following values:

Tax Rate Code LOCRATE

Rate Type Percentage

Percentage Rate 0

Effective From current date

ORACLE E-Business Tax

Diagnosics Home Logout Preferences

Home Tax Configuration Products Parties Transactions Defaults and Controls Provider Services Advanced Setup Options

Tax Regimes Taxes Tax Statuses Tax Jurisdictions Tax Recovery Rates Tax Rates Tax Rules

Tax Configuration: Tax Regimes > Regime to Rate Flow > Logged In As IN.LOC

Create Tax Rate

Indicates required field

Cancel Create Another Apply

Tax Regime Code: IN-SALES_TAX Tax Regime Name: IN-SALES_TAX
 Configuration Owner: Global Configuration Owner Rate Type: Percentage
 Tax: LOCALIZATION Tax Name: LOCALIZATION
 Tax Status Code: STANDARD Tax Status Name: LOCALIZATION
 Tax Jurisdiction Code: Tax Jurisdiction Name:
 Tax Rate Code: LOCRATE

Rate Periods

Indicates required field
 TIP Date format example: 17-Mar-2006

Percentage Rate	Effective From	Effective To	Rate Details	Operating Unit	Tax Accounts	Duplicate	Details and Accounts	Remove
0	01-Apr-2000							

Add Another Row

Cancel Create Another Apply

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This setup needs to be carried out for once at the Legal Entity level and also for *EACH* Operating Unit in which you wish to use Oracle Financials for India (for the purpose of creating tax rate at Operating Unit level you can use the 'copy' feature).

ORACLE E-Business Tax

Diagnosics Home Logout Preferences

Home Tax Configuration Products Parties Transactions Defaults and Controls Provider Services Advanced Setup Options

Tax Regimes Taxes Tax Statuses Tax Jurisdictions Tax Recovery Rates Tax Rates Tax Rules

Tax Configuration: Tax Rates > Logged In As IN.LOC

Copy and Override Tax Rate

Cancel Apply

Tax Regime Code: IN-SALES_TAX Tax Regime Name: IN-SALES_TAX
 Tax: LOCALIZATION Tax Name: LOCALIZATION
 Tax Status Code: STANDARD Tax Status Name: LOCALIZATION
 Tax Rate Code: LOCRATE Configuration Owner: vision India - OU1
 Tax Jurisdiction Code: Tax Jurisdiction Name:
 Rate Type: Percentage

Rate Periods

Indicates required field
 TIP Date format example: 17-Mar-2006

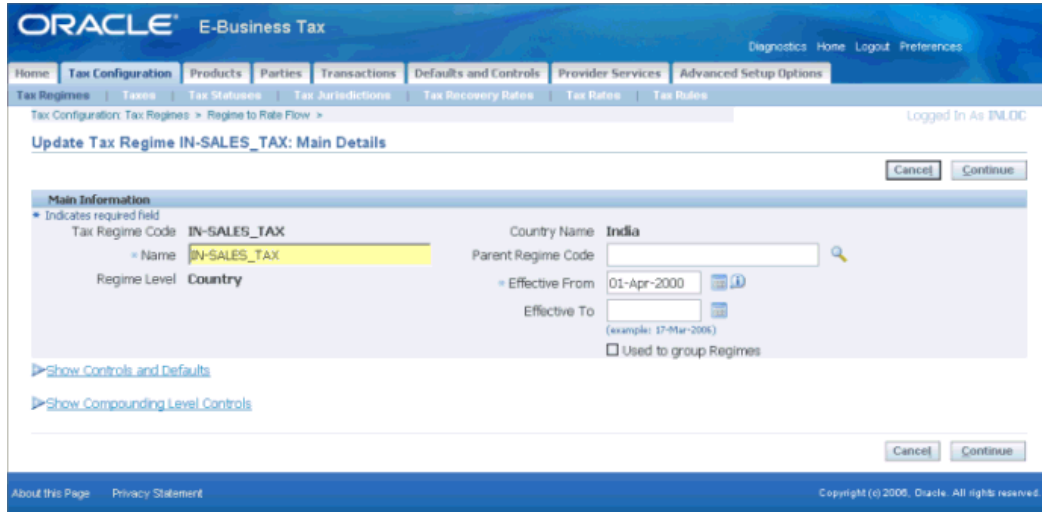
Percentage Rate	Effective From	Effective To	Rate Details	Operating Unit	Tax Accounts	Duplicate	Details and Accounts	Remove
0	01-Apr-2000							
0	01-Apr-2000							

Add Another Row

Cancel Apply

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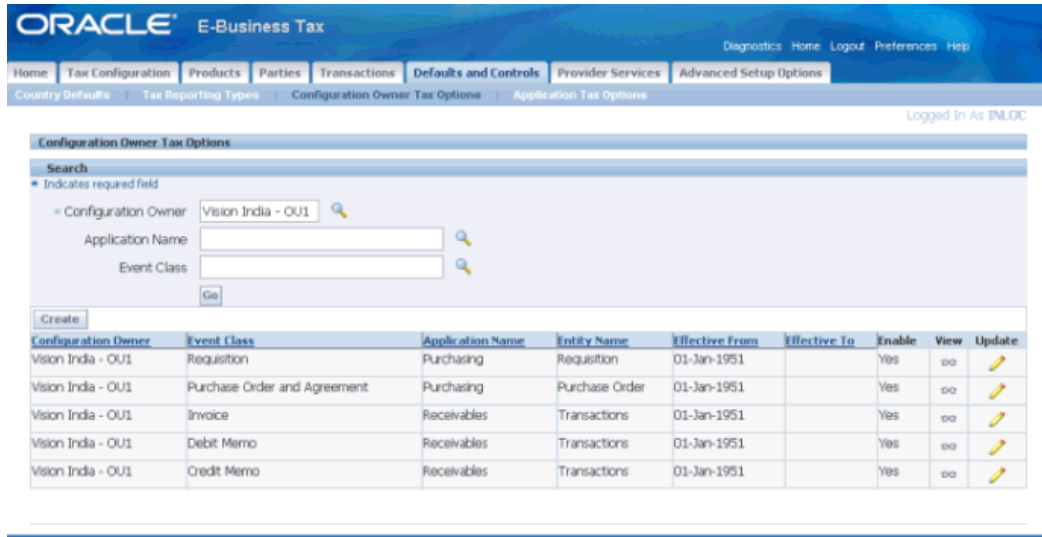
Step 6: Update Tax Configuration Options



Navigation : Tax Manager – Parties – Party Tax Profiles – Tax Configuration Tab

Review Configuration Owner Tax Options, ensure they are as following:

Navigation : Tax Manager – Parties – Party Tax Profiles – Defaults and Controls Tab



Supplementary Transactions

151. Why does GST Amount on Credit Memo/Invoice remain zero?

In the above case it is most likely that the Assessable Value setup has not been carried out. As a result of this system replaces the new Assessable Value with Zero & hence assumes that the New GST Duty will be zero. Attach Price List in Customer Additional Information. Change of Tax Rate using Supplementary Transaction can be made only if "Assessable price" list is setup.

This is important in view that Client may require to create a Supplementary Invoice of tax rate change where there is a change in the assessable value of an item.

By not doing this setup, it indicates to the system that the "Assessable Price" is Zero & hence there is no GST to be charged for the given Original Invoice. If there is a change of price, in the Indian Scenario as a generic business requirement it normally also results in change of Assessable Value as well i.e., if A Debit Note is given for increase of Price, the client also requires GST Duty to be paid on such revised Assessable Value & issue Debit Note to the extent of the increase in Assessable Value.

152. What can be reason for Supplementary Invoices created without taxes?

The program "India Local concurrent program for processing order lines to AR" needs to be run, post which taxes will be visible with taxes.

153. Why is Supplementary invoice not created for Stock Transfers?

The functionality of Supplementary Invoice has been provided for raising Debit Notes and Credit Notes for Customers Invoices due to price or tax change. This is not designed to handle ISO's and Stock Transfers as primarily ISO's and Stock Transfers do not have AR Invoices.

154. How can we create a Supplementary GST Invoice in a Trading Organization?

Supplementary transactions can be raised on account of the following

1. Price change for a retrospective period
2. Change in Tax Rate for retrospective period

For sales made from a Trading Organization, GST Amount is determined by matching a delivery detail with Receipts. Hence the question of rate change does not arise under Trading scenario. If however, a correction is sought for in the RG23D records or additional D/N to Customer, the same can be done by passing manual entries in RG23D and creating a Debit Note to Customer using Transactions Localized screen of AR.

155. Can we raise an GST Invoice for Zero shipped quantity?

GST Laws are applicable only on the event of removal of goods & hence India Localization is based on the event of Shipping. For passing of entries in GST records where the shipped quantity is zero, it is recommended to use GST Register Entry screens such as Manual PLA, Manual RG1 entry, Manual RG23A/C Entry.

Supplementary Transactions - Errors

156. Import of a supplementary transactions using Auto Invoice is rejected with the Error 'Invalid tax_code (Localization)'. Why does this happen? How do we resolve this?

Cause

This happens in cases where 'Localization' Tax Code is not defined in E-Business Tax.

Solution

Ensure that a Tax Code is defined in E-Business Tax as per details provided in User Reference Manual.

157. Import of a supplementary transactions using Auto Invoice is rejected with the Error "Salesrep id is not valid" or 'Sales_credit_type_id is not valid'. How do we resolve this?

In the Transaction source setup, 'Auto Invoice options' tab, Allow Sales Credit has to be unchecked

158. Import of a supplementary transactions using Auto Invoice is rejected with the Error 'CUST_TRX_TYPE_ID is nil'. How do we resolve this?

In the Transaction source setup, 'Other Information' tab, Transaction Type should be selected as Value. Taking id here will result in Auto Invoice rejecting the Invoice saying that the CUST_TRX_TYPE_ID is nil

159. Import of a supplementary transactions using Auto Invoice is rejected with the Error "You must supply an Invoice Number when you". How do we resolve this?

Please query the Transaction source. In the 'Batch Source' tab, Automatic Transaction Numbering has to be unchecked.

TDS in Receivables

160. How do we handle errors in Autoinvoice which occur while importing TDS Credit Memos?

Refer articles provided under Supplementary Invoices and rectify the setups based on the error message seen.

161. Why does TDS Credit Memo not display Customer's and sites?

Please ensure that the following are done.

1. The Customer Additional Information is setup.
2. The Customer Site level info is setup in above screen.
3. There are Invoices created for the Customer Site.

162. While Creation of TDS Credit Memo how to enter Account for debiting in case of Autoaccounting setups?

1. Create a Standard Memo Line in base applications using the menu path 'Setup -> Memo Lines'.
2. Assign the Account that needs to be debited.
3. Use this memo line in the field 'Memo Line' which is non-mandatory in the TDS Interface India Localization form.

TDS in Receivables - Errors

163. What setup should I check when the Autoinvoice ends with error "Primary salesperson is invalid with current transaction date"?

The following setups are mandatory for the successful interfacing of TDS Credit Memo to AR Invoice:

1. Please ensure that a Base apps Tax Code is defined in your system as per the E-Business Tax definition explained in this document.
2. Please ensure that the following steps to define the 'TDS Credit Memo' source in AR are followed properly:
 - a. Go into the Set up Transactions - Sources - Add a new record with the following entries. (i.e., Make a new Batch Source).
 - i. Name: TDS Credit Memo
 - ii. Type Imported
 - iii. Description: TDS Credit Memo
 - iv. Active: Checked
 - v. Standard Transaction Type: Credit Memo
 - b. In the same form Go into Autoinvoice Options:
 - i. Ensure that the following Entries exist for the same Batch Source
 1. Invalid Tax Rate : Correct
 2. Invalid Line : Reject Invoice
 3. GL Date in a closed Period : Reject
 4. Grouping Rule : Default
 5. Allow Sales Credit - Checked.
 - ii. Go into Customer Information
 1. Ensure that Value is clicked for Sold to Customer , Payment Method Rule, Customer Bank Account . Id is ticked for Bill to Customer , Bill to Address, For the rest None should be clicked
 - iii. Go into Accounting Information and ensure that the following set up exists :
 1. Invoicing Rule : Value
 2. Accounting Rule : Value
 3. Accounting Flexfield : Segment
 4. Derive Rate is Ticked
 5. Payment Term : Value

6. Revenue Account Allocation : Percent

iv. In Other Information all first options are clicked

v. In Sales Credit Information - All Last Options are clicked.

vi. The source 'TDS Credit Memo' should NOT be created with 'Automatic Batch Numbering' and 'Automatic Transaction Numbering' options. Leave all the options blank since the Credit memo is created with a pre-defined transaction number

c. Autoinvoice has to be run with the batch source as 'TDS Credit Memo'

d. If the Sales Rep is used for Autoaccounting, the relevant accounts (Receivables, Revenue, Freight etc.) need to be populated in the 'No Sales Credit' sales person record.

e. It is also possible to enter a pre-defined Memo line in the 'TDS Certificates' form while entering the details of TDS Certificates received from customers and this Memo line shall be defaulted to the TDS Credit memo generated. The system shall pick up the revenue account assigned to the Memo line for auto accounting in such cases if the Auto accounting is set to 'Standard Line'.

Manual Transactions

164. What should we check when GST registers are not updated on completing an Manual AR Transaction?

Ensure that the following is done

1. Organization and Location are setup in Additional Information is setup
2. The Customer Additional Information is set up at Customer Null Site and Customer Site.
3. The Tax Code is setup with type as 'GST'
4. The Transaction Type (Invoice) is associated in 'Define Bond Register' Form.
5. The Item used has an Item Class setup at the Organization Items level in the Item Template form and is setup as Excisable 'Yes'.
6. Record for this Item exists in the JAI_INV_ITM_SETUPS.
7. The Invoice has a Tax Code, which corresponds with the above-mentioned setup.
8. The Invoice is Completed.
9. GST Invoice Number Field on the transaction gets populated.

165. What do we have to do to have AR Transaction Number to be same as GST Invoice Number ?

GST Invoice Number that has been entered as 'Pre printed GST Invoice' in Fulfilled

Orders localized appears in Transactions (Localized) screen provided you enter the same prior to Auto Invoice & running the Tax program.

The above can be used for reconciliation if required.

In case of Manual AR Invoice also, provision has been made to enter such 'Pre printed GST Invoice' in Transactions (Localized) screen.

The Transaction Number, which appear in AR is an Base Apps Number and hence as such cannot be replaced by localization. Also, no such need is felt mainly when such Number has already been populated in the Transactions (Localized) screen.

India Localization architecture is restricted only till inserting tax lines in AR. There is no localization code (No kind of Form / Trigger / Procedure) at time of entering Receipts / collections or applications of the same. This part is completely handled by Base applications and is beyond scope of the current localization product.

166. Why is Journal Entry not created for GST Duty amounts included in Manual AR Invoices?

The entries are created with 'USER_JE_CATEGORY_NAME' as 'RG Register Data Entry' and the same needs to be setup and imported for seeing entries in GL.

Reports

167. Why does 'India Total Sales Report' show 'No Data found'?

Total Sales Report is expected to work only if data is available in Localization tables and the Transaction has Sales Tax / CST type of Taxes attached. This report also requires that the Customer Additional Information at Site level be setup.

India Local Fixed Assets

Following are the frequently asked questions related to Fixed Assets module.

Depreciation Based on Block of Assets

168. What can be the reason for the block of assets not appearing in the Block of Assets UI ?

Check the following:

1. Check whether 'Block Of Assets' have been defined and 'Periodwise Depreciation Information India Localization' screen is setup for the BOOK TYPE CODE, to which the assets are added.
2. Ensure that the Date Placed In Service of the asset falls in the Financial Year period, which is defined in the Block Of Assets Screen.
3. You should enter into the Block of Assets UI only after entering the values in all the

other fields of the Base form and after saving the record.

4. It is required to enter the value, first in the field 'Date Placed In Service' of the form. Then you should enter into the above UI.

169. How to upload the Old Asset Information from the Legacy System?

Following procedure should be followed to upload the legacy data:

1. For example, if the assets are added right from the year 1980, then, first define the Block Of Assets for the financial year 1980.
2. Upload, first all the assets having the Date Placed In Service in the period 1980, by giving the Date Of Acquisition and block id in the Attributes 1 and 2 respectively of the table FA_MASS_ADDITIONS. Then POST Mass Additions.
3. After the assets are brought to the Asset Workbench, then check whether you are able to view the Block Of Assets attached to the assets or not.
4. Then run the program 'India Income Tax Act Fixed Assets Schedule' for the year 1980.
5. This will calculate the localization depreciation for the block of assets and will arrive at the closing balance for the year 1980. This also, will create another record in the 'Block Of Assets' Screen for the year 1981 giving the opening balance equal to the Closing Balance of the year 1980.
6. Then the user has to upload all the assets falling in the year 1981.
7. Repeat steps 1 to 6 to upload other assets

170. What can be reasons for the block of assets not appearing while adding the assets, even though the setups are complete?

The user will capture the Date of Acquisition and Block of Asset information in this new UI.

User will have to complete the asset addition in Base FA and come to the India Localization screen to assign the Block of Asset and Date of Acquisition.

The user had the flexibility to assign a Block Name to multiple assets at one go which will increase the usability significantly.

Also, the date placed in service (which is given at the time adding the asset) will be defaulted as the Date of Acquisition. This date can be changed by the user. A comprehensive query finds window has been given for this purpose.

171. What can be reason for new Block Of Assets not appearing in the screen 'Define Block Of Assets' for doing the setup?

Complete the following steps for the resolution of the issue:

1. Navigate to India Local Fixed AssetsSetupQuick Codes
2. Query the Quick Code Type 'BLOCK OF ASSETS'
3. Under this, add new Quick Code Value. For example: Vehicles Block. Save the record.
4. Navigate to the 'Define Block Of Assets' Screen. Press CTRL+L. You will be able to view the new block of assets.

Interpreting PO-AP Diagnostic Scripts

Use the following information to interpret the spool of the Diagnostics Scripts

1. Receipt Details:

From the tables RCV_TRANSACTIONS and RCV_SHIPMENT_HEADERS, you can check whether the user has selected the correct context (i.e.ATTRIBUTE_CATEGORY).

a) For Receipts:

1. **Attribute Category** will hold India RMA Receipt or India Receipt based on the Source document.
2. **Attribute 1** will hold the value of GST invoice no.
3. **Attribute 2** will hold the value for GST invoice Date.
4. **Attribute 3** will clarify whether the CENVAT was availed online or deferred.

b) For Supplier Returns:

1. **Attribute Category** will hold India Return to Vendor.
2. **Attribute 4** will hold the value of Generate GST Invoice no=Y/N.
3. When Attribute 4= 'Y' and if excisable Receipts are returned to the supplier then CENVAT entries and the registers will be reversed. This will help in checking the India Return to vendor report does not show output.
4. From the tables JAI_RCV_LINE_TAXES,'JAI_CMN_RG_23AC_I_TRXS', 'JAI_CMN_RG_23AC_I_TRXSI', you would know whether the correct GST duty attached to the shipment lines has hit the RG registers or not.

2. Details of Source document for which Receipt is created.

a) We can find the Source document details against which Receipt is created

- To check whether the correct tax lines are carried forward to the receipt shipment lines from PO, you can compare the data in 'JAI_RCV_LINE_TAXES' table and

corresponding data of 'JAI_PO_TAXES'

3. Sub-ledger Accounting entries

Table JAI_RCV_JOURNAL_ENTRIES holds the accounting entries for the following transactions:

a) Receiving:

Receiving is further divided into Receiving Entries and CENVAT entries. CENVAT entries are generated only for Receipts having GST taxes attached.

b) Delivery:

Accounting entries are stored based on the Costing method i.e., Standard or Average costing.

c) Return to Receiving:

Reversal entries of Deliver transaction.

d) Return to Vendor:

Reversal entries for CENVAT and Receiving are stored in this.

Table JAI_RCV_SUBLED_ENTRIES will help in reconciling Receiving Inspection account:

These tables will help in validating the accounting entries of Sub ledger with GL. We can compare the data between the tables 'JAI_RCV_JOURNAL_ENTRIES' and 'GL_INTERFACE before Journal Import' or 'GL_JE_LINES after Journal Import'

4. General Ledger Accounting entries:

Following are the columns in GL INTERFACE helps in identification or tracking the transaction:

reference1 :organization code

reference10:Transaction Description

reference22:'India Localization Entry'

reference23:Object Name

reference24:Table name

reference25:Unique Reference of the Table

reference26:Column of the Table for which the unique reference is populated.

reference27:Organization_id

Following are the columns in GL JE LINES helps in identification or tracking the transaction during the audit trail:

Description: Description

Reference_2 : India Localization Entry (Hard Coded Value)

Reference_3 : Object Name

Reference_4 : Table Name

Reference_5 : Value

Reference_6 : Column Name

Reference_7 : Organization Id

GST Register Details

From tables JAI_RCV_LINE_TAXES', 'JAI_CMN_RG_23AC_I_TRXS', 'JAI_CMN_RG_23AC_I_TRXSI', you would know whether GST duty attached to the shipment lines has hit the RG registers or not. This will help us identifying the Inconsistent transaction Data.

a) Data in JAI_RCV_CENVAT_CLAIMS will provide the adequate info about the CENVAT entries below are the important columns help in analyzing the issue.

- **CENVAT_AMOUNT**: Total CENVAT amount for the shipment line will be stored.
- **CENVAT_CLAIMED_AMT**: CENVAT amount claimed, for CGIN since 50% will be claimed 50% CENVAT amount will be updated. For RMIN, CENVAT_CLAIMED_AMT will be equal to CENVAT_AMOUNT.
- **CENVAT_CLAIMED_PTG**: This will hold the value of 100% and 50%.
- **CENVAT_SEQUENCE**: This column holds Value 1 and 2, for RMIN this will be 1, For CGIN when 100% CENVAT is claimed it will be 2.

6 India Localization Setup Details:

Organization:

The 'Additional Organization Information' setup details, i.e., the register preferences, Charge accounts, can be had for that particular organization from the table 'JAI_CMN_INVENTORY_ORGS'.

Some of the important fields are:

- a. **SSI_UNIT_FLAG** will tell whether allow negative PLA is allowed.
- b. **Trading flag**: will classify whether the organization is Trading.
- c. **Manufacturing flag** will classify whether the organization is Trading.
- d. **Master org flag** to classify whether the organization is master org enabled.

Item:

The item level setup, for which the receipt shipment lines got created, can be checked from the table 'JAI_INV_ITM_SETUPS'. From the data, you would know whether the item class is. Also, you would know the Organization trading info.

Following are the columns for which details explanation is provided.

- a. **GST_flag**: holds Y/N, If 'Y' then RG registers will be updated.
- b. **Item_trading_flag**: holds Y/N, If 'Y' then RG23D registers will be updated.
- c. **Modvat_flag**: holds Y/N, If 'Y' then Receipt will appear in claim CENVAT screen and CENVAT entries will be generated.
- d. **Item_class**: RMIN, CGIN, FGIN, OTIN etc., Item class is important to generate the proper accounting entries.
 - i. RMIN/CGIN will update RG23A/C registers.
 - ii. OTIN-Does not have any impact on GST registers.

Sub inventory:

From the table 'JAI_INV_SUBINV_DTLS', you would know whether the sub inventory is a 'Bonded' or 'Trading' . Based on the bonded flag reversal of CENVAT entries will be dependent at the time of delivered.

Taxes

From the table 'JAI_CMN_TAXES_ALL', you would know the tax type of all the taxes attached to the shipment lines of the receipts.

- a. **Tax_account_id**: When the charge account is specified with Mod_cr_percentage less than '100', non recoverable amount will be apportioned to this account.
- b. **Modifiable_flag**: If 'Y' allows to modify the tax at transaction level.
- c. **Mod_cr_percentage**: For GST taxes if the %=100 then the Receipt will appear in Claim CENVAT screen and CENVAT, GST registers will be generated.
- d. **GST flag**: This will classify the tax as GST tax.
- e. **Adhoc flag**: This will help the user in giving the adhoc amount, tax calculation not based on precedence.

Interpreting OM-AR Diagnostic Scripts

In scenarios, where you find that India Localization Taxes are not carried from one stage to another or certain localization processes do not yield desired results, we recommend you to run the diagnostics scripts and read through the interpretation guide to trace the root cause.

1. GST Invoice Number not generated

You would know that GST Invoice is not generated when there is no value in GST_INVOICE_NO field of JAI_OM_WSH_LINES_ALL table.

Following can be the possible reasons:

1. Item should be excisable. This setup is complete when JAI_INV_ITM_SETUPS. GST_FLAG = 'Y'

2. Item class should be defined and should not 'OTIN', 'OTEX' - You can check this from JAI_INV_ITM_SETUPS. ITEM_CLASS IS NOT NULL and IS NOT 'OTIN' or 'OTEX'
3. Order and Register association should be either 'DOMESTIC_GST', 'EXPORT_GST', 'Bone-dry' for manufacturing organization and '23D_DOMESTIC_GST', '23D_EXPORT_GST', 'BOND_REG' for a trading organization. For this you should look into REGISTER_CODE field of JAI_OM_OE_BOND_REG_HDRS.
4. No record exists in the JAI_OM_OE_GEN_TAXINV_T table for the sales order
5. No errors are in the JAI_CMN_ERRORS_T table with application_id as 'JAI_OM_WSH_PKG'
6. Enough balances are available in the JAI_CMN_RG_BALANCES table for the organization and location id
7. If Register association is 'BOND_REG' check that the amount in 'JAI_OM_OE_BOND_REG_DTLS' is more than the shipment amount.

2. GST invoice number is generated as '0'

Following can be the possible reasons:

1. Financial Year setup should be done. For this record exists in the JAI_CMN_FIN_YEARS table
2. GST Invoice Number setup should be done. At least one records exists in the JAI_CMN_RG_EXC_INV_NOS table for the combination of Organization id , location id and fin year combination
3. If GST invoice generation at EC code is setup in the organization additional information screen, then the current org should either be a master org or a child org associated to a master org and its 'GST invoice number at EC Code' field checked.

3. Error

'Mandatory India Localization Sub-inventory Setup not done for this Location from where shipment is made' encountered when fulfilled order a sales order

Check if record exists in the 'JAI_INV_SUBINV_DTLS' table for the organization, location and subinventory combination.

4. GST Taxes not imported to AR Localization tables

Check if

Register Association of the sales order is 'BOND_REG'

Check if the order_price_GST_inclusive column in the JAI_CMN_INVENTORY_ORGS table is 'Y' for a Trading Organization

5. When a Return order is done with reference to Sales Order, Taxes are not defaulted

Check if

- The original Sales order is shipped - data exists in JAI_OM_WSH_LINES_ALL
- The original sales order has taxes. - data exists in JAI_OM_WSH_LINE_TAXES

Additional Frequently Asked Questions

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How to edit the TDS Vendor Type Information on Vendor Additional Information Setup?

The TDS Threshold setups are defined for a combination of Section Code and Vendor Type.

The TDS Vendor type assigned to a Vendor determines the Threshold Set up under which the TDS needs to be deducted for the Vendor.

So once a TDS Vendor type is attached the same cannot be modified as this would lead to data corruption.

India Localization TDS Invoice got generated even after removing TDS Tax ID from Invoice Distribution Descriptive Flexfield.

If the Default Section Code and or Tax Name' is attached at the Vendor Additional Information Set Up, the TDS Invoices will get generated based on the Threshold setups applicable to the Vendor. System checks for the Threshold amount of the Vendor and compare it with the Threshold Slabs applicable to the Vendor. If the Threshold is breached, TDS Invoices will get generated. The defaulted TDS Tax Id cannot be removed in such a scenario. The above is an intended product behavior.

How to handle the GST requirements for an Item in Trading Organization on the receiving side?

Items that are being used in a Trading Organization shall have specific GST requirements. In order to meet these requirements, the Item shall be defined with the following flags in the India Items DFF.

GST Flag – YES

Modvat Flag – NO

Trading Flag – YES

In case of Trading Organization, system will not check for the Receipt DFF Flag Claim Cenvat on receipt.

While creation of Receipt in a Trading organization, RG 23 D Register will get updated only if the following conditions are satisfied.

1. GST Flag in the Items DFF is set YES.
2. GST Invoice Number and GST Invoice date is provided on the Receipt DFF.

In case of Trading organization, system will not check for the Receipt DFF flag Claim Cenvat on receipt. CENVAT /MODVAT is applicable only to Manufacturing Organization where production and removal of goods by paying GST takes place. Trading is governed under RG23D Rules (Where Warehouse is marked as Trading and can only pass on the CENVAT on receipts on to Sales by matching receipts). As there is no payment of Duty on removal of goods in a trading organization, the question of claiming CENVAT does not arise.

Further, to clarify as Cenvat/Modvat is not applicable in case of Trading organization, the receipts of Trading Organization will also not be available on the form "Claim Modvat on Receipts - India" as the question of deferring cenvat does not arise in case of trading organization.

What is the setup which determines the GL Date Basis for India Localization TDS Invoices?

The GL Date Basis Set up is defined at the below navigation:

Oracle Payable>Setup>Options>Payables

GL Date Basis - The date you want Payables to use as the default accounting date for invoices during invoice entry.

1. Invoice Date - Invoice date you enter during invoice entry.
2. System Date - Current date for your Payables system. The date you enter the invoice.
3. Goods Received/Invoice Date - Date that you enter in the Date Goods Received field. If no value is entered, then the invoice date is used.
4. Goods Received/System Date - Date that you enter in the Date Goods Received field. If no value is entered, then the system date is used.

What is the impact on Financials for India when Inventory module is installed in Shared mode?

When Financials module is only installed, some of the financial modules might be dependent on other modules (ex:Inventory,BOM etc) hence system will automatically install those dependent modules in shared mode.

Financials for India is dependent on Inventory module because Inventory Organization needs to be associated to Locations form, Inventory Organization field will be grayed out when Inventory module is installed in shared mode.

Financials for India does not support when Inventory module is installed in shared mode.

The following modules are recommended to be installed:

1. Bills of Material for calendar.
2. Inventory module for associating Inventory Organization with location.
3. Order Management for adding OE: Item Validation Organization

Is it required to setup Organization Additional Information for OPM organization after upgrading to 11.5.10.2?

After upgrading to 11.5.10.2 most of the features of OPM are mapped to Discrete, its recommended to complete Additional Information for OPM organization and following are the minimum charge accounts required for setup:

1. GST_expense_account
2. GST_paid_account
3. GST_rcvble_account,
4. modvat_rm_account_id
5. modvat_cg_account_id
6. GST_rg23d_account

How to Return Defect Material Received from OSP Vendor?

Defect Material received from OSP Vendor can be returned against a new Form Number. Please follow the steps given below:

1. In Oracle WIP when material is moved to queue of OSP operation, an approved requisition is created.
2. Submit Requisition Import, Using this requisition, autocreate PO and approve the PO.
3. Navigate to India Local Purchasing>Outside Processing>Approve 57F(4) Dispatch, Select PO number from the list and click on 'Create 57F4' button to default components from Bills of Material (BOM).
4. Click on Save button to Generate the Form Number/Challan.
5. Receive material to update Work in Process (WIP) Operations by navigating from Receipt Localized form.
6. On final Receipt of material go to Approve 57F(4) Receipt form and click on 'Approve Receipt' button to complete the transaction.
7. After inspecting, if defect material is found then you can dispatch the same back to the vendor by performing Return to Vendor transaction. Navigate to India Local Purchasing>Receiving>Return to Vendor(India)>New>Find the purchase order, Select India Return to Vendor context in Receiving Transactions DFF , select Generate GST/GST Invoice ='Y' and Save.
8. Navigate to Approve 57F(4) Dispatch and find on Purchase Order number, new record for return quantity will be populated.

9. Click on Approve Dispatch button to save and generate form number.

How to Dispatch Excess Quantity to Outside processing?

Excess Material can be dispatch to Outside processing when 'Allow Dispatch Qty to Exceed Orig Qty' flag in Additional Information is set to 'Y'