

Setting Up Address Taxability



November 2011 Rev.

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About Address Taxability

Address Taxability allows you to have a tax table on your server so you can update tax tables on a regular basis. See Figure 1. This provides you with the flexibility of maintaining tax information for customers nationwide. Tax rates are not only different from state to state or city to city, rates may differ within a zip code or city limits.

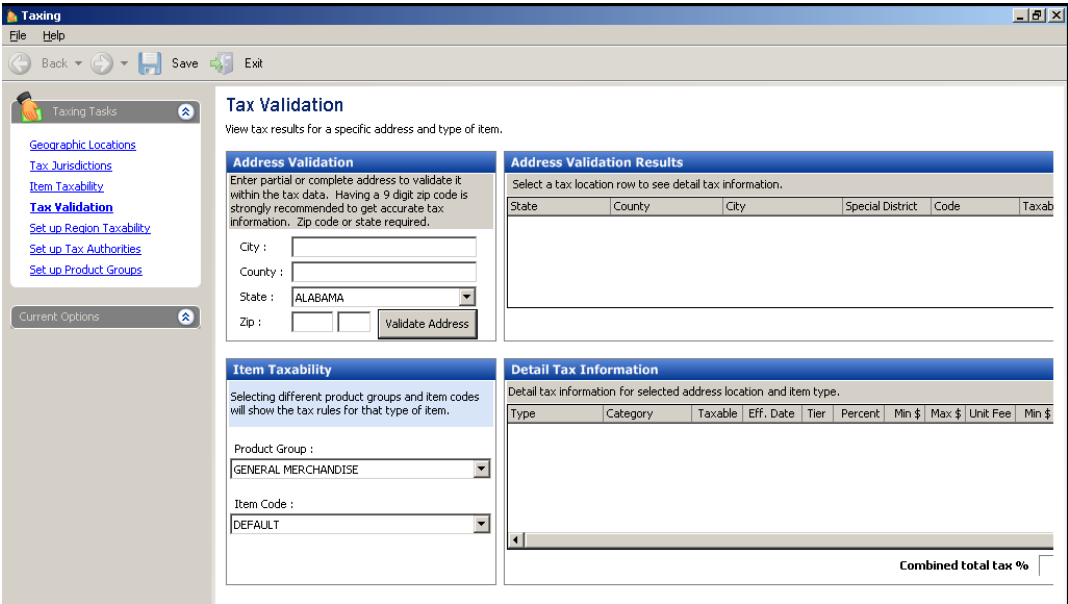
Address Taxability allows you to set up individual items so that they can be taxed correctly, for example, some items may be only taxable in a specific jurisdiction. You can easily set up taxability by state. State, county, city, and other taxes can now be recorded separately. If a state tax changes, one field is populated for the change.

Previously, if you needed to change a tax district, you lost all the previous information. With Address Taxability, you can change the tax district or percentages and the system retains all the history.

With Address Taxability, item taxability is no longer tied to the general ledger department or item SIC code.

Before using Address Taxability, you must decide if you are going to enter the tax information manually or purchase tax files from CCH. Both applications must be authorized in the DDMS system before you can use them. First, you must authorize Address Taxability then if you plan to use CCH tax files, you must also be authorized for CCH.

Figure 1: The Tax Validation Window



Setting Up Address Taxability

Note: CCH assigns a geographical code to each tax table. This code is called a Geocode. Address Taxability applies this same logic to provide you with the flexibility of using CCH tax tables or creating your own through Address Taxability.

Once you've made this decision, there are certain steps you must follow to set up. Some of the steps are different depending on whether you are using the CCH tax files. This handout outlines the steps for both methods. Make sure you refer to the proper headings to set up.

In Order Entry, taxing follows the following order:

- Zip code.
- Zip code with two different cities.
- Uses first finds. For example, if you have a city that is in two different counties, if you don't have the taxing set up correctly, the system will tax on the first find which might be the wrong county.
- Matches on city and state.
- If multiple cities, matches on the first city found.

These checks are performed in the background. To verify, you must check the tax total in the Order Entry Order Totals tab.

There are also fields added to Report Writer in P-TAX, P-GLOBAL, I-MASTER, and V-ALIAS to enhance your reporting capabilities. This information is also supplied to SQL Reporting. There is a new Sales report called Sales Tax (Address Taxability) that allows you to view tax totals by state, county, city, and order number. There's also a new CCH Tax report in the (UR) Sales Reports screen.

Other new files include:

- T-AUTH - a list of taxing authorities.
- T-CODE - a list of various codes used by the software, for example state codes.
- T-ITEM - a list of product groups and item codes.

This handout is intended to help you set up and get started with Address Taxability. As always, if you need more information, please refer to your DDMS online help.

Setting Up Address Taxability

To use this feature, there are several steps to complete. There are some steps that you only perform if you purchased tax files from CCH.

- 1 To use the Address Taxability feature, you must be authorized. (There's no cost associated with authorization.) See the heading **Authorizing Taxing**.
- 2 To use CCH taxing files with Address Taxability, you must be authorized for CCH Tax Import. See the heading **Authorizing Taxing**.
- 3 Schedule a date to go live on Address Taxability.
- 4 **Optional:** Subscribe to CCH taxing so that you have access to the current tax files. Contact ECI to discuss purchase.

Note: We recommend that you only purchase taxes for the states with which you do business. Also, you can purchase the ability to tax by item from CCH.

- 5 **Optional:** Download your tax files from CCH monthly and run the conversion. See **Downloading and Converting Your CCH Tax File**.
- 6 **Optional:** Purchase the CCH Online Tax Return service. This is an optional service that you can purchase from CCH to file online tax returns. If you purchase this service from CCH, you must purchase the Create CCH Sales Tax File service from ECI. For more information on creating the CCH sales tax file, see the heading **Creating the CCH Sales Tax File**.
- 7 Set the Address Taxability parameters. See **Setting Up Address Taxability Parameters**. Do not set the Activate Address Taxability box in the Address Taxability Parameters window at this time.
- 8 Set up geographic locations. You can set up geographic locations and/or clean up the locations, as needed. See the heading **Setting Up Geographic Locations**.
- 9 **Optional:** If you don't purchase tax files from CCH, you can run the ;SPC:ADDR program to help with set up. See the heading **Running the ;SPC:ADDR Program**.

Note: Using the ;SPC:ADDR program only creates zip codes for taxable customers. If you have customers in your database set up as non-taxable, you must manually go in and set up those zip codes. If you enter an order for an existing non-taxable customer and change the order to taxable, the order may not be taxed upon completion.

Setting Up Address Taxability

- 10 You must set up a tax authority for each state. See **Setting Up Tax Authorities**.
- 11 You can set up the regions for which you collect sales tax. See **Setting Up Region Taxability**.
- 12 You can add state tax percent. See **Setting Up Tax Jurisdictions**.
- 13 You can view and modify product groups. See **Setting Up Product Groups**.
- 14 You can view or modify item taxability information for specific tax location, type, and category. See the heading **Setting Up Item Taxability**.
- 15 You can view the total tax percent for a specific address and product group. See the heading **Viewing Tax Validation**.
- 16 Mass changes may need to be made to your Item database if you have any items that require special taxing rules. You set up two boxes in the Item Settings tab: Product Group and Item Code. (If you are not authorized for Address Taxability, you cannot see these boxes.) These boxes default to general merchandise. To mass change, go to the (+W) screen. The item information from the Product Group and Item Code boxes has been added to I-MASTER. You can purchase the ability to tax by item from CCH. If you do this, go to the Item Settings tab and set up each item's product group and item code. If you don't purchase taxing by item, you can go to the Item Taxability window and set product groups and item codes. See the heading **Setting Up Items**.

Note: The Product Group and Item Code information is available throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

- 17 With Address Taxability, you may need to check the Taxable box in the Customer Order Entry tab. See the heading **Setting Up a Customer**.
- 18 There are parameters you must set to ensure credit invoices are properly handled. See the heading **Setting Up Parameters**.
- 19 For testing purposes, activate Address Taxability. To do so, you must select the Activate Address Taxability box in the Address Taxability Parameters window. See **Setting Up Address Taxability Parameters**.
- 20 Next, create some test orders using Address Taxability. After you test, delete the test orders.

- 21 Go back to the Address Taxability Parameters window and clear the Activate Address Taxability box until you are ready to go live.
- 22 When ready to go live, go to the Address Taxability Parameters window and check the Activate Address Taxability box.
- 23 Before you can run reports, you must import your data into SQL. See **Importing Data into SQL**.
- 24 After going live, changes may need to be made to your month-end procs. If you print a standard sales tax report as part of your month-end procedures and activate Address Taxability, your sales tax report will not print due to new prompts that have been added. Adjust your month-end prompts to these new prompts. Also, any open orders will be taxed according to the old rules (using tax districts).

Authorizing Taxing

To use the Address Taxability feature, you must be authorized. (There's no cost associated with this authorization.)

To use CCH taxing files with Address Taxability, you must be authorized for CCH Tax Import. (CCH tax files must be purchased. For more information, contact ECI Sales.)

Note: There are certain windows in Address Taxability that are automatically populated if you purchase CCH tax files. The Geographic Locations, Tax Authorities, and Tax Jurisdiction windows are automatically populated. If you purchased tax files from CCH or ran the ;SPC:ADDR program, Tax Authorities for your states have already been created.

Authorization is not valid until TBL is restarted.

For more information, contact ECI Sales.

Downloading and Converting Your CCH Tax File (Optional)

You can import your tax table files from CCH on a monthly basis. When you purchase tax files from CCH for the first time, you will receive a download utility program. When using the program for the first time, you set up a profile specifying which information you need to download. For example, we recommend that you only download taxes for the states for which you do business.

Download the files from CCH to your desktop or wherever you prefer. Once the files have downloaded, navigate to the Data folder. Then, copy and paste all the files from the Data folder to your DDMS [SR] directory (folder).

Setting Up Address Taxability

After you have run the CCH download utility program following the instructions provided by CCH, you must run the conversion program in the text-based (M) Operational Procedures screen.

When you download the CCH tax files, you'll see that tax tables have geographical codes assigned. These are called geocodes.

Before running the conversion program in the (M) screen, you must go to TBL Server and Stop Utilities. To do this, open TBL Server. Click Utilities then click Stop. After converting the files, go back to TBL Server and restart Utilities.

Note: You must be authorized for CCH Tax Import to perform this download.

- 1 Go to the text-based (M) screen. (You can access text-based screens using TBLXNet or TBL Client.)
- 2 Select the [M] CCH Tax File Import function.
- 3 The Start Conversion prompt appears. Type **Y**.
- 4 The Conversion Finished message appears at the bottom of the screen.

Creating the CCH Sales Tax File (Optional)

If you are using the CCH Online Tax Return feature from CCH, you can quickly and easily create a sales tax file to electronically submit to CCH.

Note: To use this feature, you must be authorized by ECi and CCH. Contact ECi Sales.

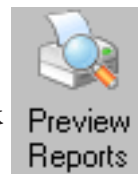
To use this feature, you must first add the CCH Sales Tax report to the Sales group in the SQL Reports window. You only have to do this the first time you use the program. Subsequently, the report is already in the Sales group and you only have to create the Sales Tax File.

- 1 Add the CCH Sales Tax Report. (This is necessary only the first time you use this program.)

- 1.1 From the DDMS Master Menu, double-click



- 1.2 In the Reports Menu, double-click

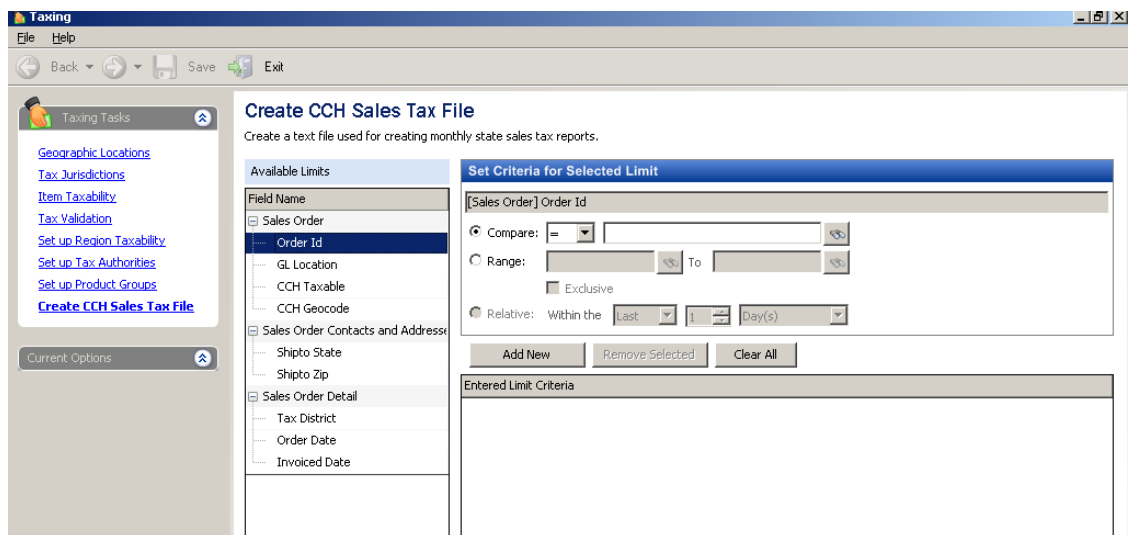


- 1.3 In the Reports window, click Set Up Reports.

Setting Up Address Taxability

- 1.4 In the Reports List, click Sales to highlight it.
 - 1.5 Right-click Sales then select Add Report.
 - 1.6 In the Select Desired Component 1 Report Definition File dialog box, navigate to the DDMS/Reporting/ECI2 folder and select the SalesOrderReports.xml file to open.
 - 1.7 In the Select Report From XML Document dialog box, click CCH Sales Tax then click Continue.
 - 1.8 The CCH Sales Tax Report should now appear in the Sales group in the Report List window.
- 2 Now you can create the Sales Tax File.
- 2.1 From the DDMS Master Menu, click Databases then select Address Taxability.
 - 2.2 In the Taxing window, click Create CCH Sales Tax File.
 - 2.3 The Create CCH Sales Tax File window opens, as shown in Figure 2. You can set limits for the file as you normally would. For example, you might set limits to create a sales tax file by state.
 - 2.4 After setting limits, you are ready to create the file.
- To see the text file before sending, click Show Created Text File.
- To create the file, click Create.
- 2.5 Select the folder in which to save the file and change the file name, if needed. Click Save.
 - 2.6 You can send the text file to CCH electronically.

Figure 2: The Address Taxability Parameters



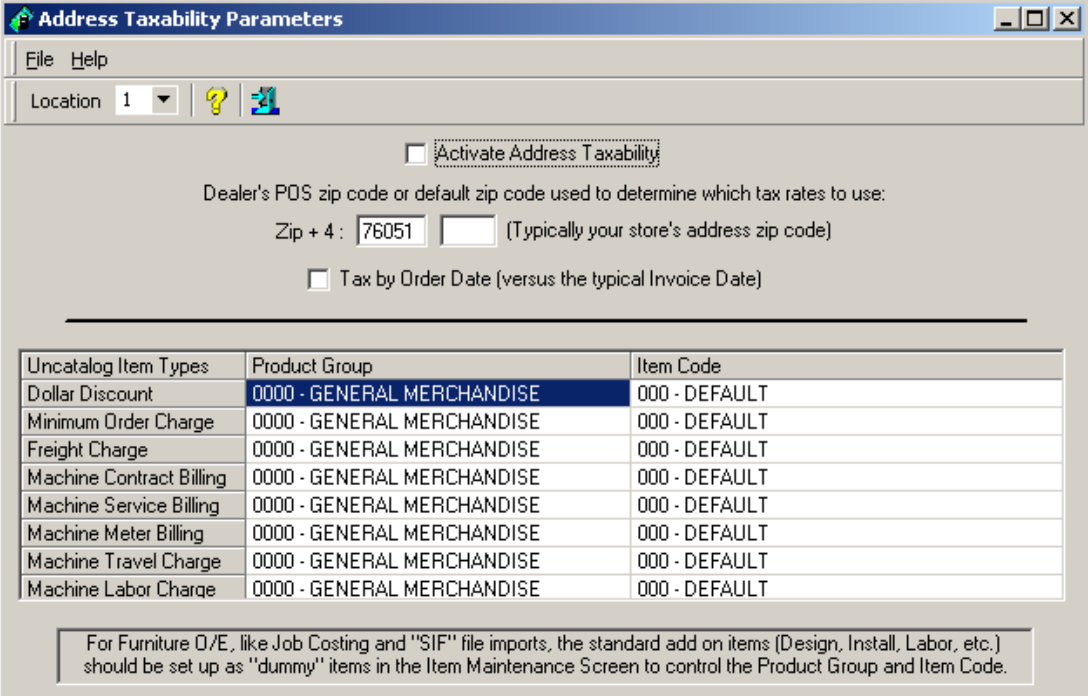
Setting Up Address Taxability Parameters

You must be authorized to use Address Taxability. You use the Address Taxability Parameters window to set up product group and item codes for system-generated uncataloged items, such as a minimum order charge. If your minimum order charge requires a special tax, you create that code here and it is applied when creating an order in order entry.

You set up items with product groups and item codes in the Item Settings tab. This information is then supplied throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, then the line item uses these boxes to control the taxes for that line item by assigning the appropriate product group and item code.

- 1 From the Parameter Editor window, double-click Order Entry.
- 2 Double-click Address Taxability.
- 3 The Address Taxability Parameters window opens, shown in Figure 3. To use Address Taxability, you must click the Activate Address Taxability box. If you ever need to de-activate address taxability, clear this box.

Figure 3: The Address Taxability Parameters




Uncatalog Item Types	Product Group	Item Code
Dollar Discount	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Minimum Order Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Freight Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Contract Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Service Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Meter Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Travel Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Labor Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT

For Furniture O/E, like Job Costing and "SIF" file imports, the standard add on items (Design, Install, Labor, etc.) should be set up as "dummy" items in the Item Maintenance Screen to control the Product Group and Item Code.

- 4 In the Location box, enter the location for which to set parameters.
- 5 To determine which tax rates to use, enter the dealer's zip code plus four in the Zip + 4 boxes. You must enter the last four digits to ensure accuracy.
- 6 You can also tax by order date. To do so, click the Tax by Order Date box. However, we do not recommend this method. Normally, you would tax by invoice date.
- 7 You can use the drop down arrow to set the product group and item code for uncataloged item types. If all these uncataloged item types are taxable in every state, you do not have to make any changes to these boxes. However, if you do have uncataloged item types that are not taxable in certain states, you need to go through the steps in this handout before changing these. Once you completed the steps in this handout through setting up product groups in the Product Groups window, you can return to this window to set up these uncataloged item types. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

For detailed information on each of these boxes, see your DDMS online help.

- 8 When you finish making changes, Order Entry and Address Taxability now appear in bold in the Parameter Editor window. Click  to save your changes or when you exit the Parameter Editor window, you are prompted to save your changes.

Setting Up Geographic Locations

You use the Geographic Locations window to view and modify geographic locations for taxing. If you are manually entering tax locations, you would do so in this window. Even if you are not using CCH tax files, this window uses the same geocode logic as CCH.

In this window, you can add, delete or move records.

- 1 From the DDMS Master Menu, click Databases then select Address Taxability.
- 2 Click Geographic Locations. See Figure 4.
- 3 When you first open this window, you can add a state or county and delete a location or zip code. As you drill down, you can add or move cities and districts. Drill down order is state/county/city.

Setting Up Address Taxability

To add a state or county, click Add State or Add County. A dialog box opens. Enter the name of the state or county to add and click OK.

To delete a location, click the location to highlight it then click Delete Location. A warning message appears that you are about to delete the location and any information attached to it. For example, if you are deleting a state, cities and counties for that state are also deleted. To delete, click OK. To not delete, click Cancel.

To add or move a city, click the county to which to add or move. Click Add City or Move City. If you are adding a city, a dialog box opens allowing you to add the city name and special district, if any. Click OK. If you are moving a city, a dialog box opens allowing you to use the drop down arrow to select the county to which to move the city. Click OK.

To delete a zip code, highlight the zip code to delete then right-click and select Delete Zip Code.

- 4 When you finish adding or changing information, click Save then Exit.

Running the ;SPC:ADDR Program (Optional)

*If you purchased CCH tax files, this section does not apply to you. Go to **Setting Up Taxing Authorities**.*

If you did not purchase tax files from CCH, you use the ;SPC:ADDR program to help you get started with your tax files. Running this program creates default records for every city and state for which the dealer has a bill to or ship to address. This program only looks at states flagged as taxable. This program creates an unknown county and adds all the cities for that state into that county. Once you've run this program, you must go back to Geographic Locations and organize the cities into the correct counties for each state.

Figure 4:
Geographic Locations

State / County / City	Taxable	Special District	Code	Last Update	
ALABAMA	<input checked="" type="checkbox"/>		0100000000	12/8/2009	12
ALASKA	<input type="checkbox"/>		0200000000	12/8/2009	12
AMERICAN SAMOA	<input type="checkbox"/>		6000000000	12/8/2009	12
ARIZONA	<input type="checkbox"/>		0400000000	12/8/2009	12
ARKANSAS	<input type="checkbox"/>		0500000000	12/8/2009	12
CALIFORNIA	<input type="checkbox"/>		0600000000	12/8/2009	12
COLORADO	<input type="checkbox"/>		0800000000	12/8/2009	12
CONNECTICUT	<input type="checkbox"/>		0900000000	12/8/2009	12
DELAWARE	<input type="checkbox"/>		1000000000	12/9/2009	12
DISTRICT OF COLUMBIA	<input type="checkbox"/>		1100000000	12/8/2009	12
FEDERATED-MICRONESIA	<input type="checkbox"/>		6400000000	12/8/2009	12
FLORIDA	<input type="checkbox"/>		1200000000	12/8/2009	12
GEORGIA	<input type="checkbox"/>		1300000000	12/8/2009	12
GUAM	<input type="checkbox"/>		6600000000	12/8/2009	12
HAWAII	<input type="checkbox"/>		1500000000	12/8/2009	12
IDAHO	<input type="checkbox"/>		1600000000	12/8/2009	12

Note: Using the ;SPC:ADDR program only creates zip codes for taxable customers. If you have customers in your database set up as non-taxable, you must manually go in and set up those zip codes. If you enter an order for an existing non-taxable customer and change the order to taxable, the order may not be taxed upon completion.

When the program finishes, you have the option of printing an exception report of what addresses were not added to the Geographic Location file (T-GEOCODE).

This program is to be run one time only at the beginning of your setup. If you run it again, it overrides any changes you have made to your tax files.

Important: you must run this program with TBL Utilities stopped.

- 1 Go to TBL Server and Stop Utilities. To do this, open TBL Server.
- 2 Click Utilities then click Stop.
- 3 Go to the text-based (Z) screen. Use the [B4] Execute a Program function.
- 4 In the Enter File Name field, type ;SPC:ADDR and press Enter.

When the program is complete, you can print an exceptions report listing all the addresses that were not added to the geographic location file. You can press Esc to not print the report.

- 5 After converting the files, go back to TBL Server and restart Utilities.

Now, you must go back to Geographic Locations and organize the cities into the correct counties for each state.

Setting Up Tax Authorities

You must set up a tax authority for each state. For example, the tax authority for each state is the entity to which you pay your taxes.


If you purchased tax files from CCH or ran the ;SPC:ADDR program, tax authorities for your states have already been created. If you are manually entering tax tables, every state must have a defined tax authority. Most states only have one tax authority but some states may have multiple. In this case, you would use the Set Up Tax Authorities application to set these up.

- 1 From the DDMS Master Menu, click Databases then select Address Taxability.
- 2 Click Set Up Tax Authorities. See Figure 5.
- 3 Use the drop down arrow in the State box to select a state. You can view the tax authority for that state or change or delete it.

Setting Up Address Taxability

You can also select a type by using the drop down arrow to select state, county, city, district or other.

To add a tax authority, click . Enter the tax authority and press Enter.

To delete a tax authority, select the tax authority and click . A warning message appears. Click Yes to delete.

- 4 You must click Save to save your changes before exiting.

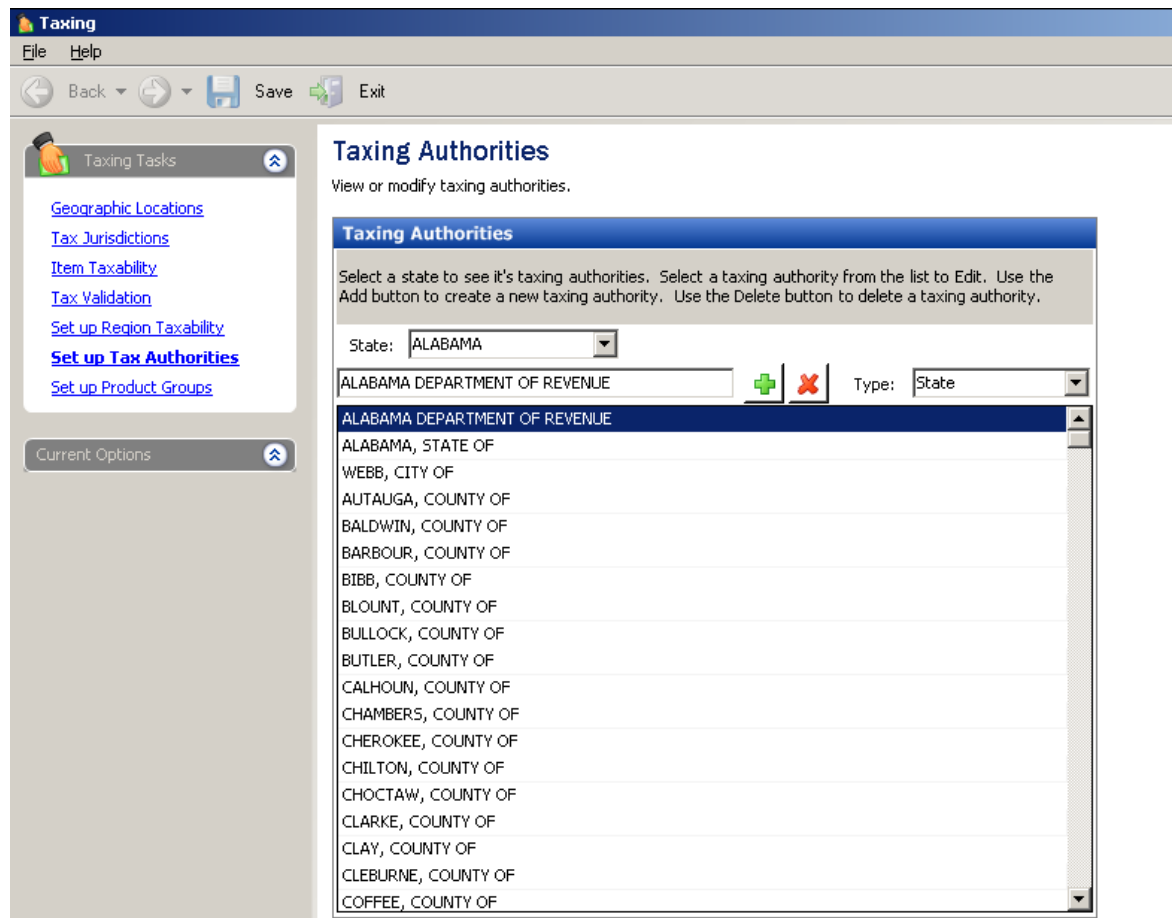


Figure 5: Setting Up Taxing Authorities

Setting Up Region Taxability

You can set up the regions for which you collect sales tax. This window allows you to set up regions by state, county, and city level. Setting up taxability in this window overrides the settings in your Customer database.

- 1 From the DDMS Master Menu, click Databases then select Address Taxability.
- 2 Click Set Up Region Taxability. See Figure 6.
- 3 This window displays all the states for which you imported tax tables. You can set up regions by state, county, and city level by simply clicking the check box in the Taxable column. All regions default to Taxable. You can drill down by clicking the + sign and clear the Taxable check box for any regions that are not taxable. You can select multiple lines to change by using the Shift or Ctrl keys as you normally would. Any regions downloaded for which you do not collect taxes should be set to non-taxable.

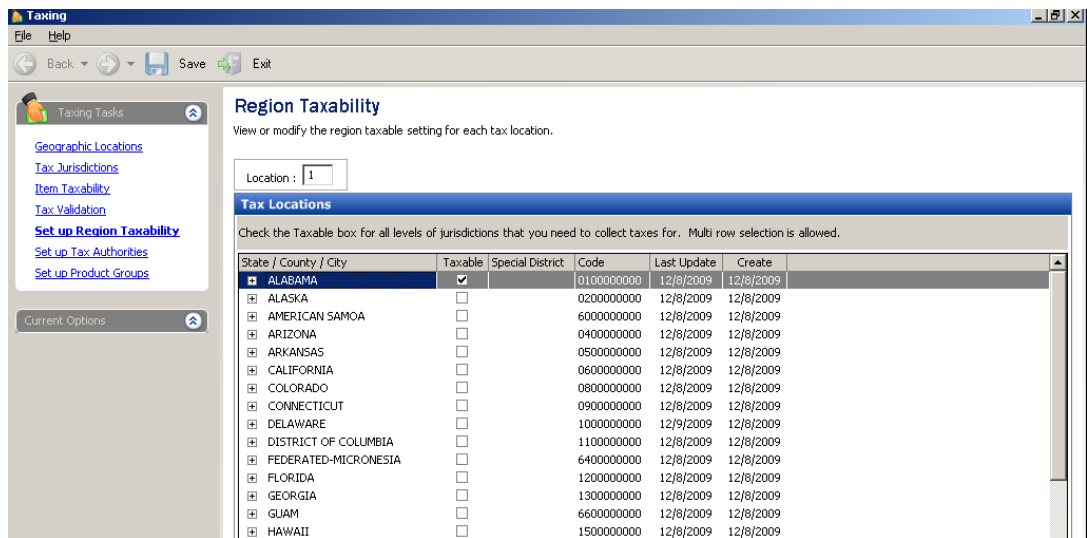
If you have multiple locations, you may need to change the Location box which defaults to Location 1.

- 4 When finished making changes, click Save.

Setting Up Tax Jurisdictions

You use the Tax Jurisdictions window to set up or view state sales tax percents. Adding the tax percent at the state level populates all the lower levels such as city and county. If you add counties or cities to your tax database, you must add the tax percents in this window. This window is used for setting up tiered taxing, as well.

Figure 6: Setting Up Region Taxability



Setting Up Address Taxability

If you purchased tax files from CCH, you can use this window to view tax jurisdictions.

- 1 Select the state in the Tax Locations column by highlighting it.
- 2 The tax jurisdiction types for that state are displayed in the Tax Jurisdiction Types boxes. You can add or delete tax jurisdictions.
 - 2.1 Right-click the Tax Jurisdiction Types box and select Add Jurisdiction.
 - 2.2 In the Type box, use the drop down arrow to select the sales tax type, for example, City Sales Tax.
 - 2.3 Use the drop down arrow in the Category box to select a category, for example, Commercial Customers.
 - 2.4 Use the drop down arrow in the Authority box to select the taxing authority.
 - 2.5 Use the drop down arrow in the Eff Date box to select the effective date.
- 3 The tax jurisdiction details for that state are displayed in the Tax Jurisdiction Details boxes. You can set tax percents, unit fees, and multiple tiers. You can add or change tax jurisdiction details. See Figure 7.
 - 3.1 To add a tier, right-click the Tax Jurisdiction Details boxes and select Add Tier.
 - 3.2 The Tier box is automatically populated with the next sequential number.

Figure 7: Setting Up Tax Jurisdictions

Taxing
File Help

Back Save Exit

Taxing Tasks

- [Geographic Locations](#)
- [Tax Jurisdictions](#)
- [Item Taxability](#)
- [Tax Validation](#)
- [Set up Region Taxability](#)
- [Set up Tax Authorities](#)
- [Set up Product Groups](#)

Current Options

- [Add Jurisdiction](#)

Tax Jurisdictions
View or modify tax jurisdiction detail tax information.

Select taxing location: state, county, or city

State / County / City	Taxable	Special
ALABAMA	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ALASKA	<input type="checkbox"/>	<input type="checkbox"/>
AMERICAN SAMOA	<input type="checkbox"/>	<input type="checkbox"/>
ARIZONA	<input type="checkbox"/>	<input type="checkbox"/>
ARKANSAS	<input type="checkbox"/>	<input type="checkbox"/>
CALIFORNIA	<input type="checkbox"/>	<input type="checkbox"/>
COLORADO	<input type="checkbox"/>	<input type="checkbox"/>
CONNECTICUT	<input type="checkbox"/>	<input type="checkbox"/>
DELAWARE	<input type="checkbox"/>	<input type="checkbox"/>
DISTRICT OF COLUMBIA	<input type="checkbox"/>	<input type="checkbox"/>
FEDERATED-MICRONESIA	<input type="checkbox"/>	<input type="checkbox"/>
FLORIDA	<input type="checkbox"/>	<input type="checkbox"/>
GEORGIA	<input type="checkbox"/>	<input type="checkbox"/>
GUAM	<input type="checkbox"/>	<input type="checkbox"/>
HAWAII	<input type="checkbox"/>	<input type="checkbox"/>
IDAHO	<input type="checkbox"/>	<input type="checkbox"/>
INDIANA	<input type="checkbox"/>	<input type="checkbox"/>
IOWA	<input type="checkbox"/>	<input type="checkbox"/>
KANSAS	<input type="checkbox"/>	<input type="checkbox"/>
KENTUCKY	<input type="checkbox"/>	<input type="checkbox"/>

Tax Jurisdiction Types
Set up the different types of tax jurisdictions for this location.

Type	Category	Authority	Eff. Date
STATE SALES TAX	GENERAL MERCHANDISE	ALABAMA, STATE OF	7/1/1963

Tax Jurisdiction Details
Set a tax percent or unit fee. Set minimum and maximum amounts to figure taxes on. Multiple

Tier	Percent	Percent Min \$	Percent Max \$	Unit Fee	Unit Min \$	Unit Max \$
0	4.0000	0.00	0.00	0.0000	0.000	0.000

Tax Description : STATE SALES TAX

Minimum/Maximum Type : Tier is against the item unit price.

Tier Tax Type : Tax the portion of the amount within each tier.

Filing Code :

Report Taxes To : ALABAMA DEPARTMENT OF REVENUE

- 3.3 Click the Percent box to enter the tax percentage for this tier.
 - 3.4 Click the Percent Min \$ box to enter the minimum tax percentage for this tier.
 - 3.5 Click the Percent Max \$ box to enter the maximum tax percentage for this tier.
 - 3.6 Click the Unit Fee box to enter the unit fee for this tier.
 - 3.7 Click the Unit Min \$ box to enter the minimum unit fee for this tier.
 - 3.8 Click the Unit Max \$ box to enter the maximum unit fee for this tier.
 - 3.9 In the Tax Description box, enter a description for this tax percent.
 - 3.10 Use the drop down arrow in the Minimum/Maximum Type box to select the type for this tax percent, for example, Tier is against the invoice total.
 - 3.11 Use the drop down arrow in the Tier Tax Type box to select the tier type for this tax percent, for example, Tax the full amount if it is within the tier.
 - 3.12 In the Filing Code box, enter the filing code.
 - 3.13 Use the drop down arrow in the Report Taxes To box to select the taxing authority for this tax percent.
- 4 You must click Save to save your changes before exiting.

Setting Up Product Groups

In this window, you can view or modify product groups and their item codes. You cannot delete default product groups or item codes but you can delete any that you create. You only need to separate items into different group codes if those items have different tax rules in different jurisdictions.

If you have custom items that are not taxable, you need to set those up in the Item database before setting up product groups in this window.


If you create new product groups in this window, you may need to go to the Address Taxability Parameters window and set up the uncataloged item types.


These fields are available in Report Writer.


- 1 From the DDMS Master Menu, click Databases then select Address Taxability.


Setting Up Address Taxability

- 2 Click Set Up Product Groups. See Figure 8.
- 3 In this window, you can view or modify product groups and their item codes. You cannot delete default product groups or item codes but you can delete any that you create.

To add a product group, click  in the Product Groups box. Enter a descriptive product group name and press Enter.

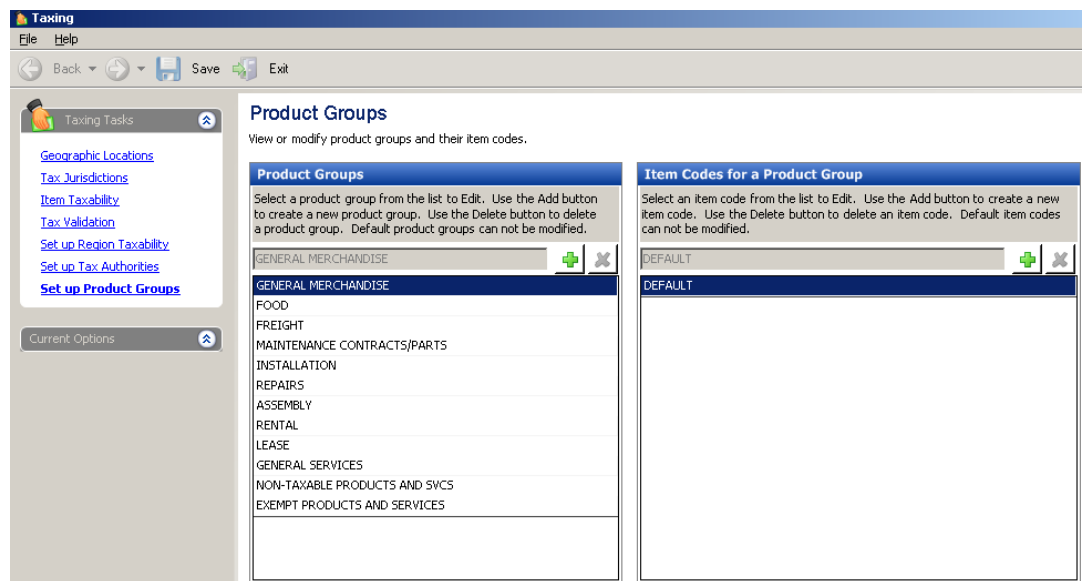
To delete a product group, highlight the product group and click . A Warning message appears. Click Yes to delete.

To add an item code, highlight the product group then click  in the Item Codes for a Product Group box. Enter a descriptive item code and press Enter.

To delete an item code, highlight the item code and click . A Warning message appears. Click Yes to delete.

- 4 You must click Save to save your changes before exiting.

Figure 8: Setting Up Product Groups



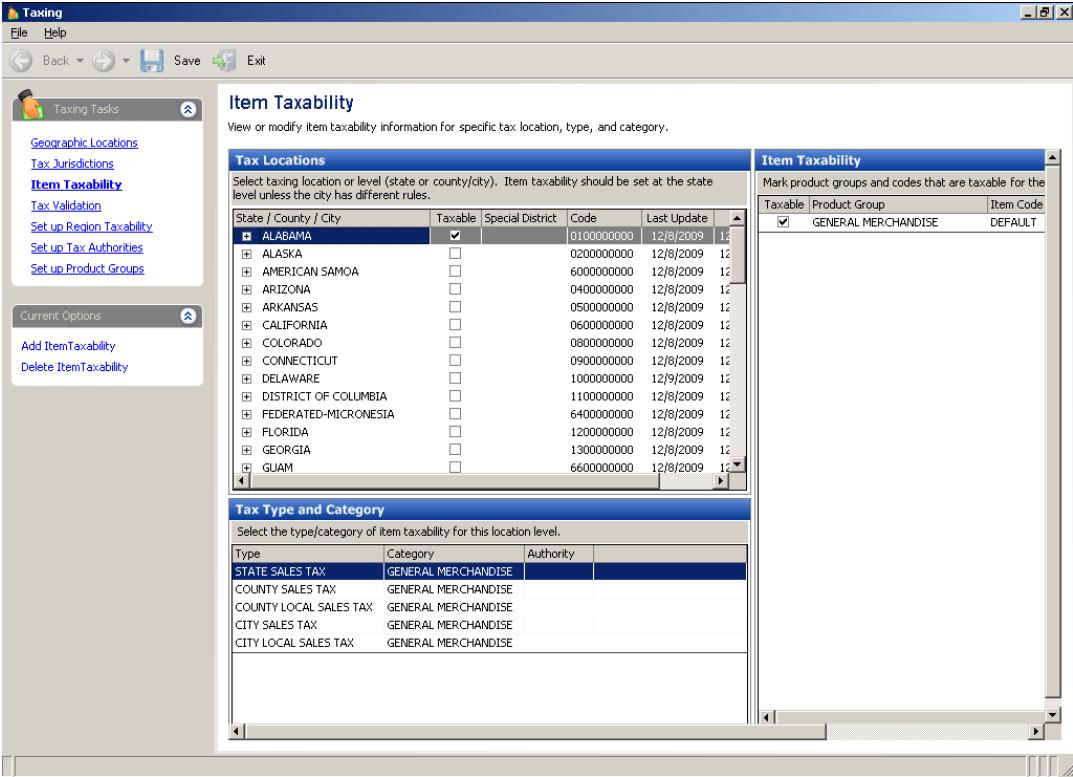
Setting Up Item Taxability

In the Item Taxability window, you can view or modify item taxability information for a specific tax location, type, and category. Use this window to make product groups non-taxable for specific tax jurisdictions.

- 1 From the DDMS Master Menu, click Databases then select Address Taxability.
 - 2 Click Item Taxability.
 - 3 You can select to add or delete item taxability from the Current Options menu or you can right-click the panes and select add or delete.
- Select the tax location by highlighting it. Item taxability should be set at state level unless the city has different taxing.
- 4 Select the tax type and category by highlighting it. See Figure 9.
 - 5 You can add product groups to item taxability one at a time or add all.

- 5.1 Click Add Item Taxability.
- 5.2 You can select a product group by clicking the drop down arrow in the Product Group box.

Figure 9: Setting Up Item Taxability



- 3 This window allows you to validate tax information for a specific address. In the Address Validation boxes, you can enter a city, county, state or zip code. For the most accurate tax information, you should enter the nine-digit zip code. Enter any address information in the boxes then click Validate Address.
- 4 The Item Taxability boxes display the product groups and item codes. If there are different tax rules for different product codes, you can view that information. For example, you might select Freight in the Product Group box to see if there are different tax rules for freight than for general merchandise.

The Address Validation boxes display the detailed tax information for the specified address.

The Detail Tax Information boxes display the detailed tax information for the specified address and item type.

The Combined Total Tax % is displayed at the bottom of the window.

Setting Up Items

There are two new boxes in the Item Settings tab for Address Taxability. The Product Group and Item Code boxes are used to define item taxability. See Figure 11. These boxes are only available if you are authorized for Address Taxability.

Figure 11: The Product Group and Item Code Boxes

The screenshot shows a software window titled 'Item: 00002 (FEL) BOX,STOR,9X4X23.25,CTN12'. The 'Settings' tab is active, displaying several sections:

- Pricing:** Includes fields for Loc (1), Up Cost % (1), Net Price Flag (N), GL Dept, Up List %, Min. Sell Qty, Class, Max Discount % (52), Contract, and a checkbox for 'Don't Mark as National Drop Ship Item'.
- Units of Measure:** Features a table for 'EDI Use Only' with columns for Unit, Quantity, Unit, Quantity, and M/D. The table contains four rows of zeros. Below the table is a checkbox for 'Multiple or Information?'.
- Details:** Contains fields for Weight, Hours, Serial, Multiple Bin, Lead Time, Core/Recyclable, Tax Code, Price File # (500039), Kit, Price By, Product Group (0000 - General Merchandise), and Item Code (000 - DEFAULT).
- Common Aliases:** A text box containing the value '00001B'.

Setting Up Address Taxability

Default product groups and item codes are provided in your DDMS system. You can set up and maintain product groups and item codes in the Product Groups window.

The Product Group box defaults to general merchandise. If this item requires a specific tax code, use the drop down arrow to select the code. This box works with the Item Code box. Setting this code ensures that the proper tax is charged for this item.

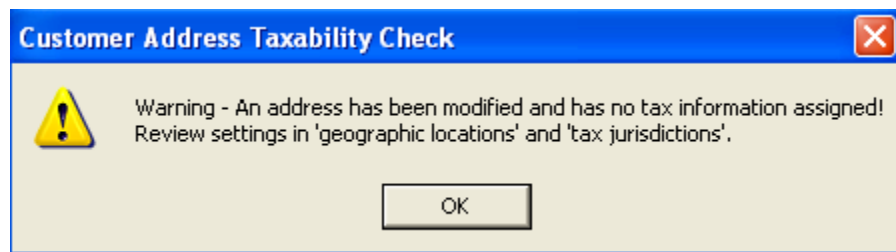
The Item Code box defaults to a default code. If this item requires a specific tax code, use the drop down arrow to select the code. This box works with the Product Group box. You must select the product group first then select the item code. Setting this code ensures that the proper tax is charged for this item.

If you have custom items that are not taxable, you need to set those up in the Item database not in the Address Taxability Product Groups boxes.

You can make mass changes to these boxes in the (+W) screen. These boxes are also available in Report Writer.

Note: The Product Group and Item Code information is available throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

Figure 12: The Customer Address Taxability Check Dialog Box



Setting Up a Customer

With Address Taxability, you may need to check the Taxable box in the Customer Order Entry tab. Before using Address Taxability with CCH tax files, make sure any customers that are non-taxable have an N set in the Taxable box in the Customer Order Entry tab. (The District box is not used with CCH taxing.) Go to the heading **Setting Up a Non-Taxable Customer (using CCH taxing)**.

There's also a new response available for the Taxable box. If you are setting up state-only taxing, see the heading **Setting Up a Customer for State Tax Only**.

There's also a new prompt that appears when adding a new customer if you do not specify tax information. (This prompt would only appear if you did not load CCH tax files.) When you add a new customer to the Customer database, you need to specify a tax percentage if the customer is taxable and no tax specifications are set up for the customer's state or zip code. The new warning message is shown in Figure 12.

Setting Up a Non-Taxable Customer (using CCH taxing)

Before using Address Taxability with CCH tax files, make sure any customers that are non-taxable have an N set in the Taxable box in the Customer Order Entry tab. (The District box is not used with CCH taxing.)

- 1 Go to the Customer database and select a customer as you normally would.

Figure 13:
Setting the
Taxable Box to
N

The screenshot shows a software window titled "Customer: 936 () ACME RUBBER". The window has a menu bar with "File", "View", and "Help". Below the menu bar is a toolbar with various icons. The main area is divided into tabs: "Master", "Ship to/Attention", "Buyers/Manifest", "Order Entry" (which is selected), "Credit", and "Machines".

In the "Order Entry" tab, there are several input fields and checkboxes:

- Cross Reference: []
- PID: []
- Load Factor Pct: []
- Order Entry Setting: []
- Location: 1
- Taxable?: N
- District: 1001
- Remote ID: []
- Laundry List ID: []
- Status O/E: G
- B/O's Allowed?:
- Substitutes Allowed?:
- P/O Required?:
- O/E Exempt?:
- PrePay?:
- Add. Vol. Disc. Plan: []
- Tax ID #: []
- TM1: []
- TM2: Y
- Contracts: 55, A3, [], []
- Column Breaks: []
- Best Pricing?: Y
- Discount Type: P
- Percent %: 50.0
- Hold Type: []
- Days: []
- Exempt from Min. Order Charges:
- Statement Exempt?:
- Cost Code: M
- Skip Card Validation:
- Two Decimal Place Pricing:
- Cost Plus if Net?:
- Percent Up from List %: []
- Catalog Price?:
- Hold Invoices?:
- Invoice Copies: []
- Invoice Format: []
- Pick Ticket Format: []
- Default Credit Card Cust. Ref. ID: Order #

Setting Up Address Taxability

- 2 Click the Order Entry tab.
- 3 Click the Taxable box and type **N**. See Figure 13.
- 4 Save your changes as you normally would.

Setting Up a Customer for State Tax Only

If you add a new ship to or bill to address in the Customer database, you need to specify tax percentages. You may add a customer who only taxes at the state level. In this case, you need to enter an **S** in the Taxable box.

- 1 Go to the Customer database and select a customer as you normally would.
- 2 Click the Order Entry tab.
- 3 Click the Taxable box and type **S**.
- 4 Save your changes as you normally would.

Setting Up Parameters

Because sales tax information is stored in the P-TAX file, there are parameters that you should set to ensure that credit invoices work properly.

For the system to create a unique invoice number for credit invoices, go to the (LG5) Additional Order Entry Parameters screen and set the Use Next Invoice # for Credits field to **X**.

To ensure the unique credit invoice number is applied to the original invoice number, go to the (LGB) Credit Order Entry Parameters screen to set the Apply Charge Credits to Original Invoice field to **Y**.

Importing Data into SQL

Before you can run reports, you must import your data into SQL.

- 1 To do this, open the EBS SQL Import Control Panel.
- 2 Click Import Data.
- 3 In the Full Import tab, scroll down and click the check box to select Tax Geocode.
- 4 Click Process to import the files.