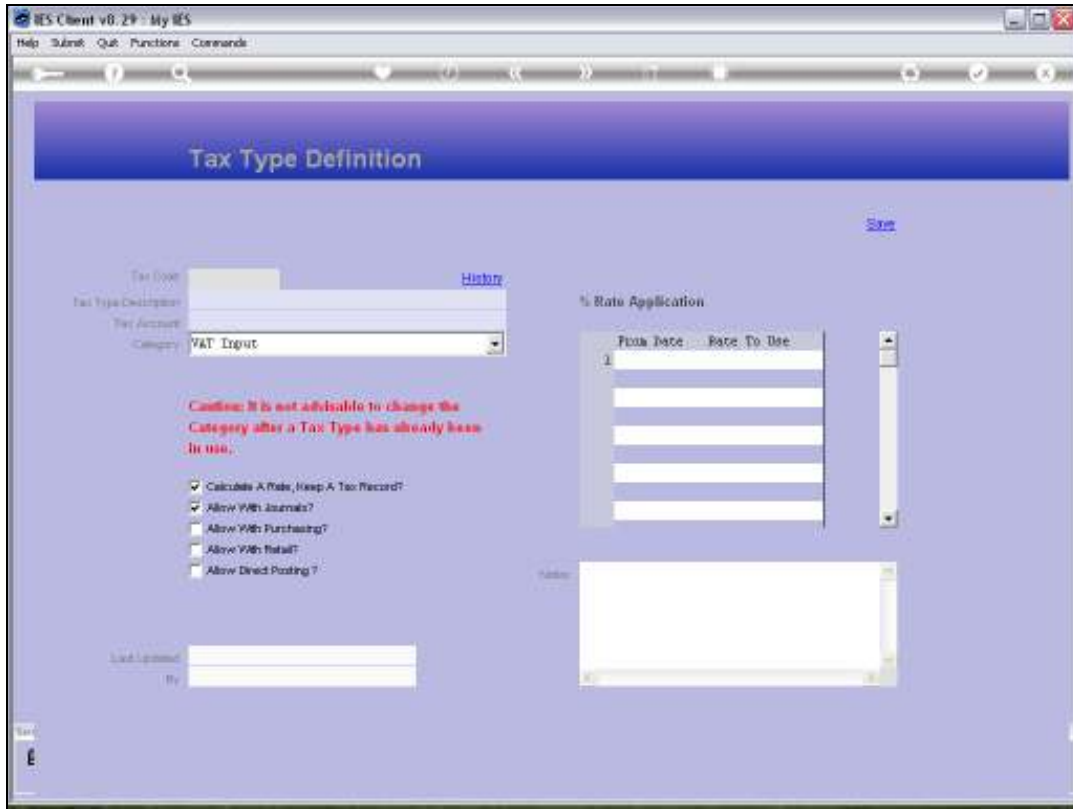Slide 1

Slide notes: The Standard Tax objects are maintained from the Tax Management menu. These Tax objects are used by the system to process VAT correctly, and VAT is sometimes called by another name in some Countries. For example PPN, GCT and other names, and even GST.For all these Tax systems, we use these same Tax objects to define the rules of how Transactional Tax is calculated and processed. In rare instances, some Countries do not require any such Transactional Tax to be processed or reported, and in that case there is no need to create any of these Tax objects.
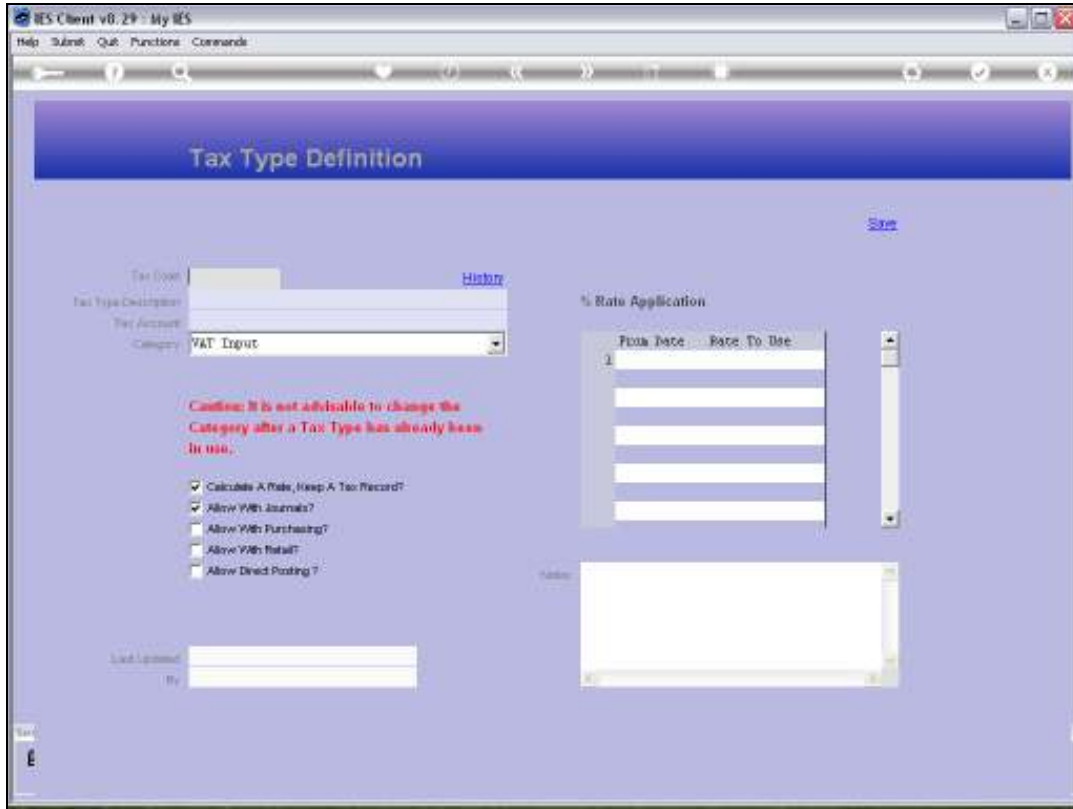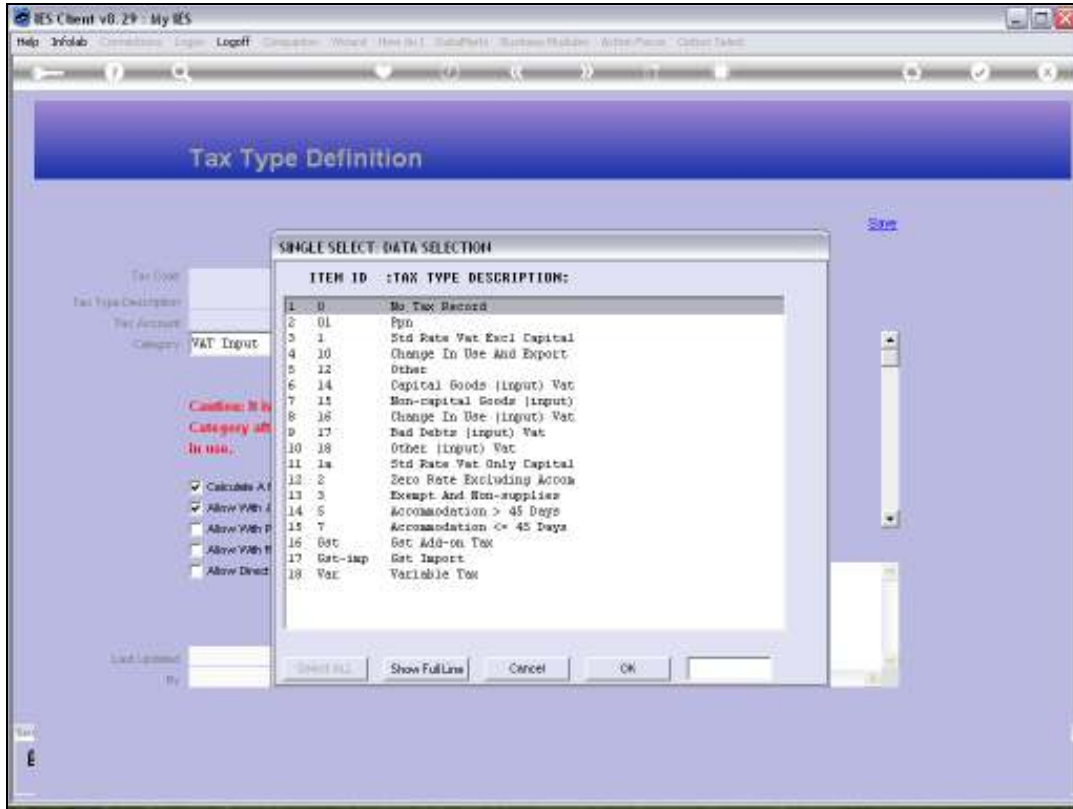
Slide 2
Slide notes:
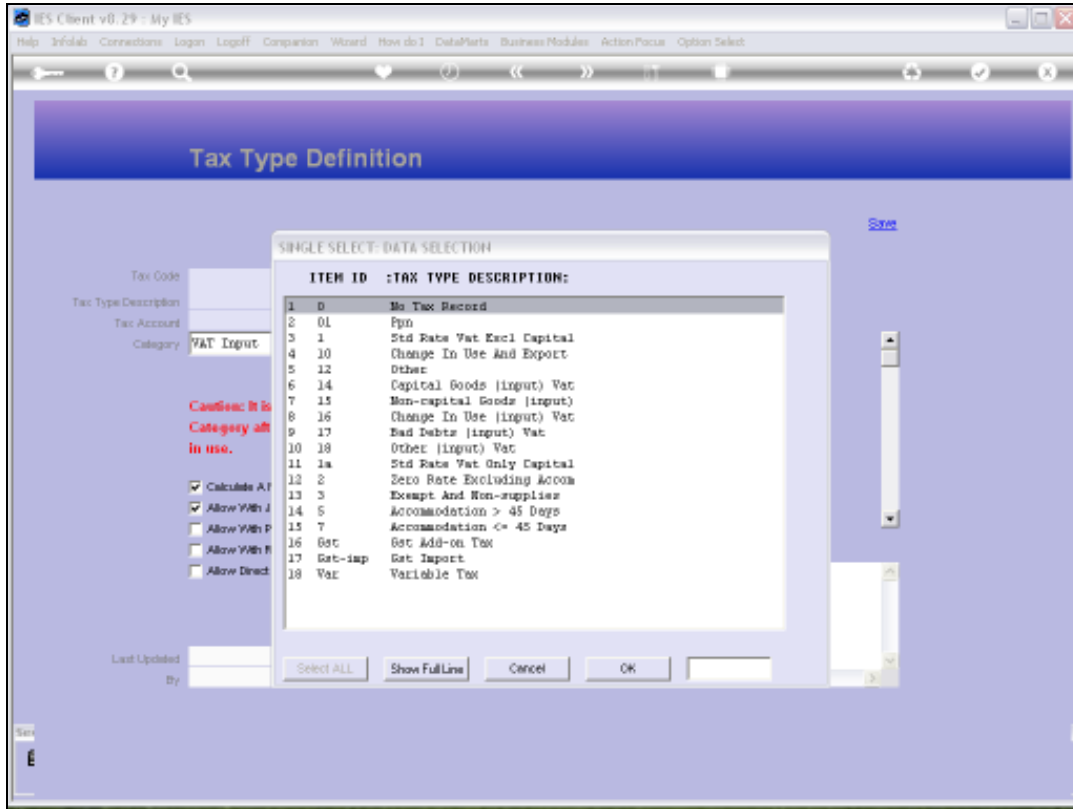
Slide 3
Slide notes:

Slide 4
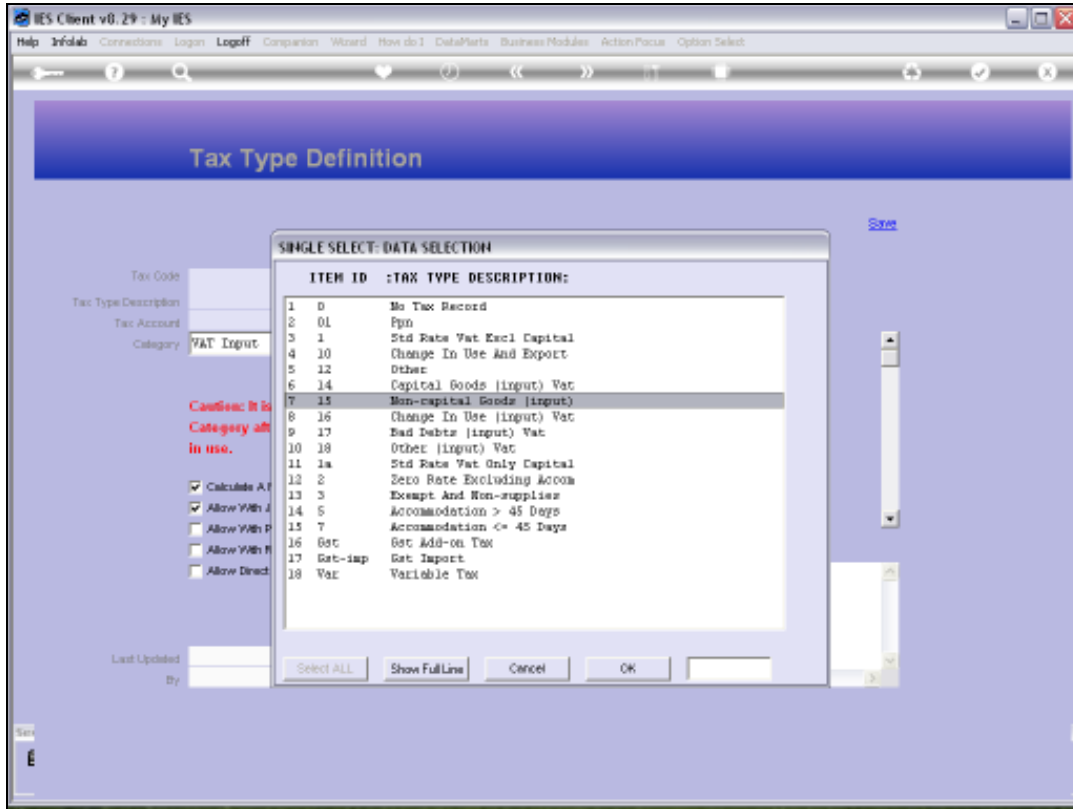Slide notes:

Slide 5
Slide notes:

Slide 6

Slide notes: In this system, we have quite a number of Tax Types defined, whereas in many cases there are only 2 or 3.
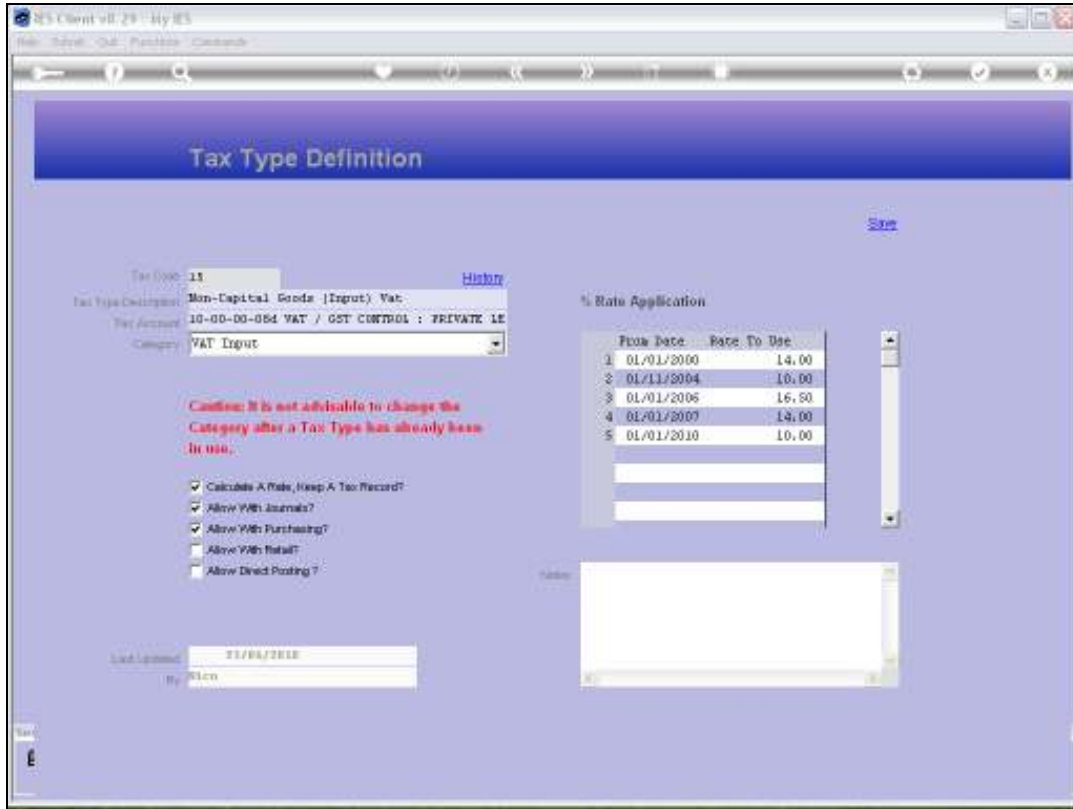
Slide 7
Slide notes:

Slide 8
Slide notes:

Slide 9

Slide notes: Each Tax object has a Key called the Tax Code. It is recommended that this Code be the same or similar to the Local Tax code in the Local Tax system.

Slide 10

Slide notes: The Tax object record is automatically tracked by the system and a record of all updates is kept. We can choose the History function to view prior versions of the record.
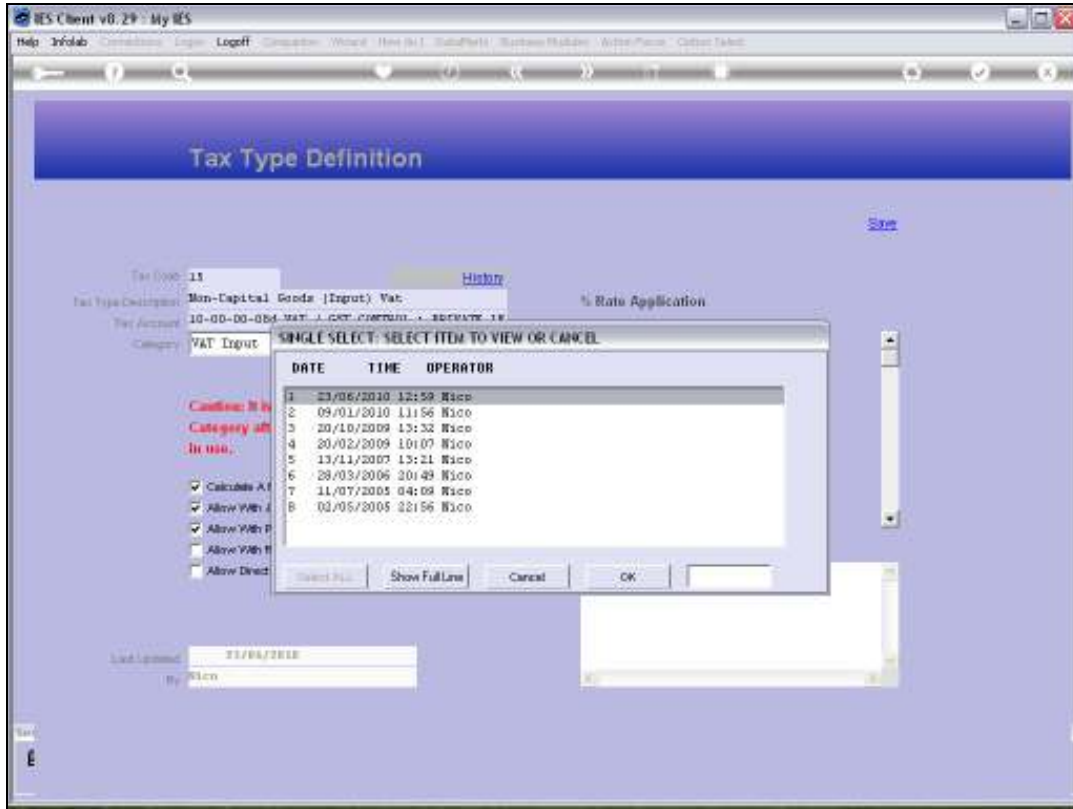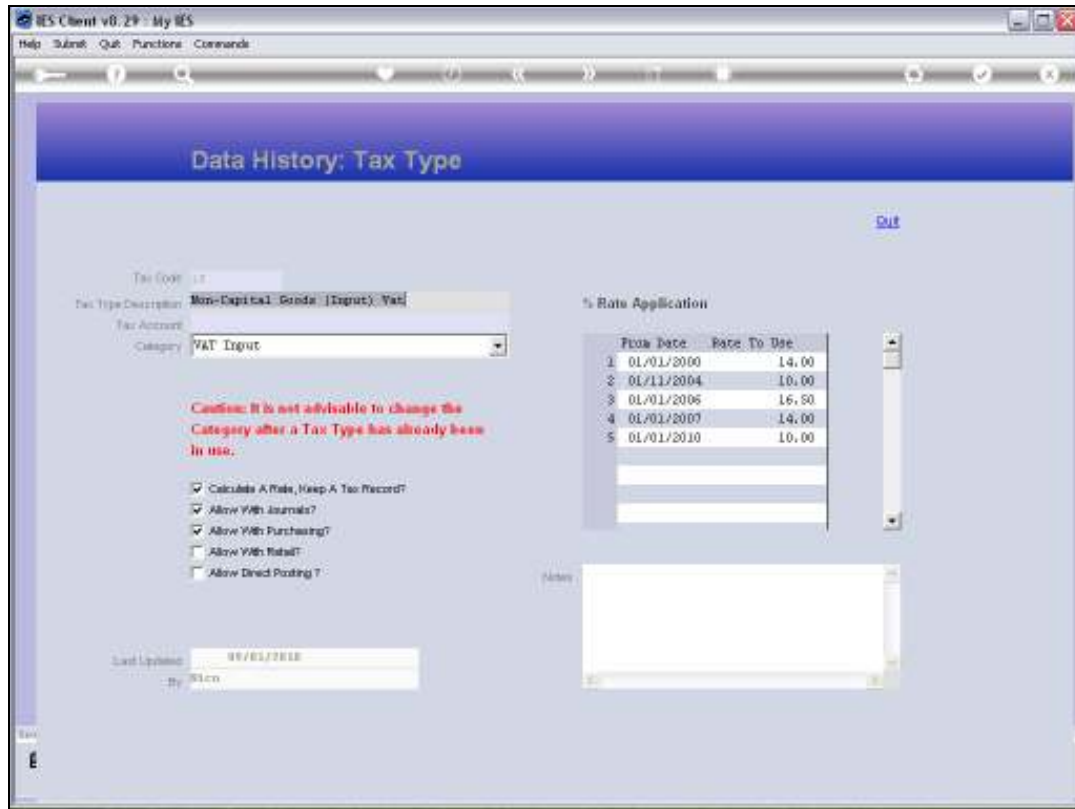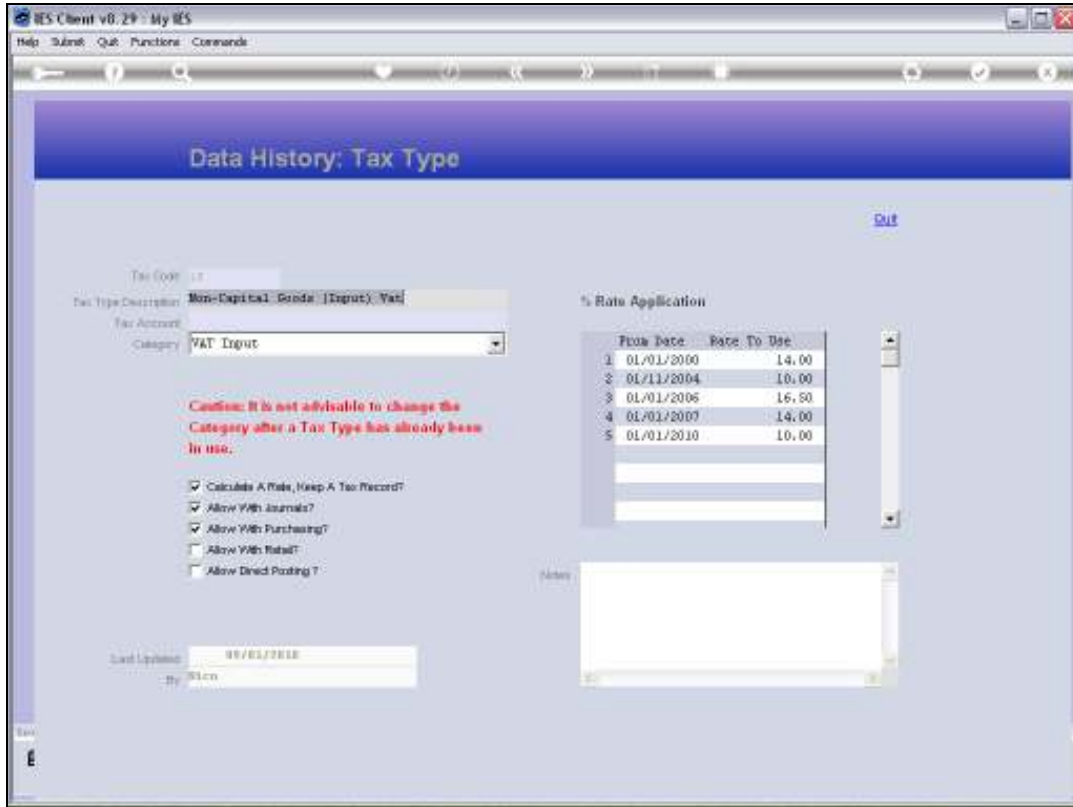
Slide 11
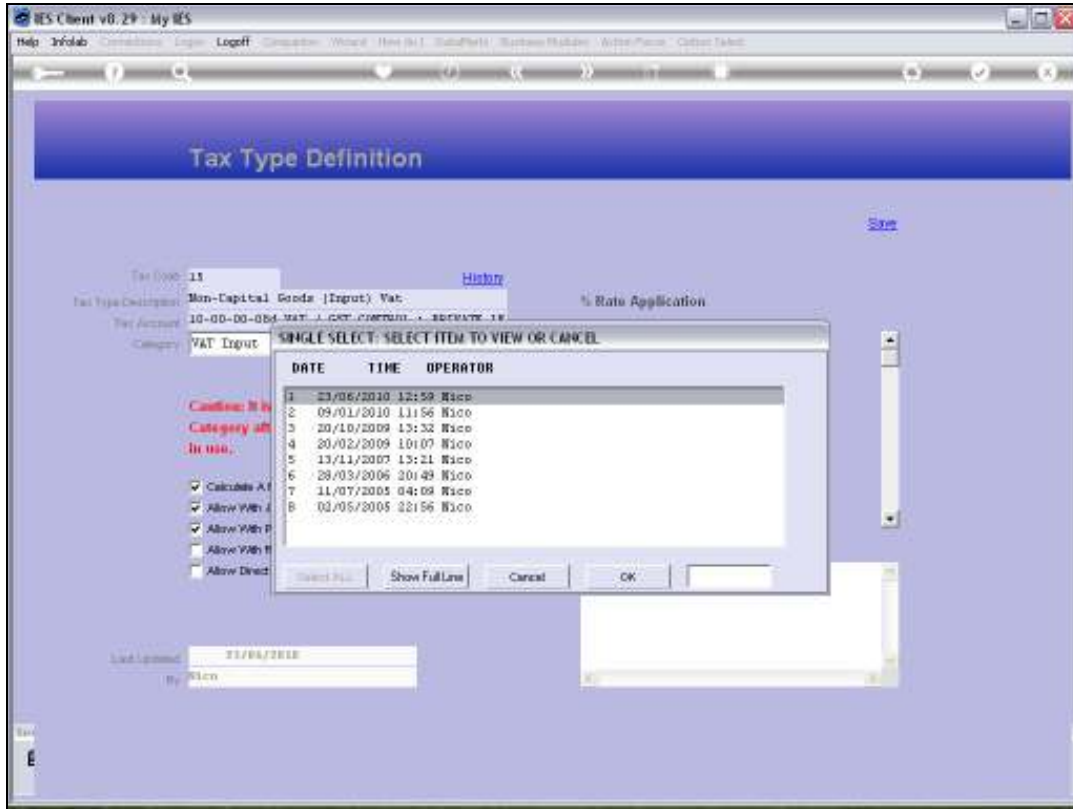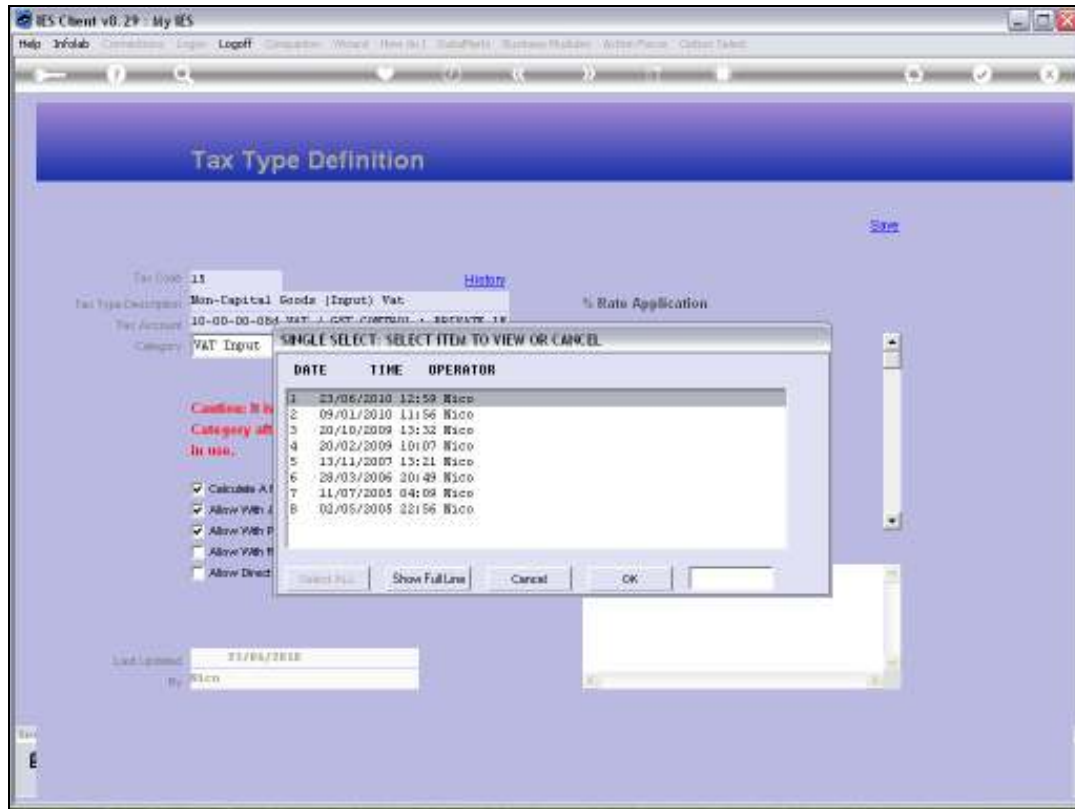Slide notes:
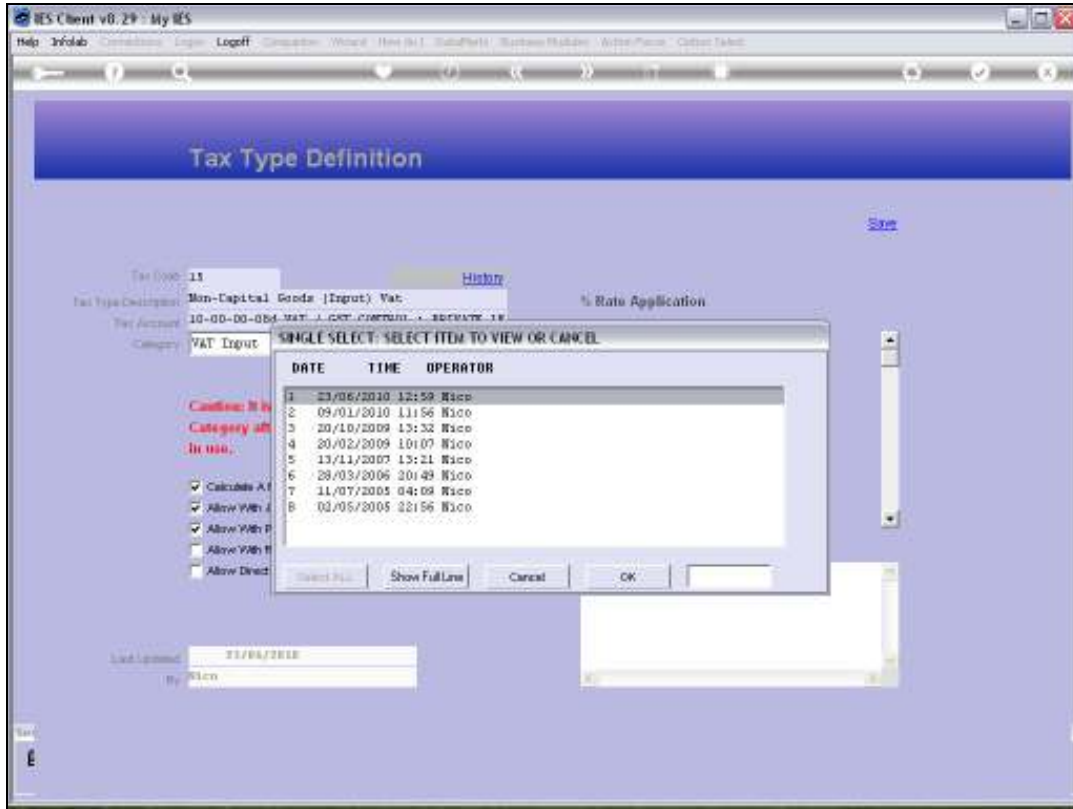
Slide 12
Slide notes:

Slide 13
Slide notes:

Slide 14
Slide notes:

Slide 15
Slide notes:

Slide 16
Slide notes:

Slide 17
Slide notes: A Tax object also has a name or description.

Slide 18

Slide notes: The Tax Account for the Tax object is mandatory and should only be used for 1 Tax object. The system will process all instances of this Tax Type through this Account.
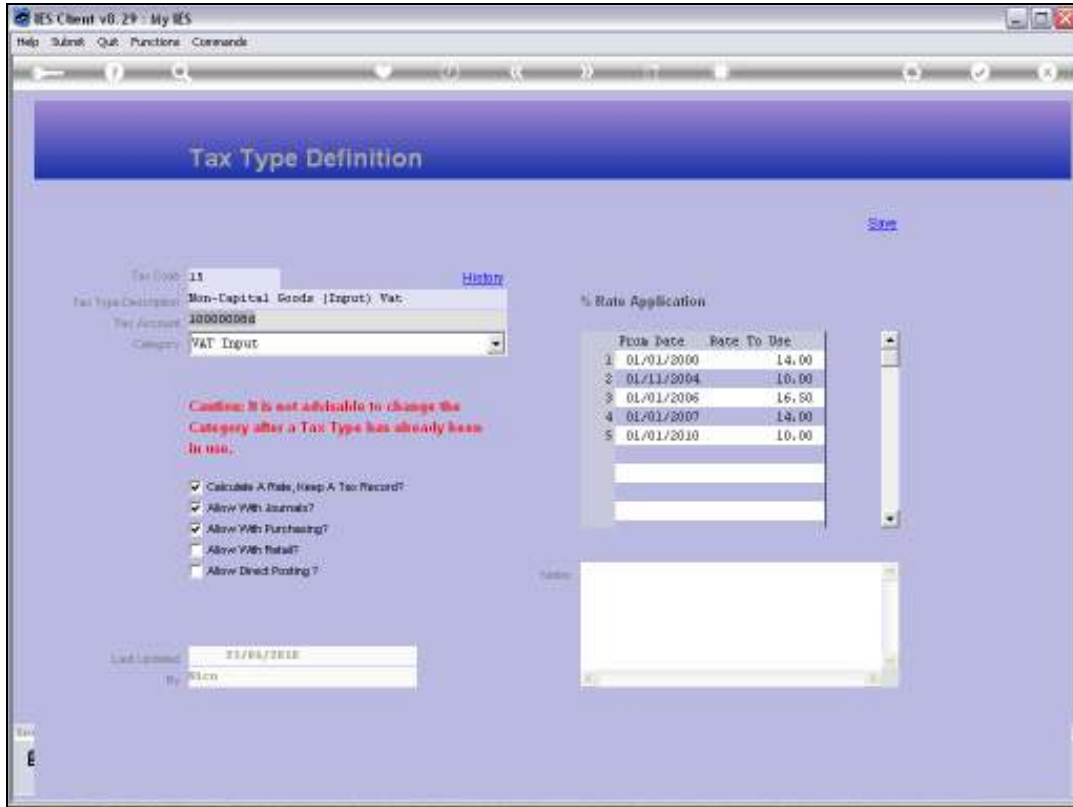
Slide 19
Slide notes:
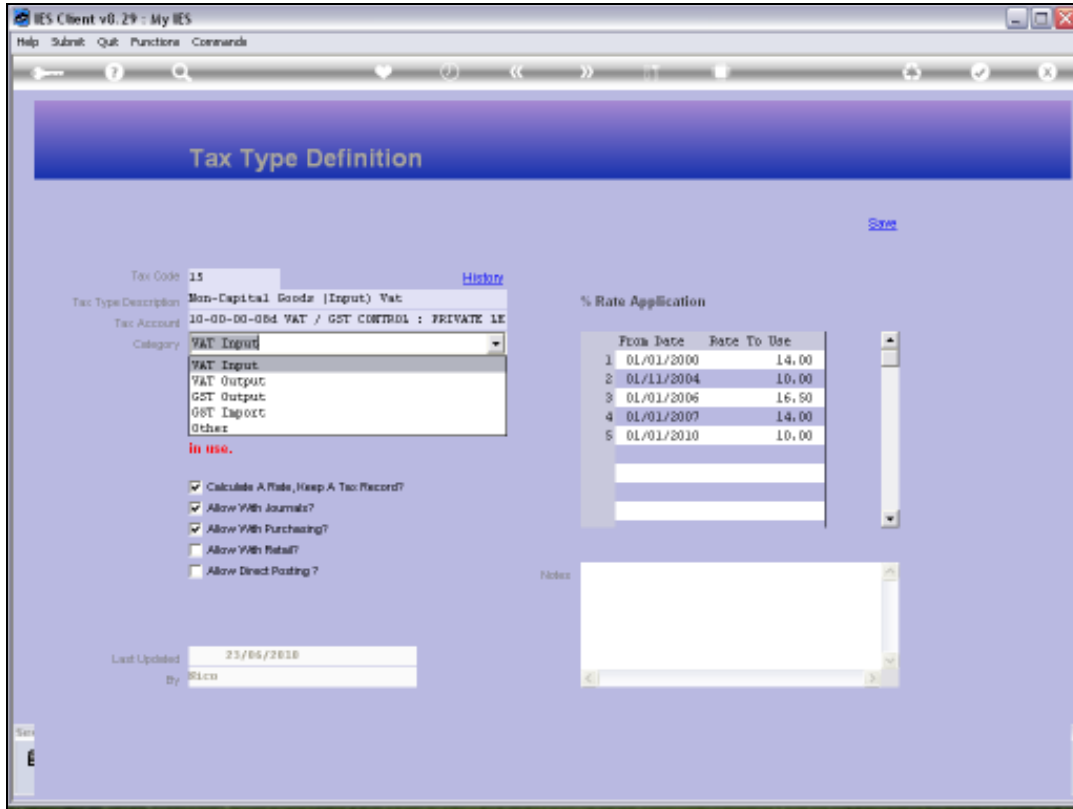
Slide 20

Slide notes: The Category is important to select correctly, because it determines how the Tax Type is calculated and posted.

Slide 21

Slide notes: The Help explains how to choose this Category.

Slide 22

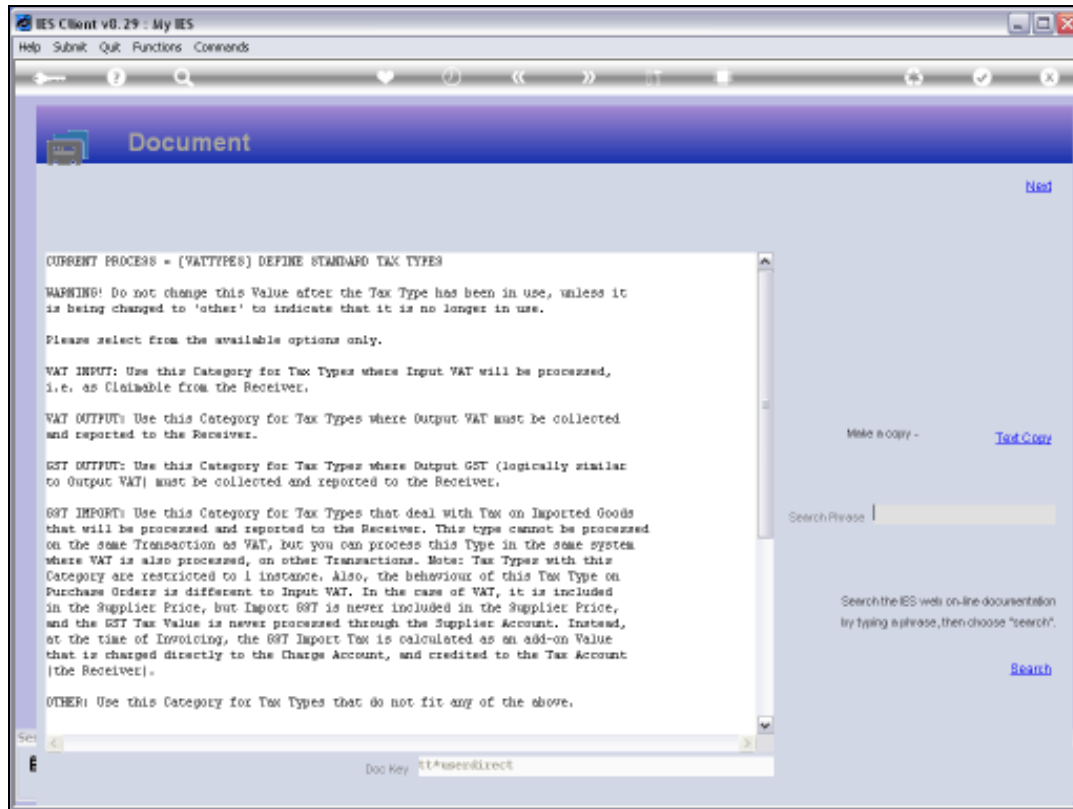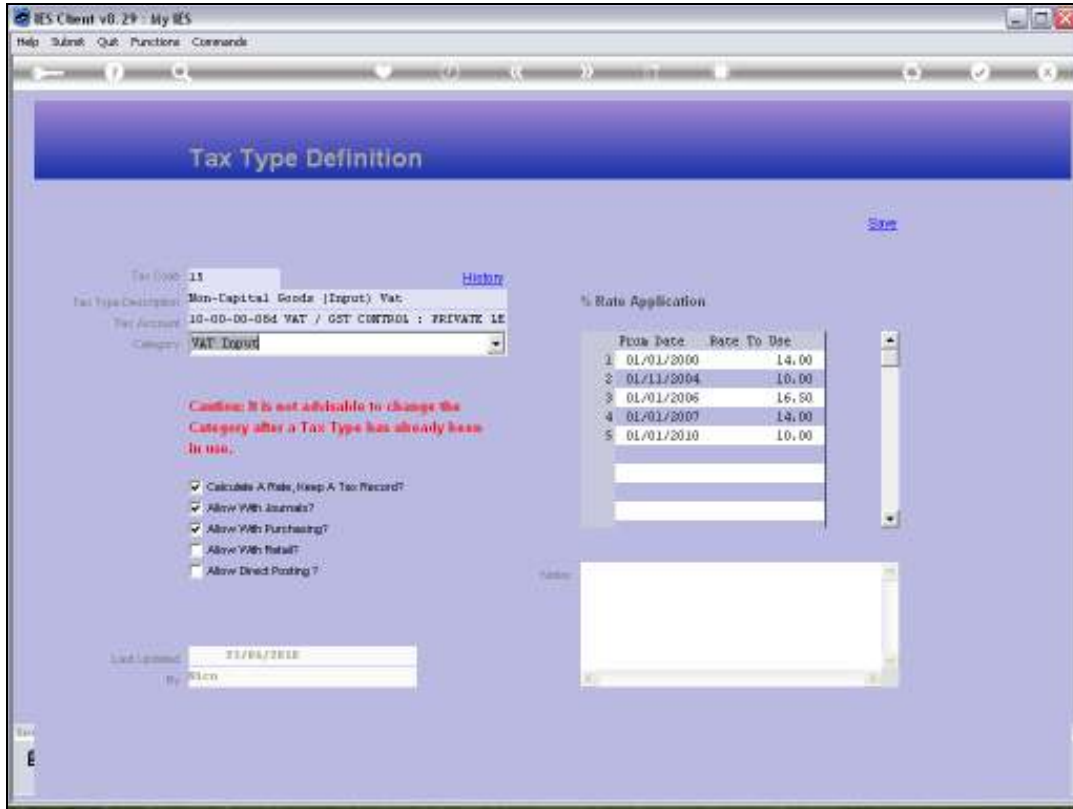Slide notes: For the settings, it is also useful to check the Help in each case. Keeping a Tax record will surely apply to most Tax Types, whereas allowing the Tax Type with Journals is also likely, though there are cases where we do not.For Purchasing, we allow only INPUT Tax Types, while for Retail we allow only OUTPUT Tax Types. Direct Posting is quite another story, and is ONLY checked for variable Tax Type Rates, or to post Tax manually rather than automatically. So please also see the help for this before using it.
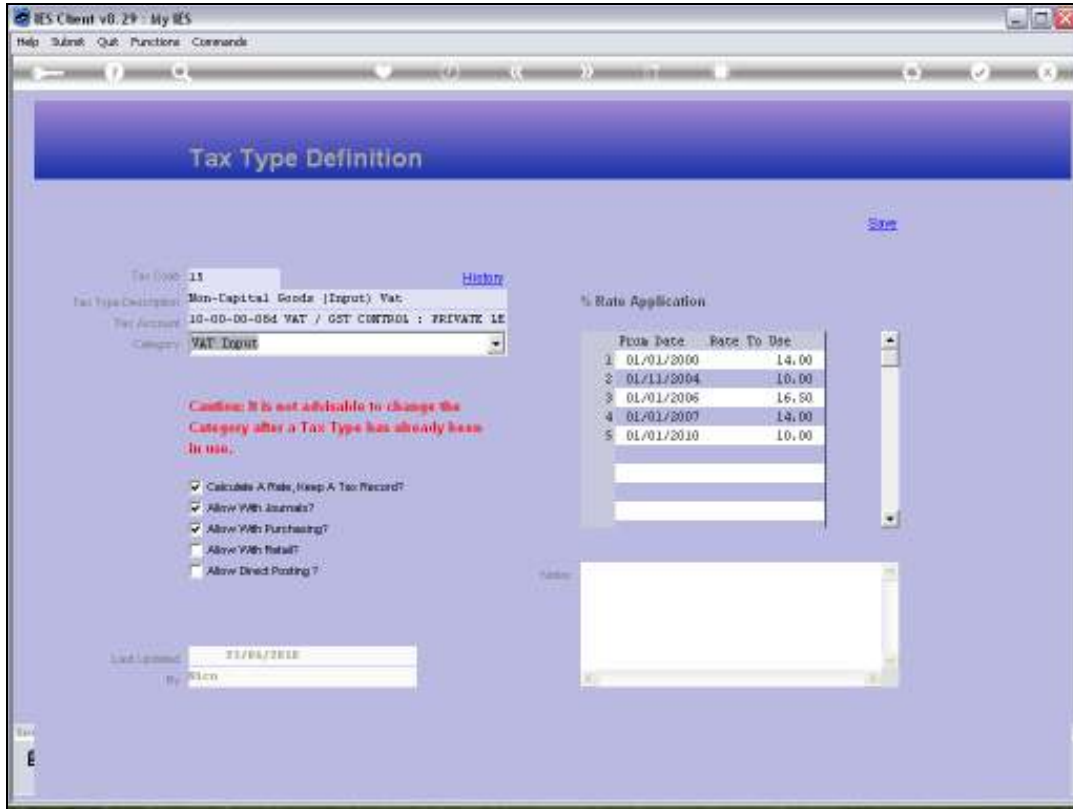
Slide 23

Slide notes: Then of course the system indicates the last Update status for this record.

Slide 24

Slide notes: Tax Rate changes are listed and kept on the record indefinitely. In line with Tax Systems, IES will select the appropriate Tax Rate based on a Tra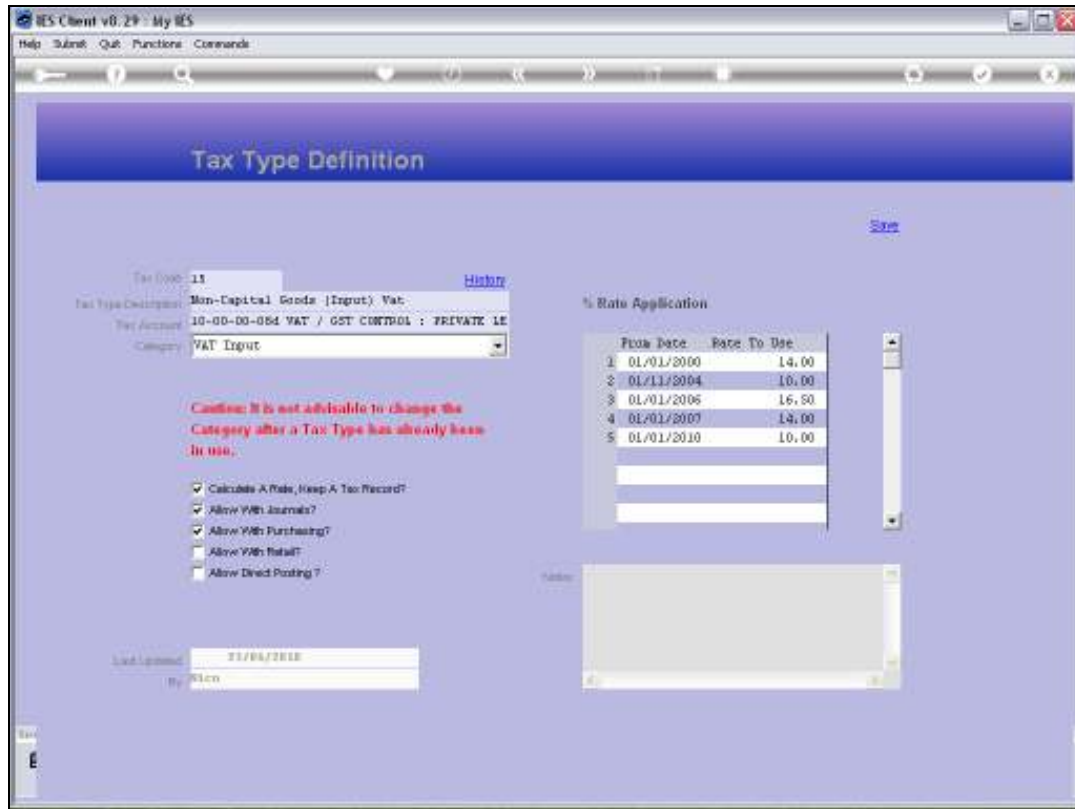nsaction Date rather than a Financial Period, so that posting in multiple Periods will still work correctly after a Tax Rate change. We always list the next Tax Rate change at the bottom.
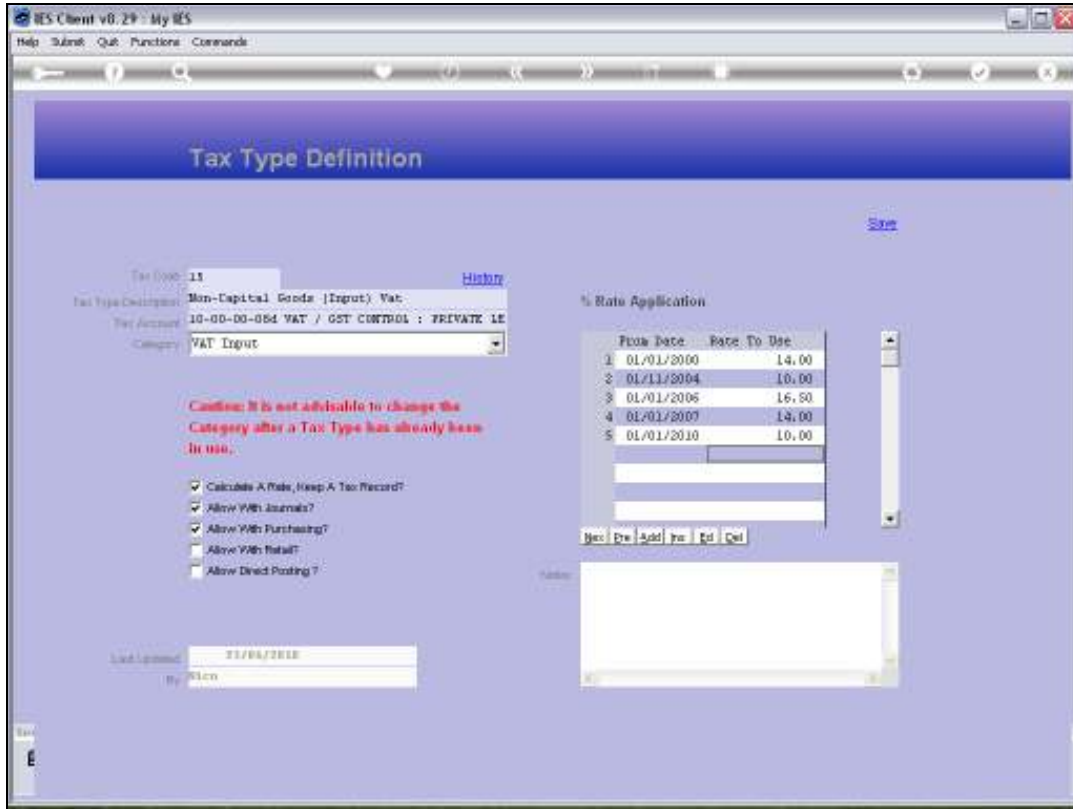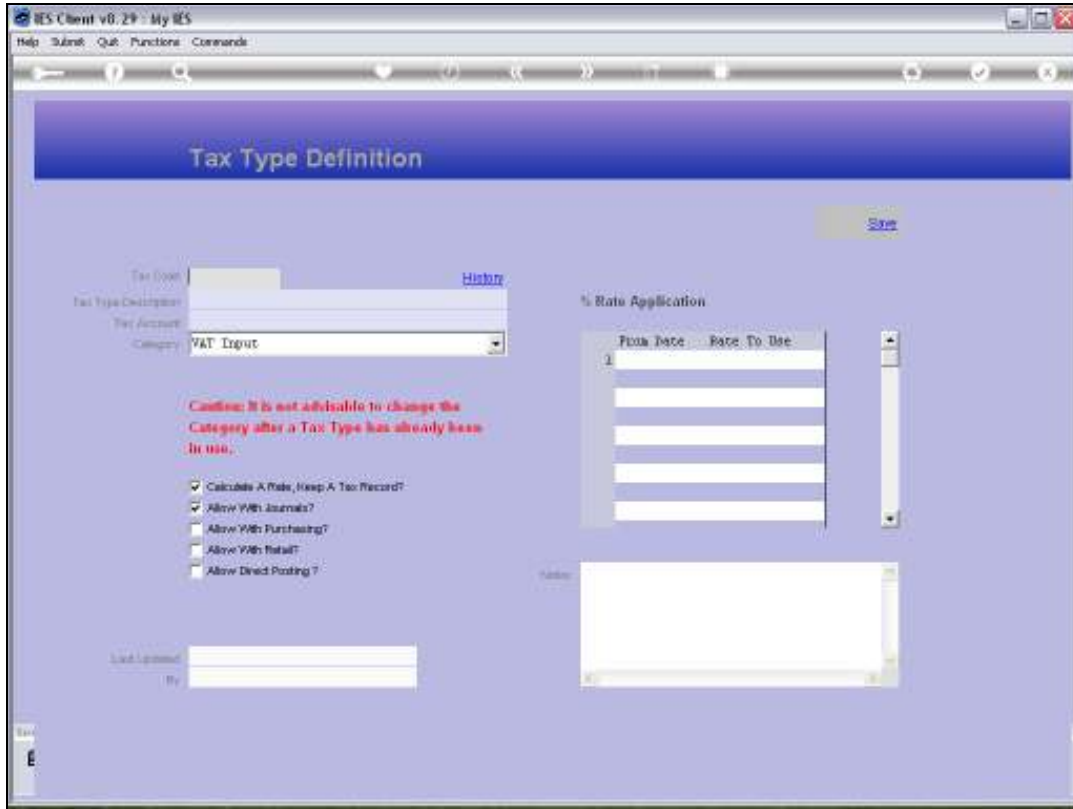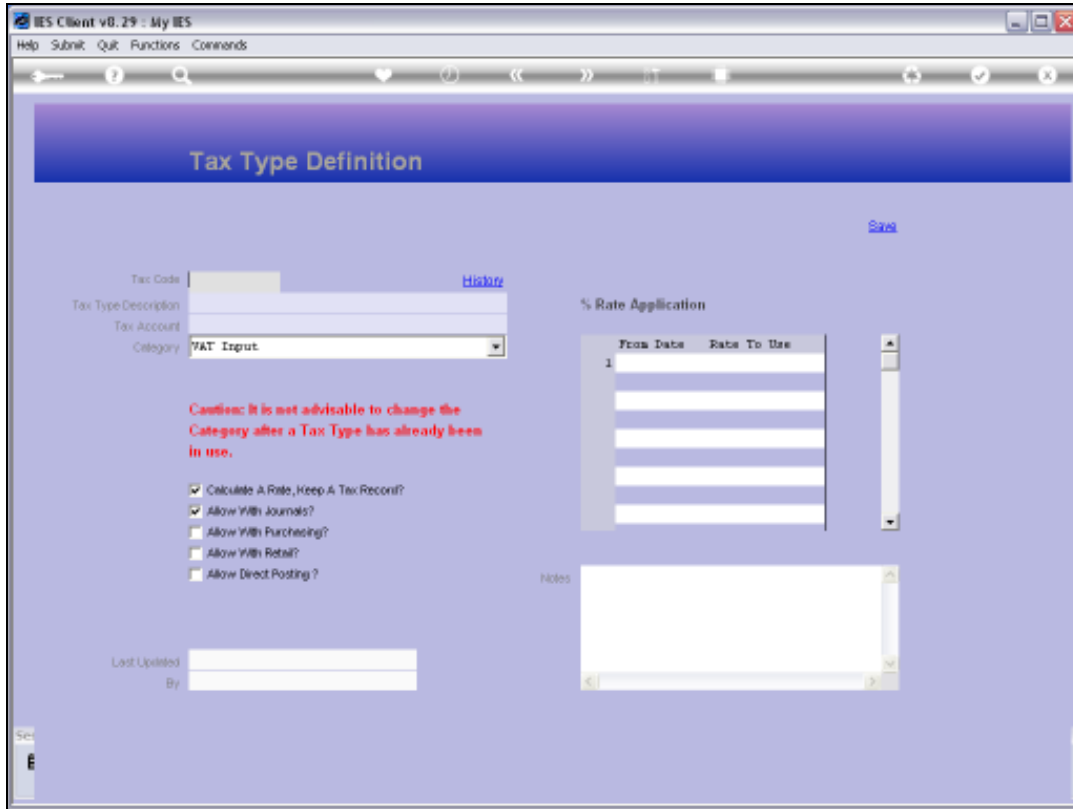
Slide 25
Slide notes: An optional Notes field is provided.

Slide 26
Slide notes:

Slide 27
Slide notes:

Slide 28

Slide notes: Finally, we note that there is always a Tax Type Zero in the system, with the code "0". This Tax Object is required by the system, is automatically present, and it cannot and should not be changed or removed.