Country Solution Italy

IFS Cloud 22 R1

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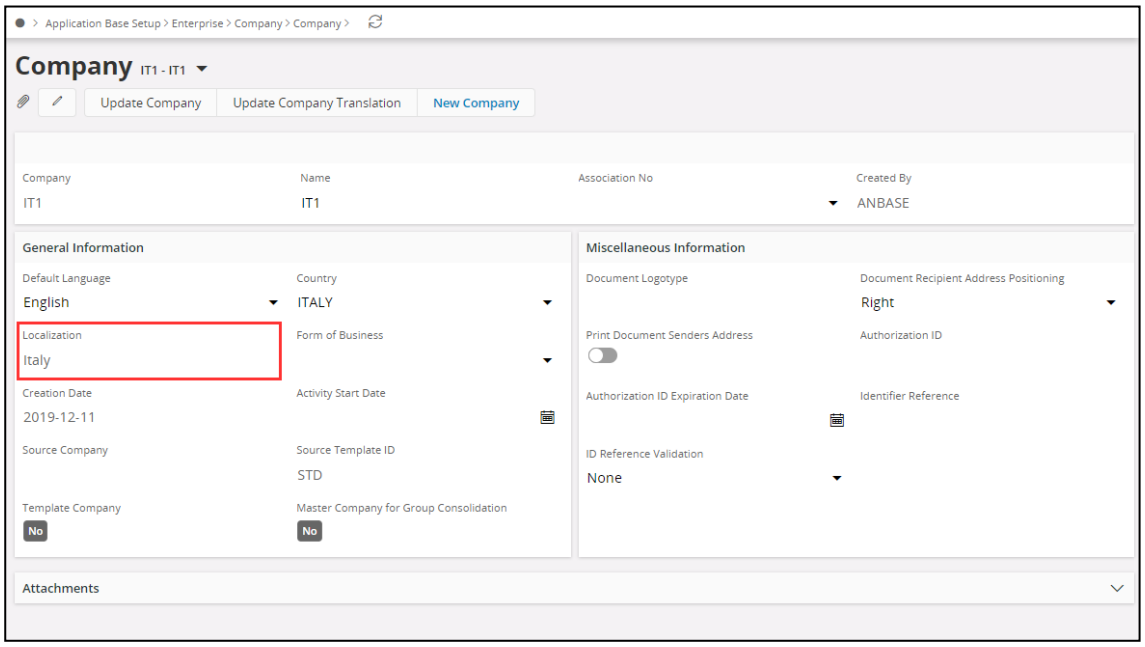
1 Company Set-up

1.1 Overview

In order to utilize the Italian functionality, the company must be set up as using the Italian localization. This is defined in the *Company* page.

1.2 Define localization

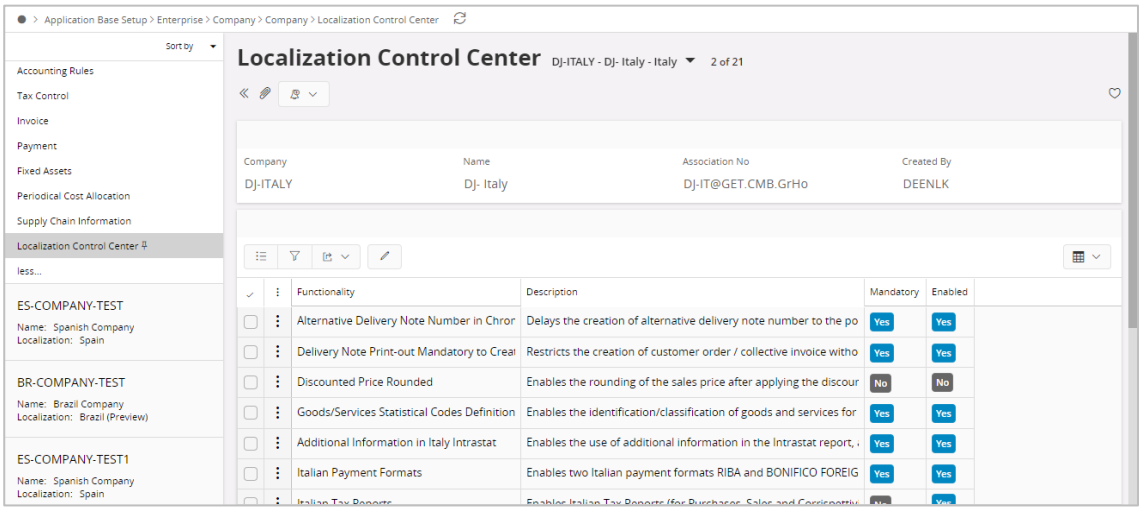
- Open the *Company* page.
- Search for the company.
- Select “Italy” in the drop-down list in the **Localization** field and **Save**. Note that this cannot be changed once transactions are created for the company.



1.3 Select Localization functionality

Specify which functionality to use.

- Open the *Localization Control Center* tab in the *Company* page
- All functionality available for ITALY is presented in the list. Enable/Disable the functionality based on the requirements for the company by enabling/disabling the toggle. Note that some functionality is mandatory and cannot be disabled.



2 Discounted Price Rounded

2.1 Overview Legal Requirement

According to Italian VAT regulations, the invoices have to include price discounts. The discounted price must be rounded to two decimals and net amount must be calculated as discounted price multiplied by quantity. Currently, in standard version, the net amount is calculated as price * quantity, then discounts are applied, and the discounted price is rounded. The difference in calculations in Standard and the Italian localization result in slightly different values.

In order to comply with the Italian VAT regulations, and business practice, the calculation has been changed accordingly to fit Italian requirements.

- The percentage (%) is recalculated in such a way, so that the standard algorithm for net amount calculation becomes usable for Italian customers
- The calculation on the net amount is not changed

New discount calculation is used on customer invoice report and when invoice postings are created.

2.2 Prerequisites

The company must be set-up to use Italy localization, see the Company Set up chapter and the 'Discounted Price Rounded' parameter must be enabled.

2.3 Comparison

In standard, the net amount is calculated as price * discount * quantity and the result is rounded to two decimals: round (price * (1-discount %) * quantity, 2).

According to the Italian requirements the net amount should be calculated as rounded discounted price multiplied by quantity, according to the following formula: round(**round(**price * (1-discount %)**,2)** * quantity, 2).

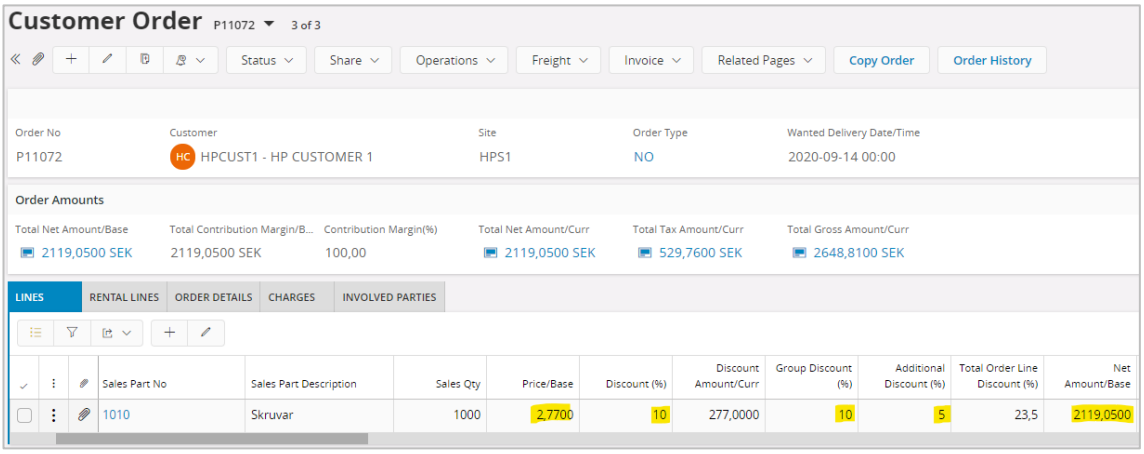
Net amount calculation			
STANDARD way		Italian way	
round(1,2*0,99*1000; 2)		round(round(1,2*0,99; 2) *1000; 2)	
Net Amount	1188	Net Amount	1190
Discounted Price	1,188	Discounted Price	1,19

2.3.1 DETAILED STANDARD ALGORITHM EXAMPLE

- 1. Apply **Order Line Discount**
  Discounted Price: 2,77 * (1 - 0,10) = **2,493**

- 2.a Apply **Group Discount**
  Discounted Price: **2,493** * (1 - 0,10) = **2,2437**
- 2.b Apply **Additional Discount**
  Discounted Price: **2,493** * (1 - 0,05) = **2,36835**
- Final Discounted Price: 2,77 - 0,28 - 0,2493 - 0,12465 = **2,11905**
- Expected **Net Amount**: round(**2,11905** * 1000; 2) = **2119,05**

Net amount rounding in standard:

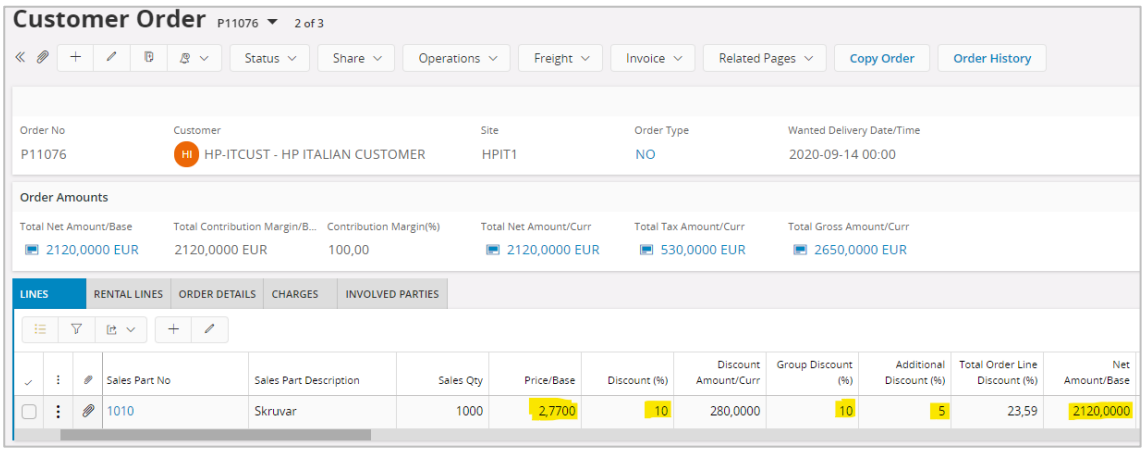


2.3.2
2.3.3
2.3.4

2.3.5 DETAILED ITALIAN ALGORITHM EXAMPLE

- 1· Apply **Order Line Discount**
  Discounted Price: round(2,77 * (1 - 0,10); 2) = **2,49**
- 2.a Apply **Group Discount**
  Discounted Price: round(**2,49** * (1 - 0,10); 2) = **2,24**
- 2.b Apply **Additional Discount**
  Discounted Price: round(**2,49** * (1 - 0,05); 2) = **2,37**
- Final Discounted Price: 2,77 - 0,28 - 0,25 - 0,12 = **2,12**
- Expected **Net Amount**: round(**2,12** * 1000; 2) = **2120**

Net amount rounding in the Italian localization:



2.4 Group Discount & Additional Discount

Group Discount and Additional Discount are added together but are compound (not simply added percent) with Order Line Discount. This is standard functionality and is not changed by the Italian functionality. See standard calculation below:

*Price * (1-discount%) * (1 - (group_discount% + additional_discount%)) * quantity*

The functionality is adding rounding at every discount type calculation. The discounted price (technically discount amount) is rounded after each discount type is applied. The rounded value after Order Line Discount is used as a calculation's basis both for Group Discount and Additional Discount.

Example 1:
Assume that Line Discount, Group Discount and Additional Discount are set to 1 %; the calculation basis (sales price) equals 1,20.
The net amount and discounted price is calculated as follows:

1. Applying **Order Line Discount**
   Discounted Price: round(1,20 * 0,99, 2) = **1,19**
   (discount amount = 0,01)
2. Applying **Group Discount**
   Discounted Price: round(**1,19** * 0,99, 2) = **1,18**
   (discount amount = 0,01)
3. Applying **Additional Discount**
   "Discounted Price": round(**1,19** * 0,99, 2) = **1,18** (final price is 1,17)
   (discount amount = 0,01).
   Note: Base calculation for both Group Discount and Additional Discount is the same.
4. Final Discounted Price: 1,20 - 0,01 - 0,01 - 0,01 = **1,17**
5. Expected **Net Amount** should be calculated as "final" discount price times quantity
   Net Amount: round(**1,17** * 1000, 2) = **1170**
   If each discount is recalculated in the described way then the net amount is calculated properly by using the existing algorithm.

Example 2:
Assume that
Line Discount = 10%
Group Discount = 10%
Additional Discount = 5%
Sales price = 2,77
Quantity = 1000
The net amount and discounted price is calculated as follows:

1. Applying **Order Line Discount**
   Discounted Price: round(2,77 * 0,90, 2) = **2,49**
   (discount amount 2,77 - 2,49 = 0,28)
2. Applying **Group Discount**
   Discounted Price: round(**2,49** * 0,90, 2) = **2,24**
   (discount amount 2,49 - 2,24 = 0,25)
3. Applying **Additional Discount**
   "Discounted Price": round(**2,49** * 0,95, 2) = **2,37**
   (discount amount 2,49 - 2,37 = 0,12)
4. Final Discounted Price: 2,77 - 0,28 - 0,25 - 0,12 = **2,12**
5. Expected **Net Amount**: round(**2,12** * 1000, 2) = **2120**

The discount originally entered by the user in **Order/Quotation/Invoice Line Discount** dialog, in the **Additional Discount** field or fetched from **Discount Group** settings, are stored in three new columns which have been added to:

- *Customer Order/Lines*

- *Customer Order/Rental Lines*
- *Sales Quotation/Lines*
- *Sales Quotation/Rental Lines*
- *Customer Invoice*

The new fields are called **Original Discount**, **Original Additional Discount** and **Original Group Discount** but are displayed in existing columns: **Discount, Additional discount and Group Discount**.

2.5 Delimitations

When **Price Including Tax** is selected then standard method of discount calculation is used on sales quotation, customer order and customer invoice.

If user creates a collective invoice that contains orders created both before and after enabling the “Discounted Price Rounded” parameter, the Customer Invoice will show the actual discounts for all lines, not the newly created columns with “original values”.

3 Goods/Services Statistical Codes Definition per Company

3.1 Overview Legal Requirement

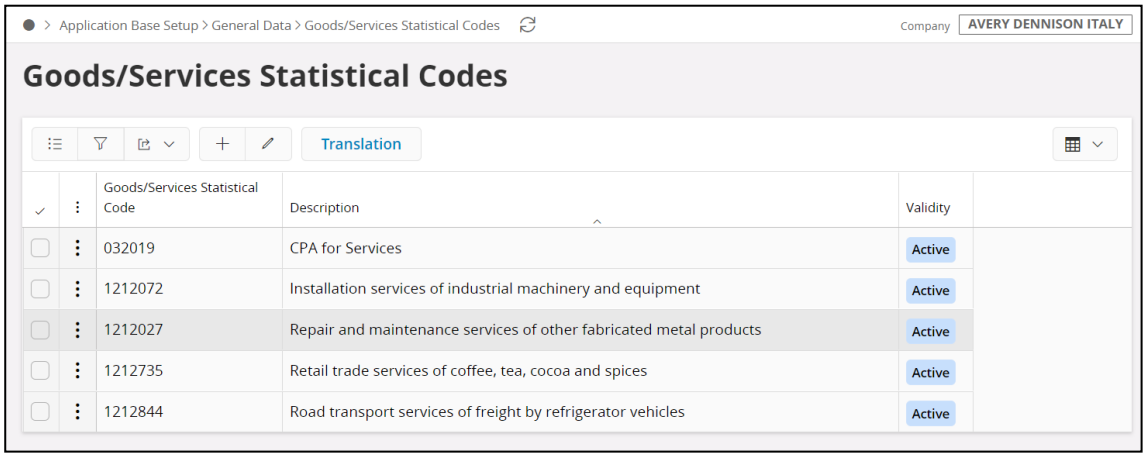
In Italy sales of services must also be included in the Intrastat reporting. For that, the Service Statistic Number (CPA, Classification of products by activity) is used instead of Customs Statistic Number, which is used for goods.

3.2 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter, and the “Goods/Services Statistical Codes Definition per Company” localization functionality must be enabled.

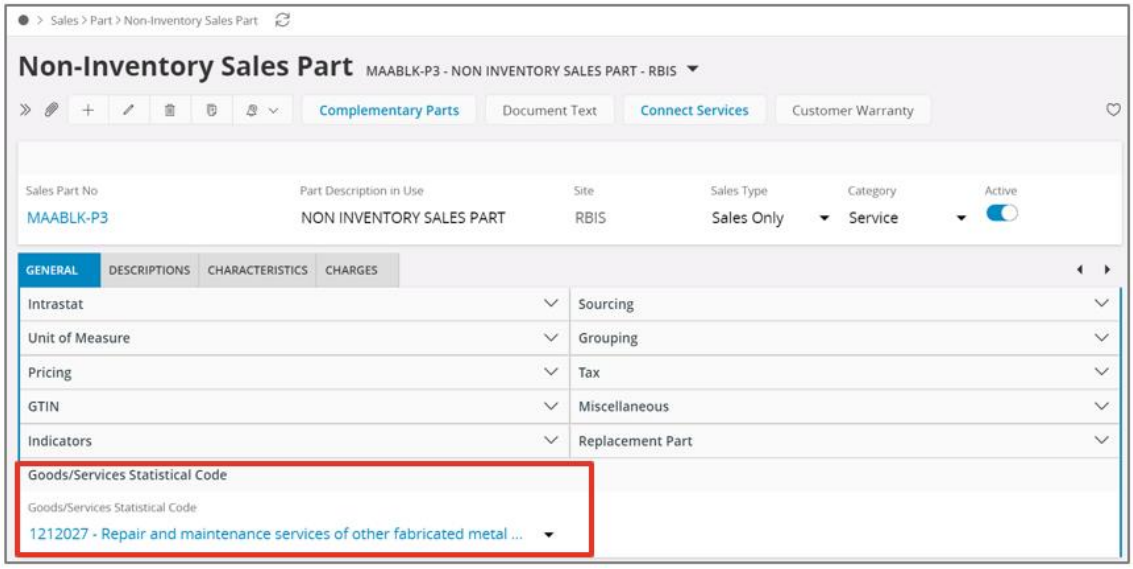
3.3 Define Service Statistic Number for sales

Service Statistic Numbers for Sales of Services are defined in the *Goods/Services Statistical Codes* page.

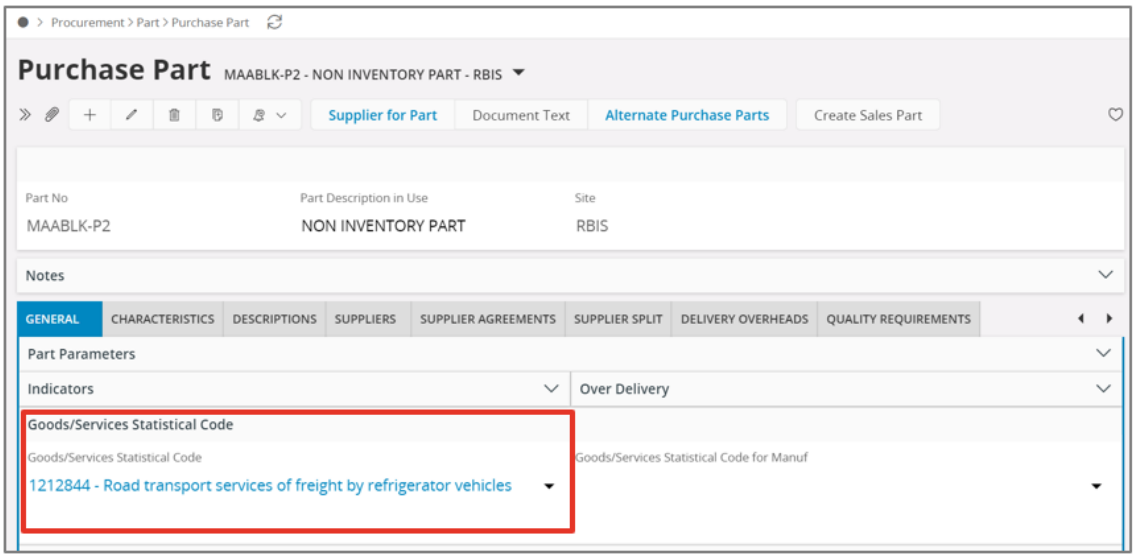


3.4 Connect Service Statistics Number

Defined service statistics numbers should be connected to Non-inventory sales parts and Purchase parts. New **Goods/Services Statistical Code** field is added to the *Non-Inventory Sales Part/General* tab.
This field is enabled only when the **Category** is set to “Service” in the non-inventory sales part.



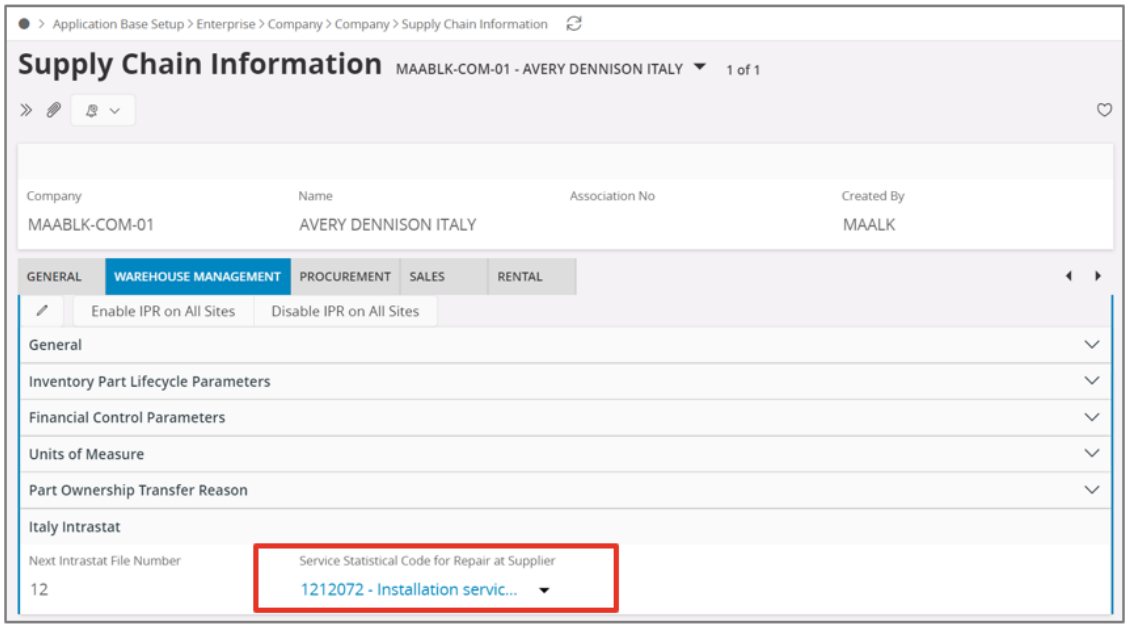
New **Goods/Services Statistical Code** field is added to the *Purchase Part/General* tab.



This field is enabled only for non-inventory purchase parts. i.e. when the **Inventory Part** option is disabled.

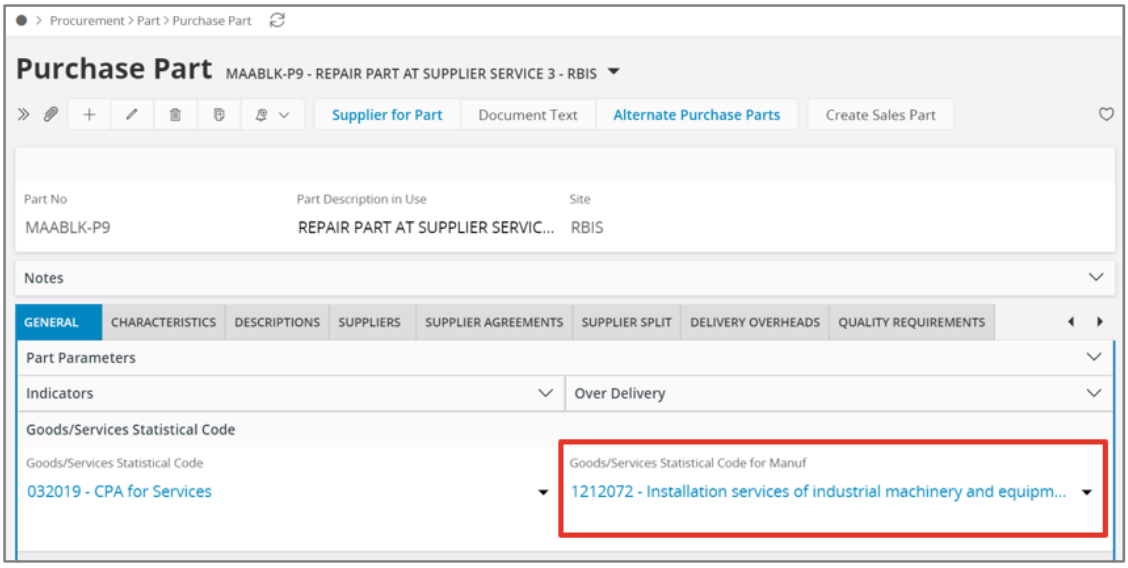
3.5 Connect Service Statistic Number for Repair at Supplier in company

In Italy, service of repair should be included in the Intrastat reporting. To facilitate this, **Service Statistical Code for Repair at Supplier** field is added to the *Company/Supply Chain Information/Warehouse Management* tab.



3.6 Connect Service Statistic Number for manufacturing in purchase part

Goods/Services Statistical Code for Manuf field is added to the *Purchase Part/General* tab. If the value is not defined in the purchase part, service statistic code for manufacturing connected to company will be used when collecting Intrastat for external services.



3.7 Delimitations

N/A

4 Delivery Note Print-out Mandatory to Create Customer Order Invoice

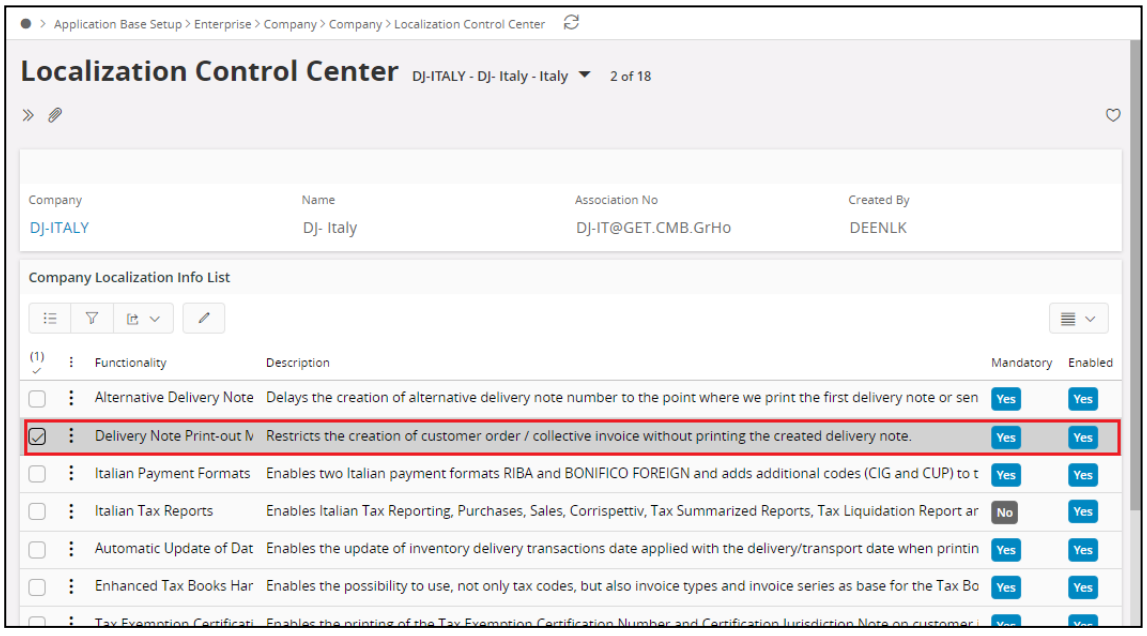
4.1 Overview Legal Requirement

In Italy, the business practice is to print a delivery note, if created. The invoice will have the delivery note numbers as reference and the delivery note numbers should match with the invoice. Any order that contains a delivery note that is not yet printed, shall not be invoiced. This is not a legal requirement.

4.2 Process Overview

4.3 Prerequisites

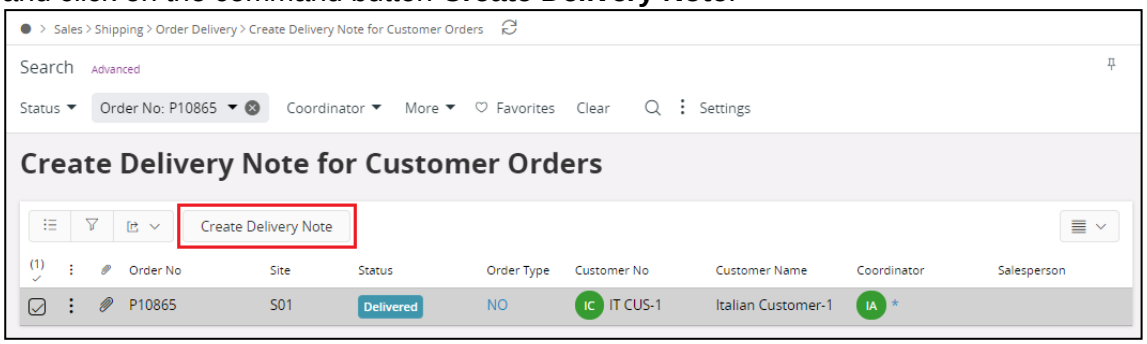
The company must be set-up to use Italian localization, see the Company Set up chapter, and the “Delivery Note print-out Mandatory to Create Customer Invoice” localization functionality must be enabled.



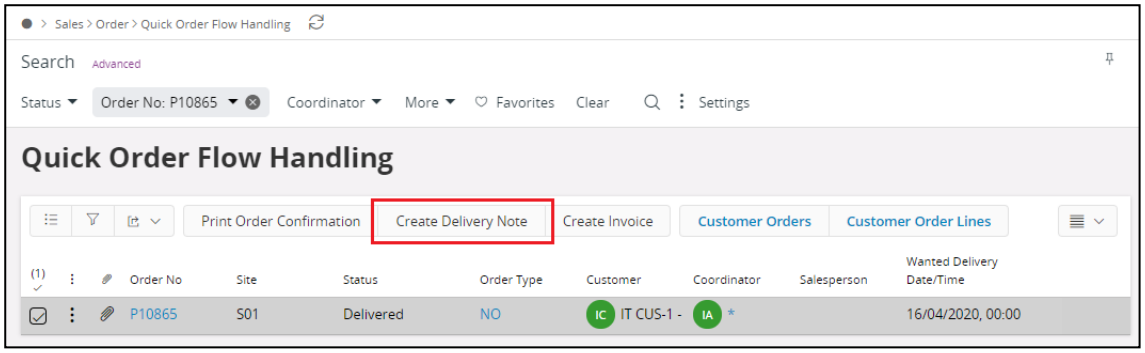
4.4 Processing customer order deliveries

Use standard functionality to create a delivery note(s) for the customer order. Following options are available:

In *Create Delivery Note for Customer Orders* page search for the relevant customer order, select it and click on the command button **Create Delivery Note**.



Alternatively, the same can be done via the *Quick Order Flow Handling* page by querying for the relevant customer order, selecting it and clicking on the **Create Delivery Note** command button.



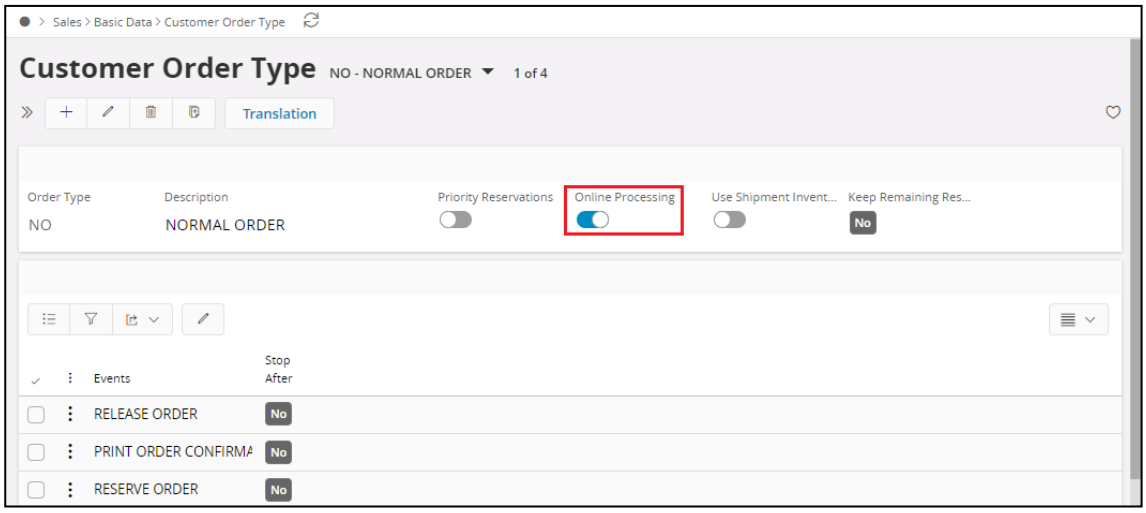
NOTE: Make sure the delivery note is ONLY created and not printed. This can be setup via *Customer Order Type* page by specifying a stop point after **Create Delivery Note** event.

4.5 Create Invoice

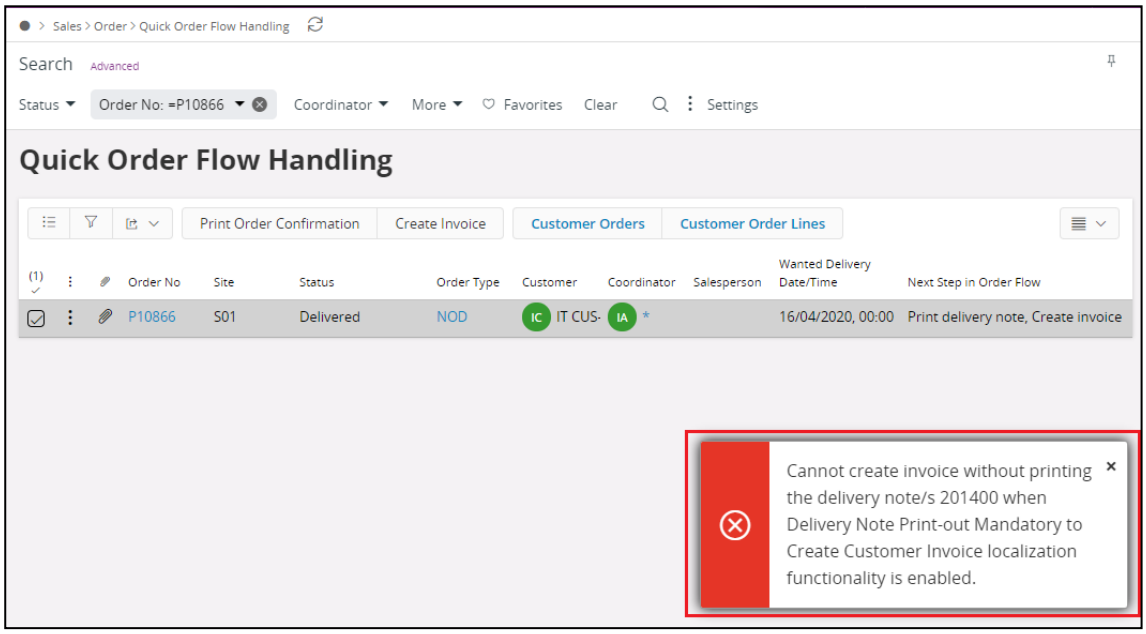
Use standard functionality to create customer invoices from the following pages.

- Create Customer Invoices
- Batch Create Customer Invoices
- Create Collective Customer Invoices
- Batch Create Collective Customer Invoices
- Quick Order Flow Handling

When trying to create customer invoices via the above pages using customer orders with delivery notes yet to be printed, an error message would be raised. This error would be raised real-time or in the respective background job; depending on the setup associated with the order type and the page from which the invoice creation is initiated. The error would be raised real-time only if the **Online Processing** toggle is set to ON position in the *Customer Oder Type* page for the respective order type as well as the page from which the customer order creation is initiated supports online invoice creation.



The error message would be displayed in a toast as follows:



4.6 Delimitations

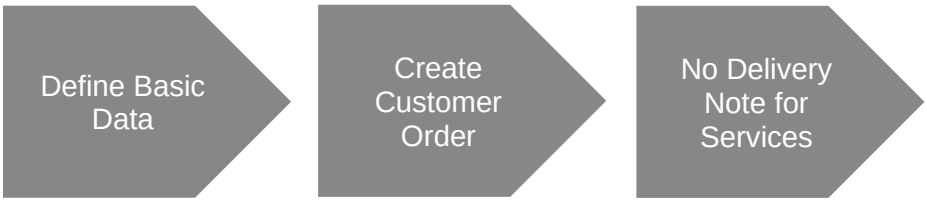
- This is only applicable for customer order invoices (normal and collective invoices) and does not cover rental transactions.
- Sending the DESADV (Dispatch Advice) message is not supported in this functionality. Therefore, if there is a delivery note that is sent through DESAADV message but not printed, users will not be able to invoice the order delivery till the delivery note is printed.

5 No Delivery Note for Services

5.1 Overview Legal Requirement

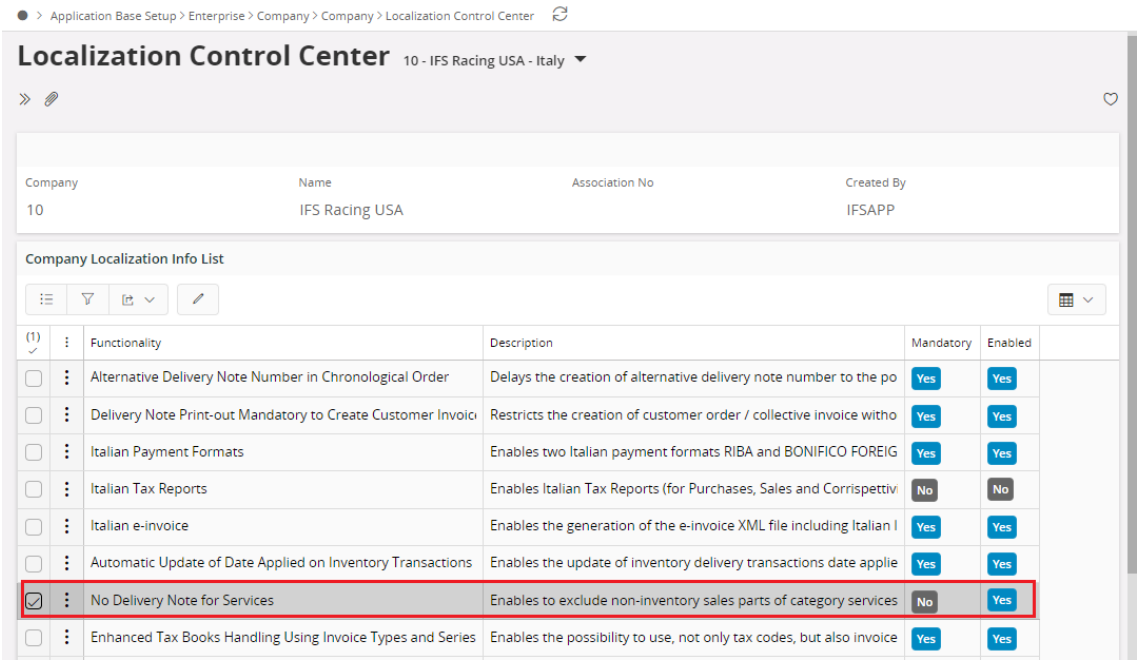
In Italy it is common business practice to exclude non- transportable (non-inventory sales part of category service) from the delivery note printout. And stop the consumption of delivery note number when there is only non-inventory sales part for a customer order.

5.2 Process Overview

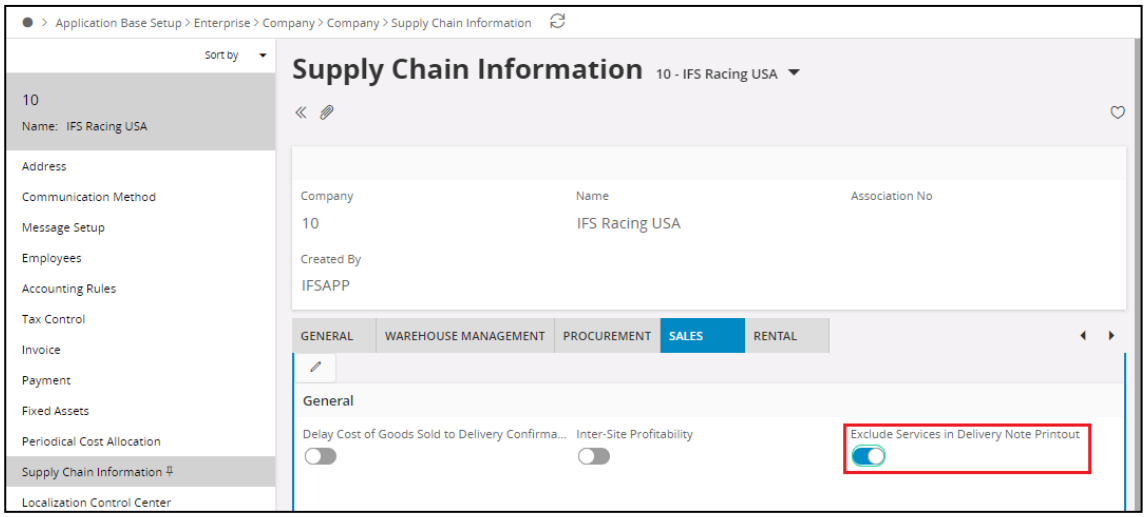


5.3 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter, and the "No Delivery Note for Services" localization functionality must be enabled.



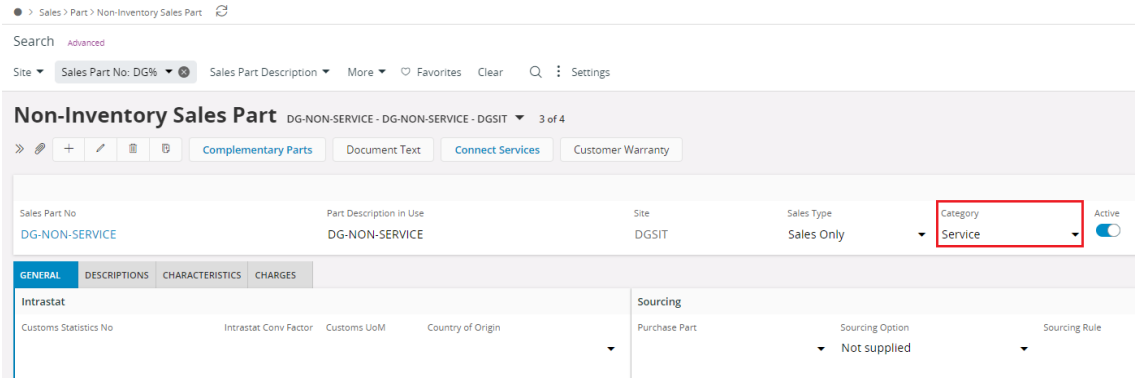
The 'Exclude Services in Delivery Notes Printout' parameter in the *Company/Supply Chain Information/Sales* tab should be enabled.



A Non-Inventory Sales part of category 'Services' should be created and, this is standard functionality and refer IFS Cloud Documentation for details.

5.4 Create a non-inventory sales part of category service

Create non-inventory sales parts in the *Non-inventory sales part* page. This is standard functionality, refer IFS Cloud Documentation for more details.



5.5 Processing customer order deliveries

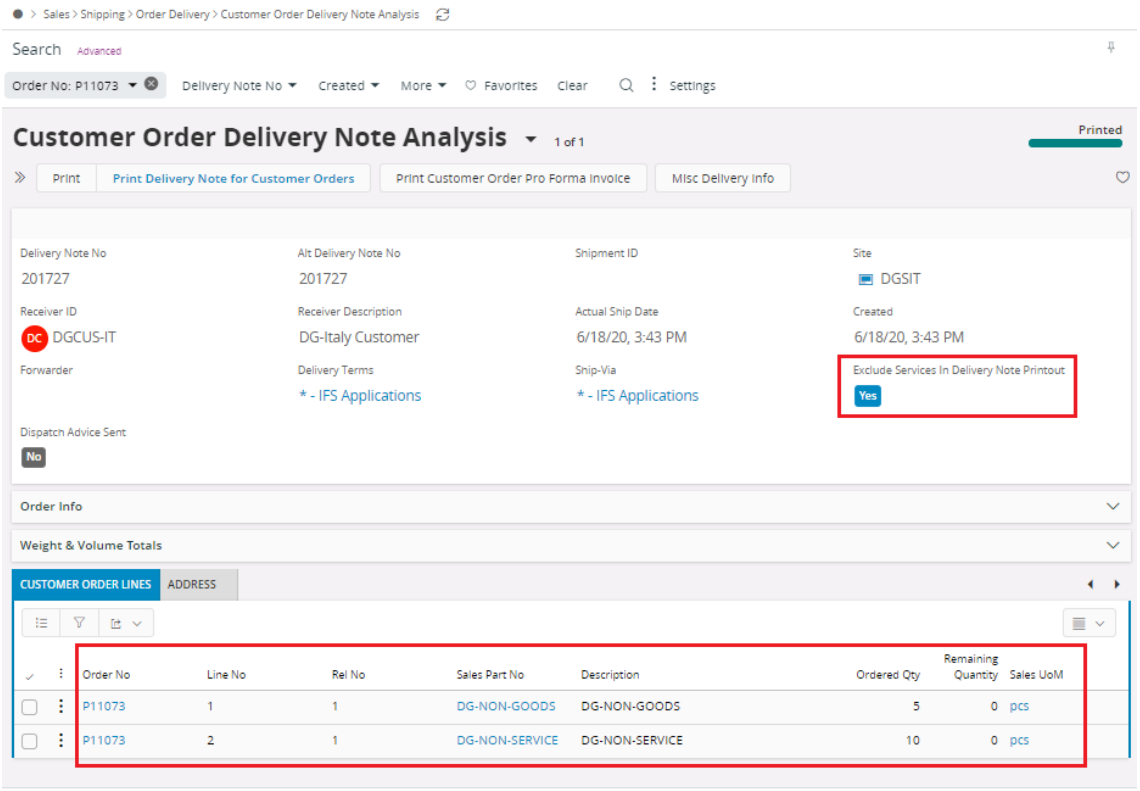
Create a customer order with non-inventory sales part of category service. Process the order until the creation of delivery note. This is standard functionality, refer IFS Cloud Documentation for more details.

5.6 No delivery note for service

If we try to query for the delivery note in the *Customer Order Delivery Note Analysis* page using the Order No, there will not be any record available because a delivery note is created. This is because the customer order was created only with a non-inventory sales part with category service. Here if the delivery of the customer order was done using a shipment, still the system will not create a delivery note.

If the customer order had an inventory part line or a non-inventory sales part (goods) and a non-inventory sales part (service) then, the system will create a delivery note.

The ‘Exclude Services in Delivery Notes Printout’ option in the *Customer Order Delivery Note Analysis* page will be selected and, both customer order lines (inventory part line and non-inventory sales part (service)) will be shown in the page.



This option ‘Exclude Services in Delivery Notes Printout’ indicates, whether services are excluded from the printout or not and it’s not possible to change the value of this option from the *Customer Order Delivery Note Analysis* page. So, in this scenario, services on the delivery note are not printed in the delivery note printout.

5.7 Delimitations

None

6 Automatic Update of Date Applied on Inventory Transactions

6.1 Overview Requirement

There is an accounting practice in Italy to have high focus on the dates used for inventory value calculations. The date applied on the inventory transactions should be as close to the real date as possible:

In Italy the requirement is the following:

- Date applied is when the delivery note is created or
- Date applied is when the transport was actually made and
- Date applied is when the goods arrive from the customer, in the return scenario

In IFS Cloud there are two different dates on inventory transactions:

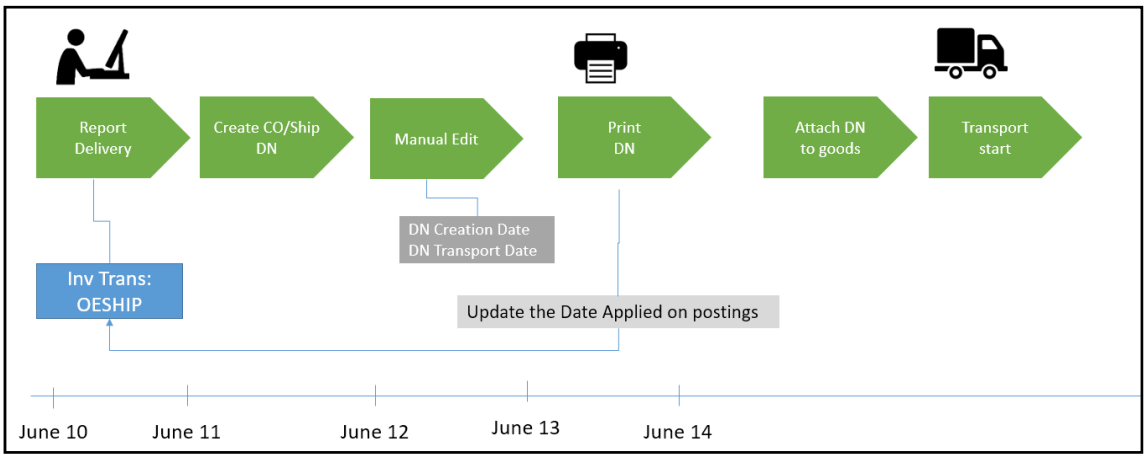
- Created: The date on which the transaction was created. This value is set automatically when a transaction is created. This field cannot be updated.
- Applied date: The actual transaction date.

In the standard functionality, the date when the user reports the delivery of a customer order (OESHIP) is set as the applied date, even if the creation of the delivery note or the actual transport took place some other day.

In the standard functionality, the date when the user reports the return of material (ORETURN) or the scrap is set as the applied date, even if the goods might have arrived to the site several days earlier.

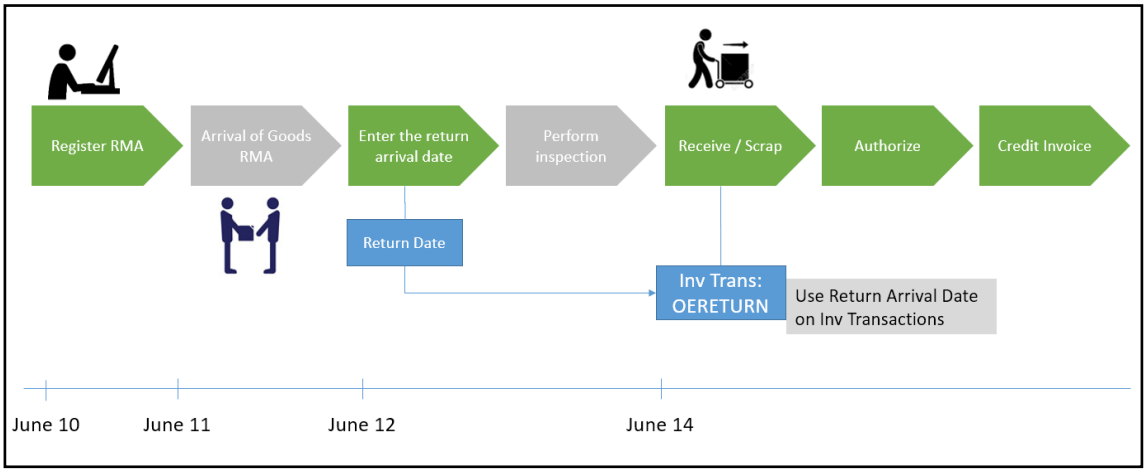
6.1.1 PROCESSING CUSTOMER ORDER DELIVERIES

When printing the customer order or shipment delivery note for the first time, the date applied on the inventory transactions will be automatically updated based on either the creation date or the transport date on the delivery note. This is defined on company level.



6.1.2 PROCESSING RETURN MATERIAL AUTHORIZATIONS

The value of the **Arrival Date** will be used as date applied when generating the inventory transactions for either receiving into inventory or scrapping the goods.



Following standard behaviour, the date applied may only be changed if the inventory transaction has not been transferred to financials or if it has not been included in the inventory quantity or value aggregation per period statistics.

6.2 Prerequisites

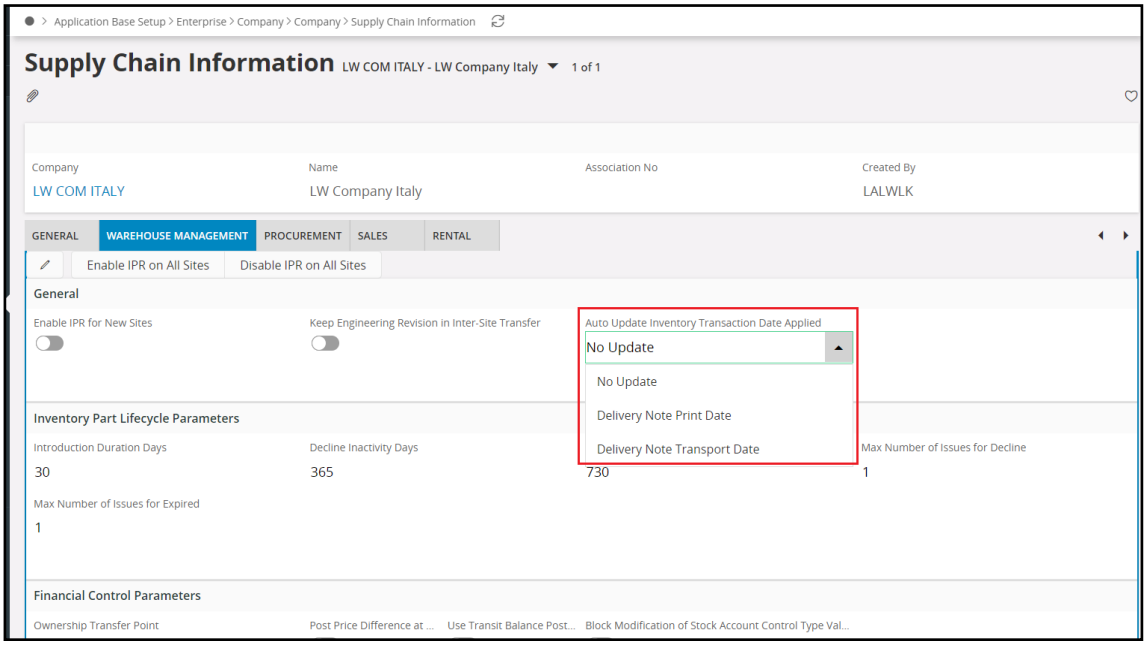
The company must be set-up to use Italian localization, see the Company Set up chapter, and the "Automatic Update of Date Applied on Inventory Transactions" localization functionality must be enabled.

6.3 Basic Data Company

Select the appropriate value from the drop-down list **Auto Update Inv Trans Date Applied** on the *Company/Supply Chain Information/Warehouse Management* tab. Use this field to define which date to use as date applied on the inventory transactions.

The following options are available in the drop-down list:

- **No Auto Update** – No automatic update of date applied when printing the delivery note. This will be the default value and system will not update the date applied automatically.
- **Del Note Print Date** – The creation date of the delivery note will be used as date applied on the inventory transactions
- **Del Note Transport Date** – The transport date of the delivery note will be used as date applied on the inventory transactions



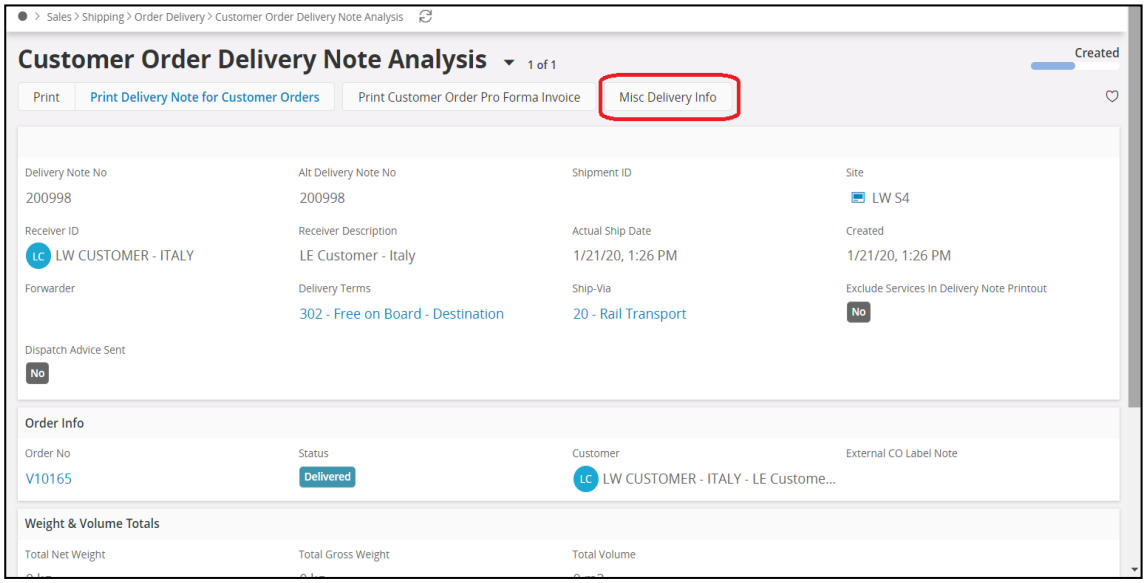
6.4 Processing Customer Order Deliveries

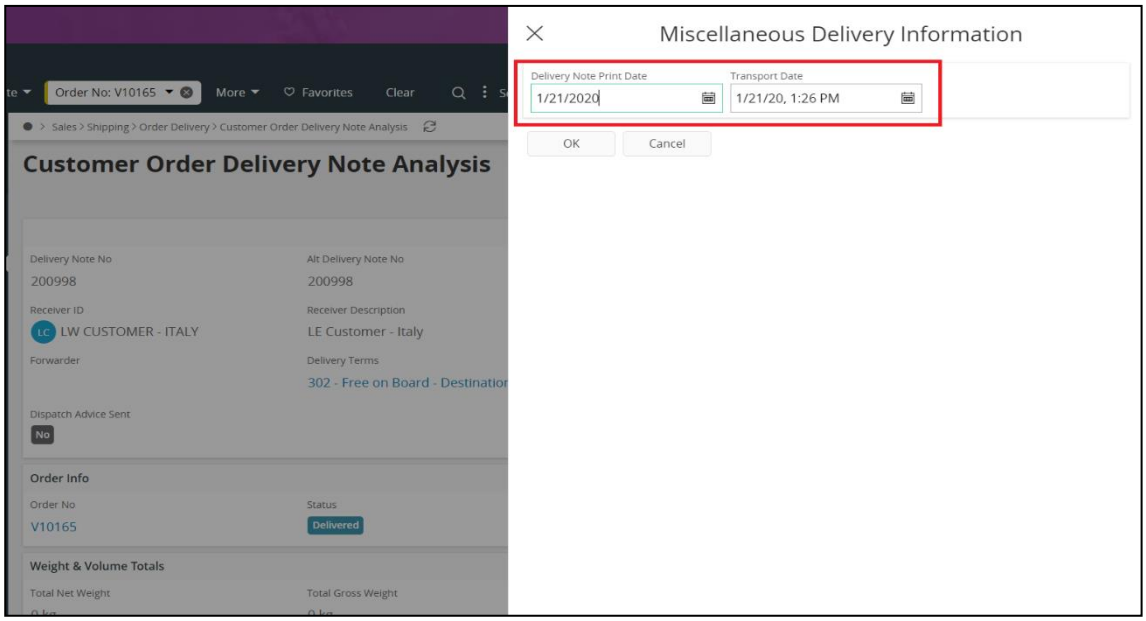
Process a customer order until a delivery note is created using standard functionality.

Search for the delivery note in the *Customer Order Delivery Note Analysis* page. Date in the **Transport Date** field on the *Customer Order Delivery Note Analysis/Misc Delivery Info* tab will be automatically set to the delivery note creation date. If the actual transport date is different to the delivery note creation date, user can set the correct date as long as the delivery note is in the “Created” status. i.e. Delivery note has not yet been printed.

A value for the field **Transport Date** is mandatory when the Automatic Update of Date Applied on Inventory Transactions localization is enabled.

Field **Del Note Print Date** is set to the current date when delivery note is printed.





6.4.1 PRINTING THE DELIVERY NOTE

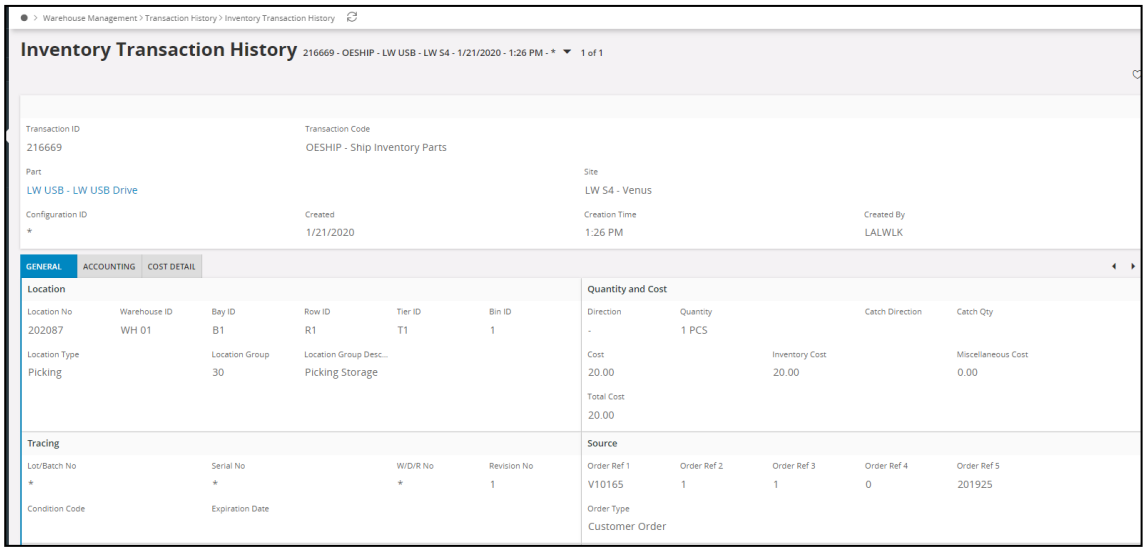
When printing the delivery note, the date applied of inventory transactions of the delivery note lines will be updated depending on the setting on the *Company/Supply Chain Information /Warehouse Management* tab.

Regardless of the settings on company level, the prerequisites are the same as in IFS Cloud standard when manually modifying the transport date and automatically updating date applied:

- The transaction may not have been transferred to IFS Financials, and it should have no errors.
- The transaction may not be included in the inventory statistics.
- The new date may not belong to an accounting period that has already been closed.
- The new date of the transaction must be later than or the same as the start date of the latest period in the inventory value statistics
- The date cannot be a future date than the current date.

Example 1. *Del Note Print Date* set for the **Auto Update Inv Trans Date Applier** field**:**

- The customer order line is delivery reported 2020-01-21, the **Created** and **Date Applied** in OESHIP transaction is set to 2020-01-21
- The delivery note is created 2019-09-21
- The delivery note is printed 2019-09-28
- The OESHIP transaction **Date Applied** is automatically updated with the delivery note printout date 2019-09-28



Example 2: Del Note Transport Date set for the **Auto Update Inv Trans Date Applier** field:

- The customer order line is delivery reported 2020-02-21, the **Created** and **Date Applied** in OESHIP transaction is set to 2020-02-21
- The delivery note is created 2019-02-28
- The Transport Date is manually changed from 2020-02-21to 2019-02-28
- The delivery note is printed 2019-02-28

The OESHIP transaction **Date Applied** is automatically updated with the delivery note transport date 2019-02-28
As described in the Example 1 and 2, for shipments the same process is followed, and the necessary changes are done in the “Misc Delivery Info” Tab “Shipment Delivery Note Analysis”.

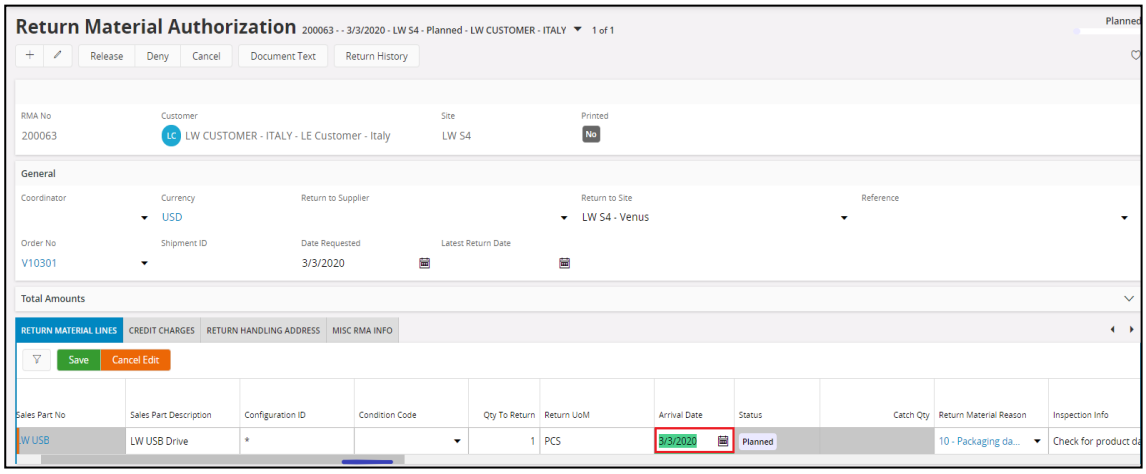
6.5 Processing Return Material Authorization

Process the return material authorization using standard process.

A new **Arrival Date** field is added to the *Return Material Authorization/Return Material Lines* tab. This field is used to manually enter the actual arrival date when the goods are received from the customer.

The Arrival Date cannot be a future date compared to the site date when entering a RMA line. This information is mandatory to further process of RMA line to perform the following actions;

- Receive parts
- Receive parts against order deliveries
- Scrap parts
- Return parts from internal order transit
- Scrap Parts from Internal Order Transit



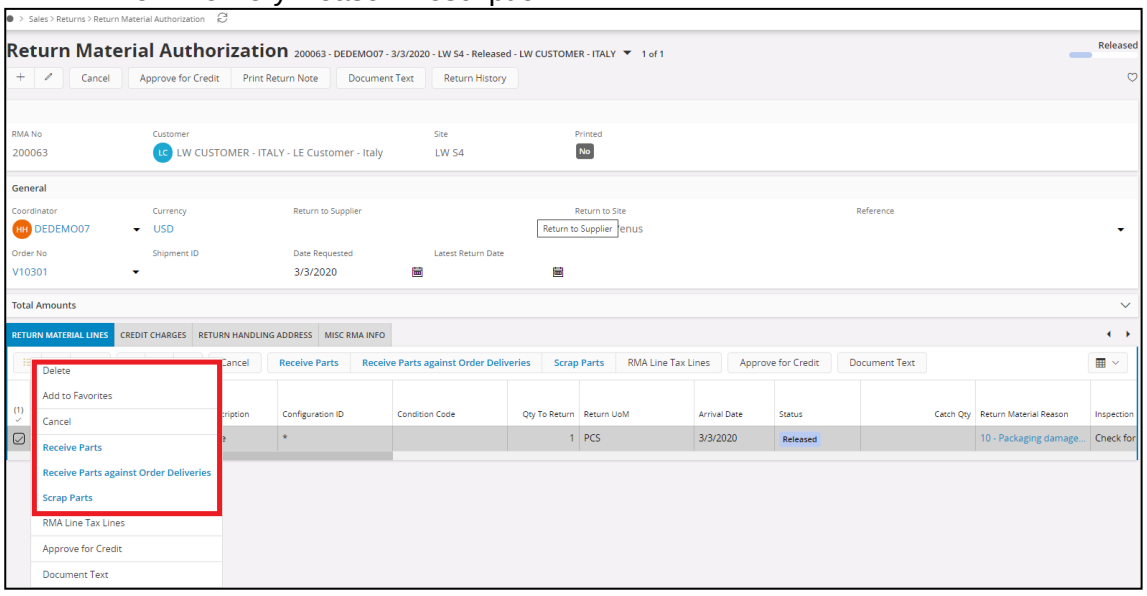
6.5.1 RECEIVING OR SCRAPPING RETURN MATERIAL AUTHORIZATION LINES

Report receipt into stock or scrap using standard process.

When reporting the receipt into stock or the scrap of the return material authorization line, the arrival date is used to automatically update the date applied on the resulting inventory transactions.

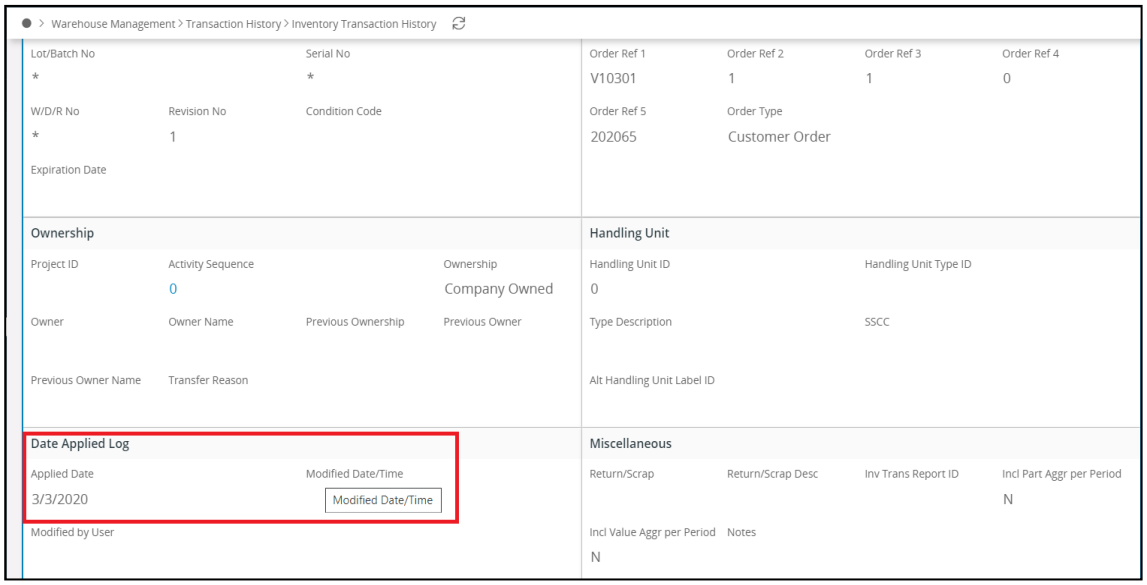
There are 4 new fields introduced by for Italian localization in the Return Parts or Scrap Parts Pages.

1. External Delivery Note Reference
2. External Delivery Note Date
3. Arrival Date
4. Delivery Reason
5. Delivery Reason Description



Example:

- Enter and release a return material authorization with one line, date requested 2020-02-21
- Report the arrival of the goods by adjusting the **Arrival Date** to a later date, 2020-02-25
- Receive the material back into stock, after concluding some inspections, 2020-02-02
- The resulting inventory transactions “Date Applied” is 2020-03-03



6.6 Delimitations

In the return material authorization flow: the update is not triggered for non-inventory sale.

7 Alternative Delivery Note Number Created when printing Delivery Note

7.1 Overview Legal Requirement

It is a legal requirement in Italy for companies to maintain the chronological order of the delivery note numbers with the actual deliveries. The date of the actual delivery can be related to the delivery note print date.

7.2 Process Overview

This will happen when the “Alternative Delivery Note Number in Chronological Order” function is enabled:

1. The alternative delivery note number is generated when the user prints the delivery note for the first time or send the dispatch advice message for the first time.
2. Until a delivery note is printed or dispatch advice message is sent, the delivery note number and the alternative delivery note number will be the same. Once delivery note is printed or dispatch advice message is sent, the alternative delivery note number will be considered as the official delivery note number.

7.3 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter, and the “Alternative Delivery Note Number in Chronological Order” localization functionality must be enabled.

7.4 Basic Data for Alternative Delivery Note Number Creation (Standard)

The functionality *Alternative Delivery Note Number* is used in order to follow the legal requirement of having the (alternative) delivery note number in chronological order. Setup the basic data required to use the alternative delivery note number (standard functionality). Read more in IFS Cloud Documentation.

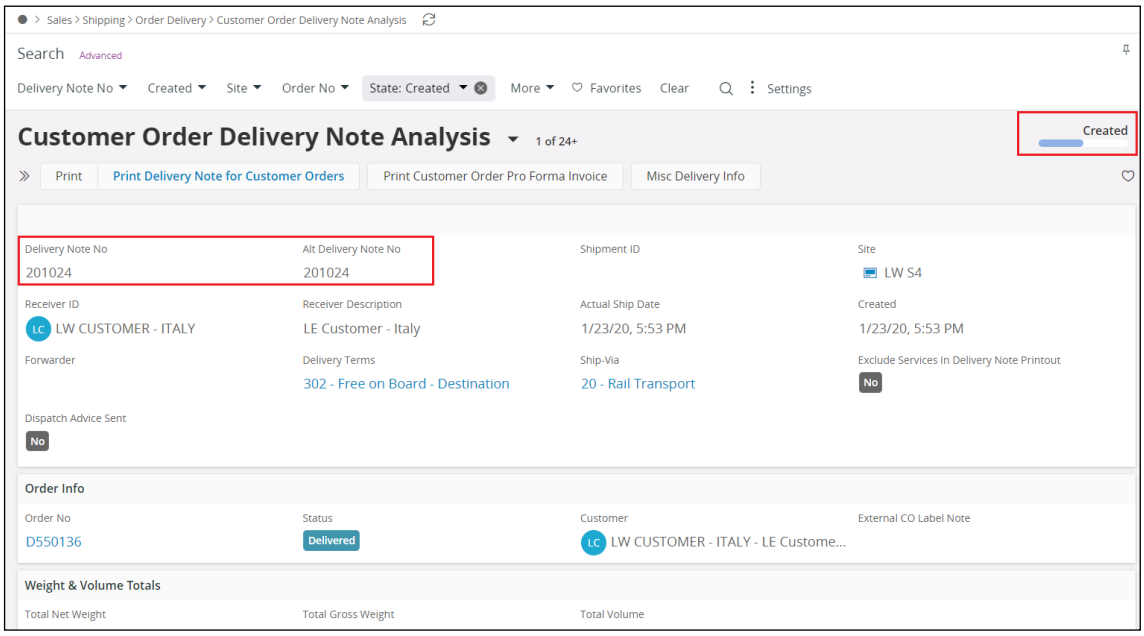
7.5 Stand-alone Delivery Note (Customer Order Delivery Note)

7.5.1 CREATE DELIVERY NOTE

Use standard functionality to create a delivery note for a customer order delivery. Following options are available:

- In the *Create Delivery Note for Customer Orders* page use the command **Create Delivery Note**.
- In the *Quick Order Flow Handling* page open the command **Create Delivery Note**. Once a delivery note is created, it can be viewed in the *Delivery Notes Analysis* page. Read more in IFS Cloud documentation.

When the “Alternative Delivery Note Number in Chronological Order” function is enabled, IFS Cloud will not generate *“Alternative Delivery Note Number”* at the creation of the Delivery Note.

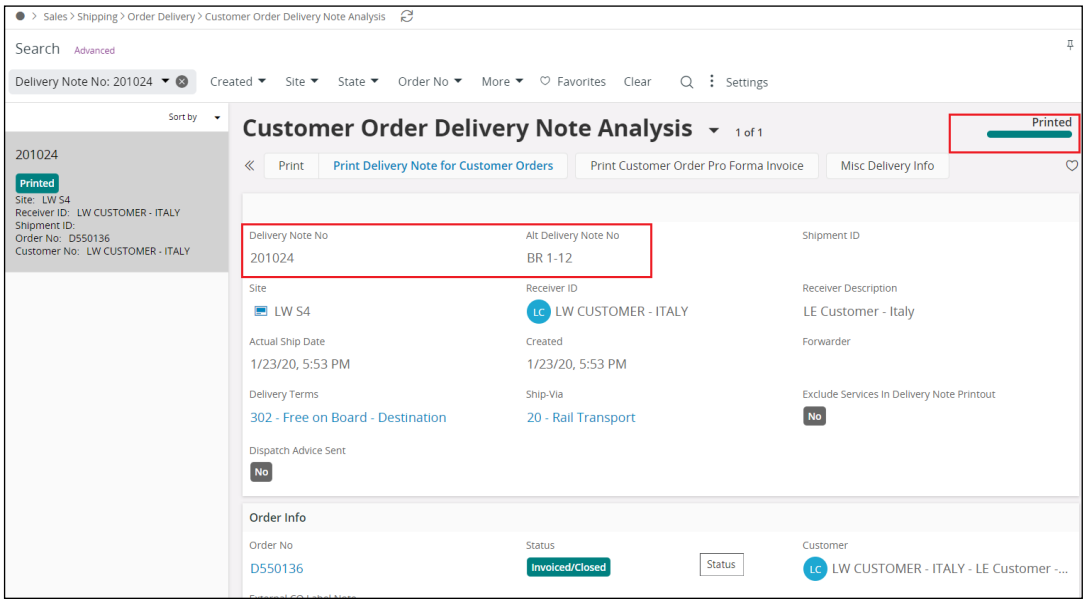


7.5.2 PRINT DELIVERY NOTE

When printing the deliver note. Following options are available:

1. In the "*Customer Order/Shipment Delivery Note Analysis"* page use the command **Print Delivery Note** .
2. In the *"Print Delivery Note for Customer Orders"* page use the command **Print Delivery Note**.
3. Order Report functionality and select the **Delivery Note** as the report name. Read more in IFS Cloud documentation.

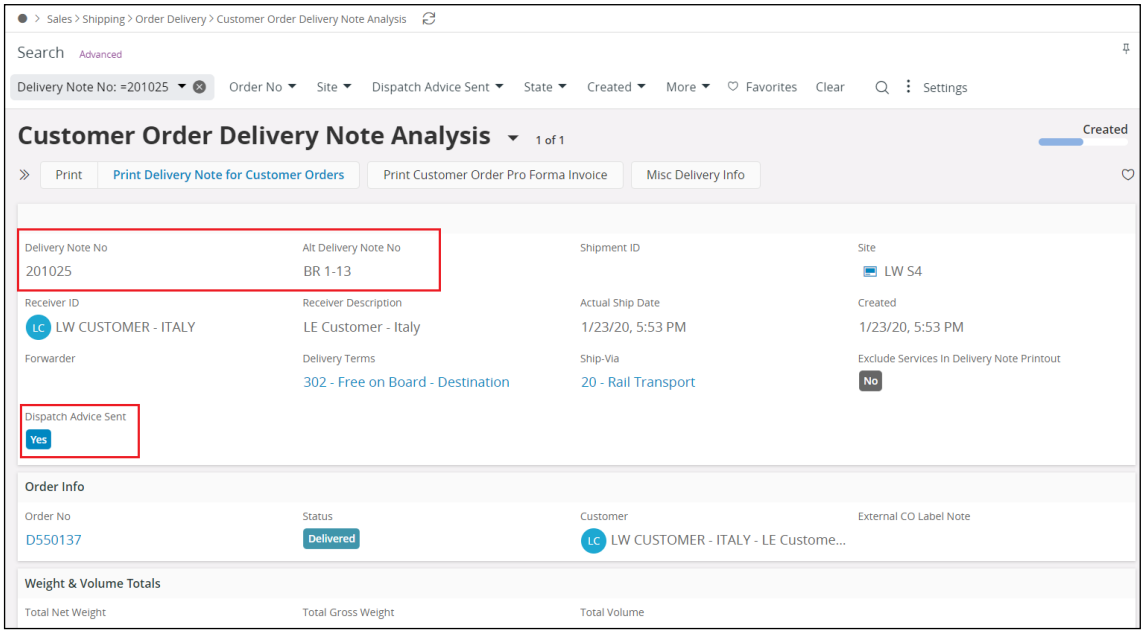
When a delivery note is printed out for the first time, system will generate an *"Alternative Delivery Note Number"*. You can reprint Delivery Note when required. However, that action will not change the alternative delivery note number already set.



7.5.3 SEND DISPATCH ADVICE (DESADV) MESSAGE

Use the standard functionality to send dispatch advice message (DESADV) instead of printing a delivery note in *"Created"* status.

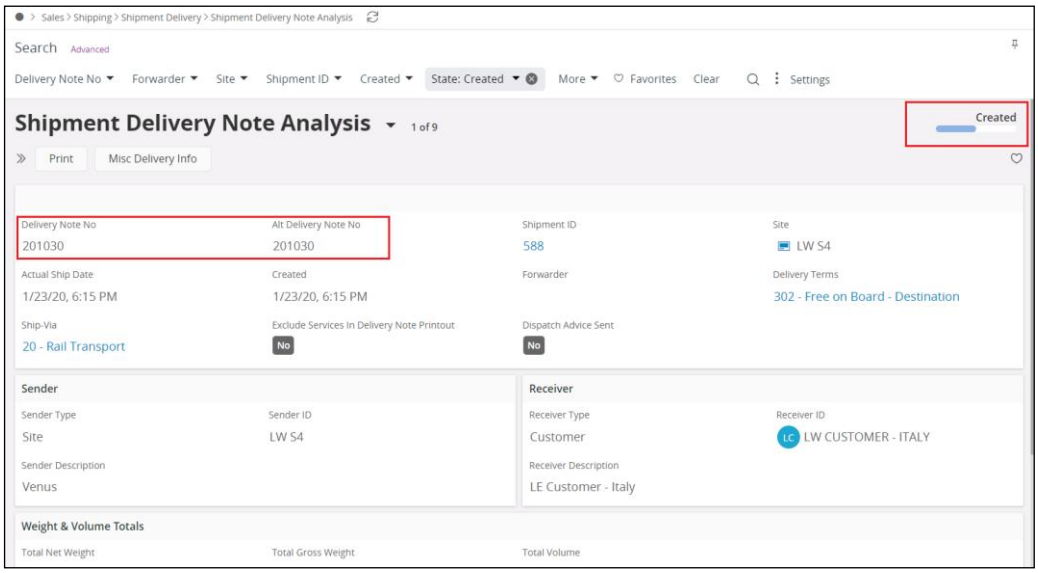
- In the "*Print Delivery Note for Customer Orders"* page use the command **Send Dispatch Advice Message**. (Read more in IFS Cloud documentation).
- Note: System will generate an alternative delivery note number when you first send the DESADV message. You can send dispatch advice message as and when required. However, that action will not change the *"Alternative Delivery Note Number"*.



7.6 Shipment Delivery

Compared to the stand-alone customer order delivery, there is no specific step to create a shipment delivery note. However, when a shipment is completed, IFS Cloud will create a shipment delivery note.

- Use the standard functionality to process a shipment to "*Completed"* status. Once a *"Shipment Delivery Note"* is created, it can be viewed in the *"Shipment Delivery Notes Analysis"* page. (Read more in IFS Cloud documentation).
- Note: System will not generate *"Alternative Delivery Note Number"* at creation of *"Shipment Delivery Note"*.
- Deliver the Shipment using standard functionality. (Read more in IFS Cloud documentation).



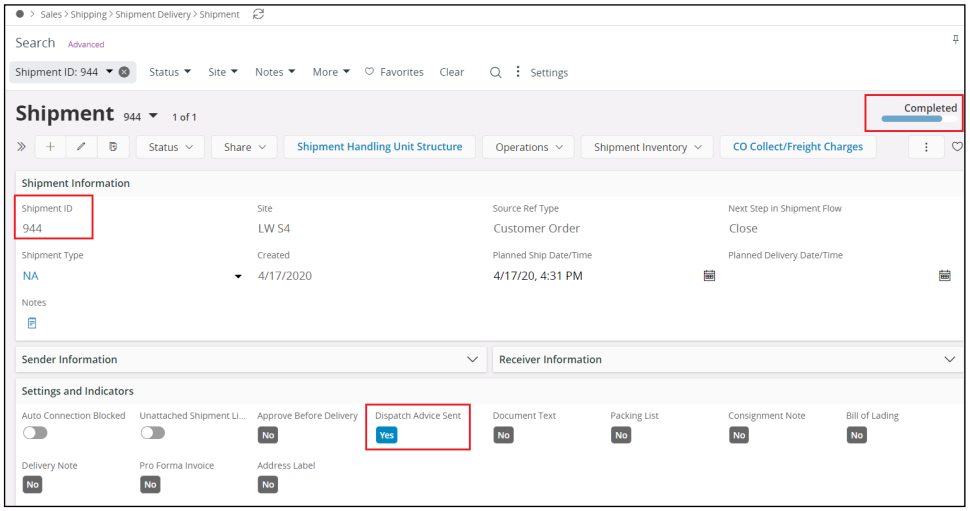
7.6.1 PRINT SHIPMENT DELIVERY NOTE

Print shipment delivery note using standard functionality. Following options are available:

- In the *Shipment* page use the command **Print Shipment Delivery Note**.
- In the *Shipments* page use the command **Print Shipment Delivery Note**.
- In the *Consolidated Shipment* page use the command **Print Shipment Delivery Note**.
- In the Consolidated *Shipments* page use the command **Print Shipment Delivery Note**.
- In the *Delivery Note Analysis* page use the command **Print Delivery Note**.
- Use Order Report functionality and select the **Delivery Note for Shipment** as the report name.

Read more in IFS Cloud documentation.

System will generate an *"Alternative Delivery Note Number"* when you print a shipment delivery note for the first time. Remember that system does not generate an *"Alternative Delivery Note Number"* at the time of Shipment creation. You can reprint shipment delivery notes when required. However, that action will not change the *"Alternative Delivery Note Number"*.



7.6.2 SEND DISPATCH ADVICE (DESADV) MESSAGE – SHIPMENT DELIVERIES

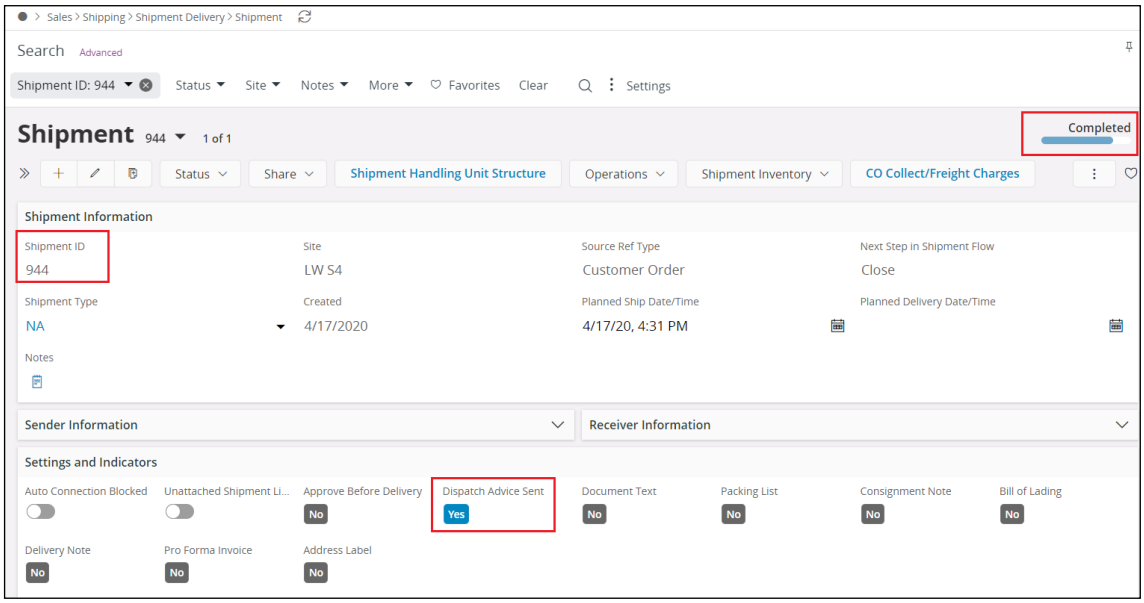
Use standard functionality to send Dispatch Advice message (DESADV) instead of printing a shipment delivery note in created status. Follow the option below:

- in the *Shipment* page use the command **Send Dispatch Advice**.

- in the *Shipments* page use the command **Send Dispatch Advice**.
- in the *Consolidated Shipment* use the command **Send Dispatch Advice**.
- in the *Consolidated Shipments* page use the command **Send Dispatch Advice**.

Read more in IFS Cloud documentation.

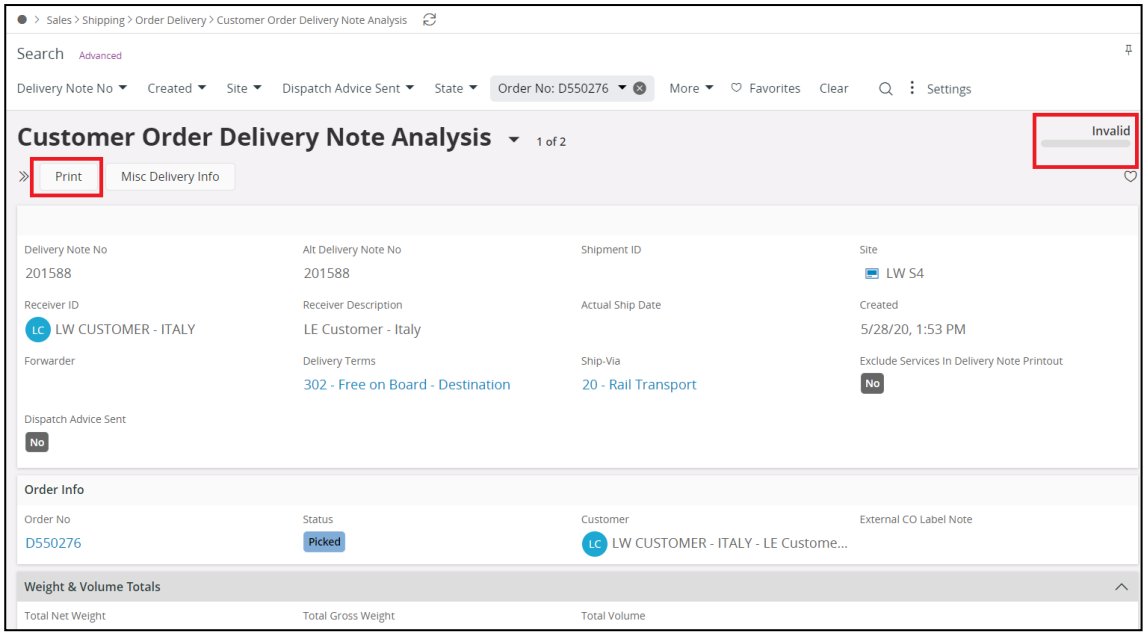
System will generate an alternative delivery note number when you first send the DESADV message. You can resend Dispatch Advice message when required. However, that action will not change the *"Alternative Delivery Note Number"*.



7.6.3 PRINT CANCELED DELIVERY NOTES

Use standard functionality to undo a *"Customer Order Delivery"*. The Delivery Note status of the Customer Order is set to *"Invalidated"*. To print the invalidated Delivery Note:

- In the *Delivery Note Analysis* use the command **Print.**



- Use Order Report functionality and select the **Delivery Note** as the report name. Enter the Invalidated delivery note number and select **OK.**
- Use Order Report functionality and select the **Delivery Note for Shipment** as the report name. Enter the Invalidated delivery note number and select **OK.**

7.7 Delimitations

Pre-shipment delivery note functionality has not been modified.

8 Transport Delivery Note

8.1 Overview Legal Requirement

When transporting goods on public roads, in Italy, it is a legal requirement to have an official document (delivery note) accompanying the goods. A delivery note should have a unique number. This number should be assigned in a sequence that is aligned with the actual transport date.

8.2 Process Overview

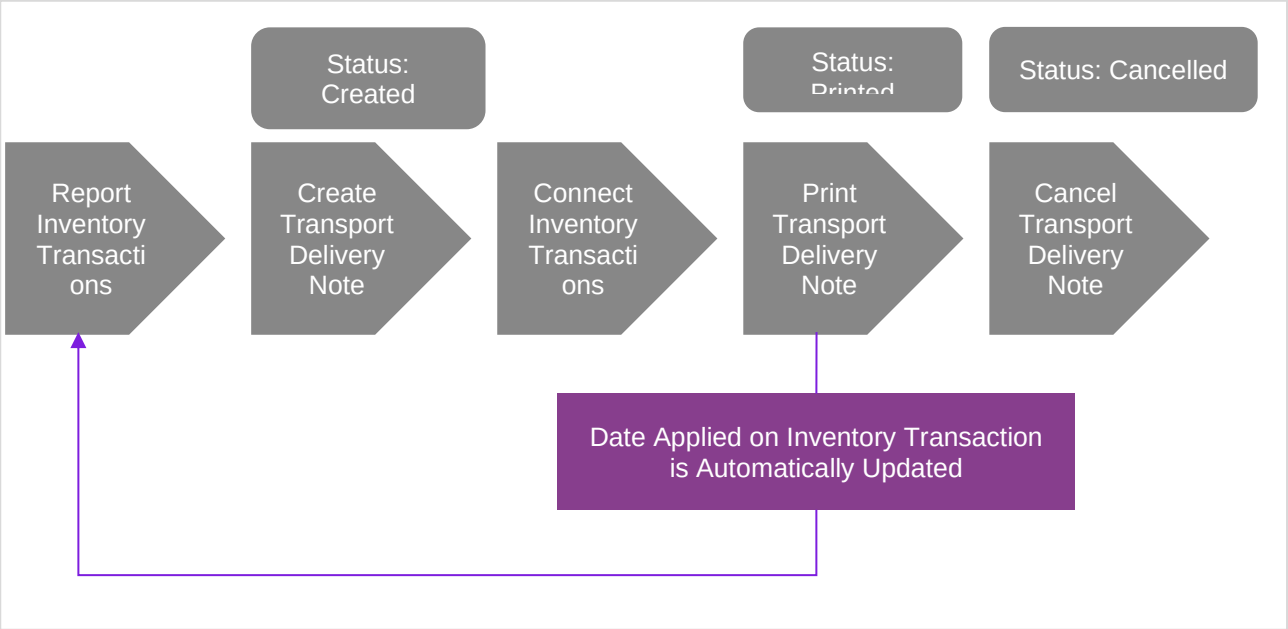
The deliveries originating from customer orders are covered in delivery notes the standard) functionality. However, in order to meet the legal requirements above, new “Transport Delivery Note” functionality is introduced. Material movements that are not originating through customer orders will be included in this new transport delivery note.

A delivery note number will be generated automatically using the coordinator group when creating a new transport delivery note in a similar way to the customer order delivery note number. This will be referred as the preliminary delivery note number.

Transport Delivery Note page is used to create transport delivery notes, connect “Inventory Transactions”, print and reprint report. It provides an overview of all transport delivery notes.

The transport delivery notes can be connected to the transaction Types Inventory and Subcontract and the date applied of Inventory transactions are updated with the delivery note creation date or the transportation date. This is controlled by the **Auto Update Inventory Transaction Date Applied** on the *Company/Supply Chain /Warehouse Management* tab.

The following process diagram shows the summarized flow of the creation of Transport Delivery Note.



8.3 Prerequisites

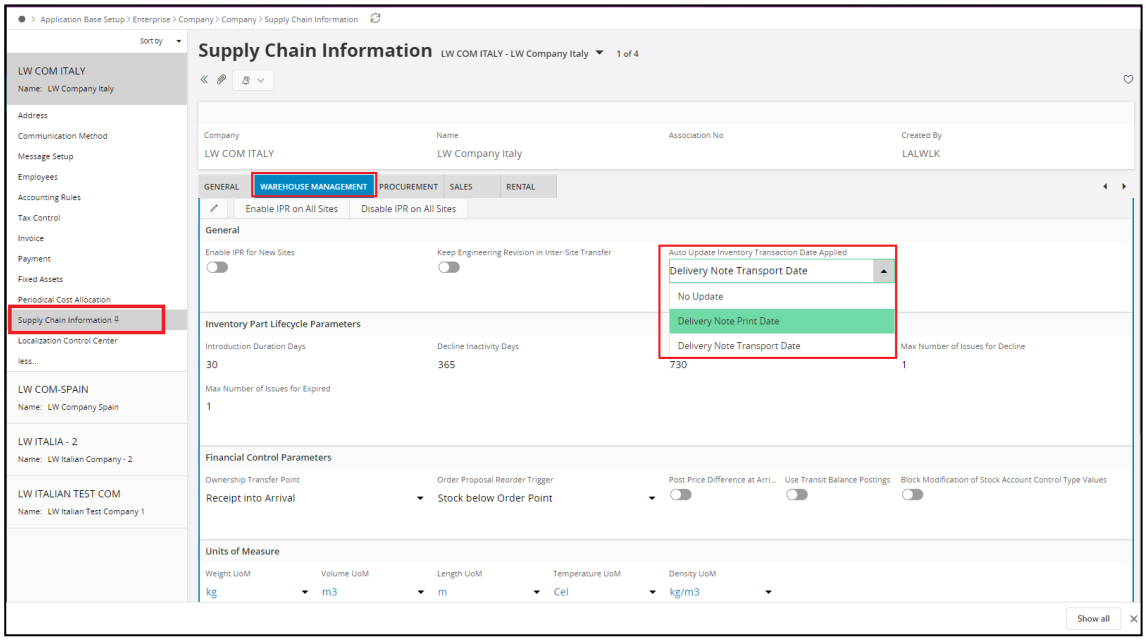
The company must be set-up to use Italian localization, see the Company Set up chapter, and the "Transport Delivery Note" localization functionality must be enabled.

8.4 Basic Data Company

A new field **Auto Update Inv Trans Date Applied,** is added to the C*ompany/Distribution/ Inventory* tab. Use this field to define which date to use as date applied on the inventory transactions.

The following options are available in the drop-down list:

- **No Auto Update** – No automatic update of date applied when printing the delivery note. This will be the default value and system will not update the date applied automatically.
- **Del Note Creation Date** – The creation date of the delivery note will be used as date applied on the inventory transactions
- **Del Note Transport Date** – The transport date of the delivery note will be used as date applied on the inventory transactions



8.5 Basic Data for Alternative Delivery Note Number Creation (Core)

In order to follow the legal requirement of having a transport delivery note number in date sequence, the standard functionality alternative delivery note number is used. To use the alternative delivery note number, setup the basic data. Read more in IFS Cloud documentation. This number is generated at the time of printing the delivery note.

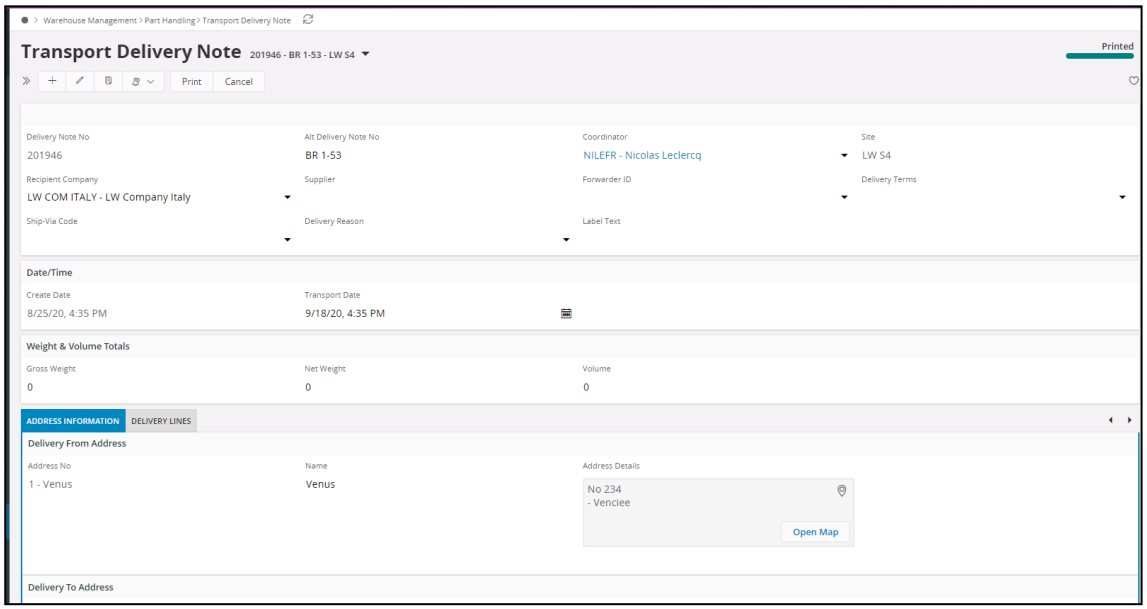
8.6 Create Transport Delivery Note

Transport delivery notes are created in the *Transport Delivery Note* page.

In the page header generic information such as creation date, supplier, forwarder information and ship via etc. is stored. Start by entering header information. Enter the Transport Date which is the date of the actual transport, enter delivery reason, receipt company or supplier and save.

- Change the default address information in the *Address Information* tab if needed.
- Connect Inventory transactions in the *Delivery Lines* tab.

The transport delivery note is editable until it is finally printed.

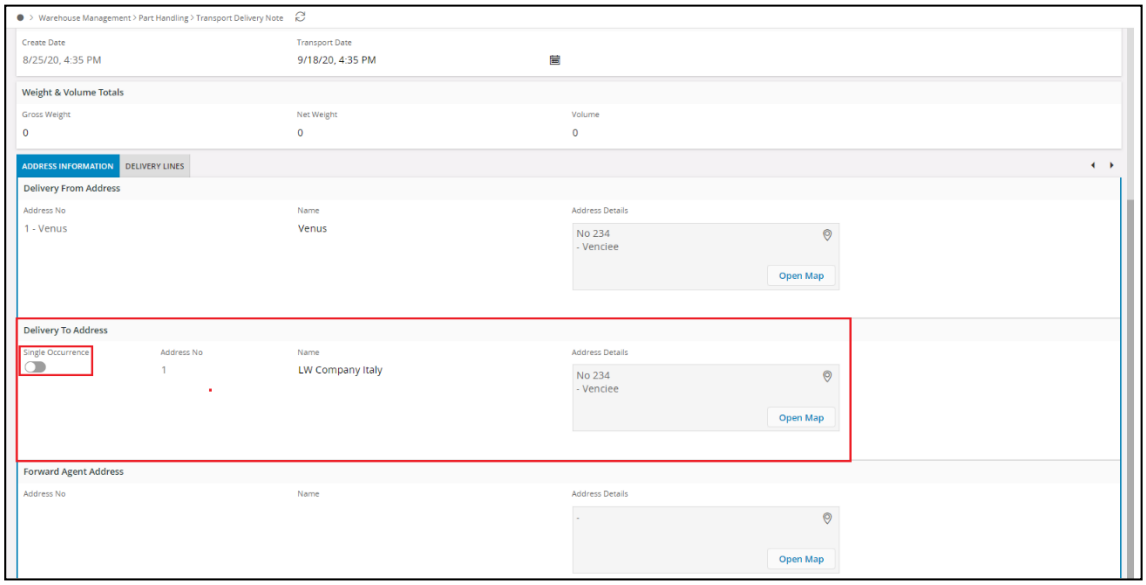


8.6.1 ADDRESS INFORMATION TAB

The address information tab is divided into three groups as follows:

- **Delivery From Address**.
  - This contains the site's delivery address information.
  - Information is read only
- **Delivery To Address.**
  - This contains the delivery address information. (Destination of the transported goods).
  - This information will be automatically set to the default delivery address of the company or the default delivery address of the supplier depending on whether you have specified a company or a supplier as the recipient. – Read only
  - If you want to manually enter the address information, (Use single occurrence option) turn the **Single Occurrence** toggle button on and edit the address information. (similar to core behavior)
  - This information is editable until the transport delivery note is finally printed.
  - Note: due to General Data Protection Regulation (GDPR), whenever **Single Occurrence** option is selected and **Delivery To Address** is entered or modified – the warning message will show up. It is user's responsibility to use personal data with natural person's consent only.

- **Forwarder Address**:
  - This contains the forwarding agent's default document address information for the delivery.
  - Information is read only

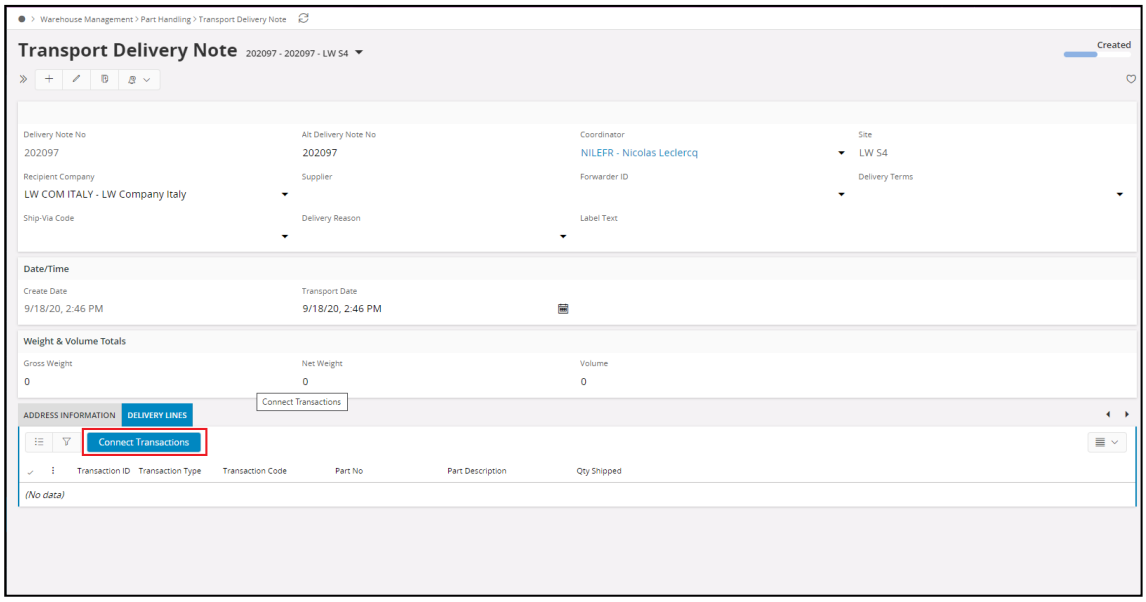


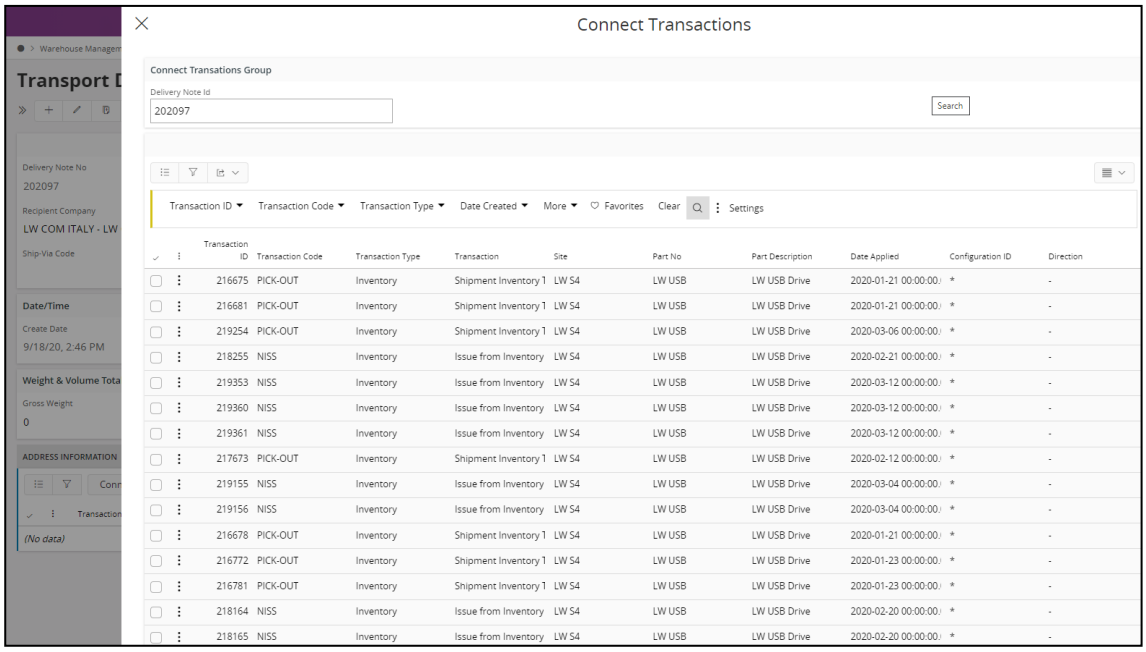
8.6.2 DELIVERY LINES TAB

Use the *Delivery Lines* tab to connect existing inventory transactions to the transport delivery note and to view the connected inventory transactions.

You can add/remove transactions until the transport delivery note is finally printed.

Go to the delivery lines and click on the Connect Transactions command button to connect inventory transactions. This will open the *Connect Transactions* dialog box.



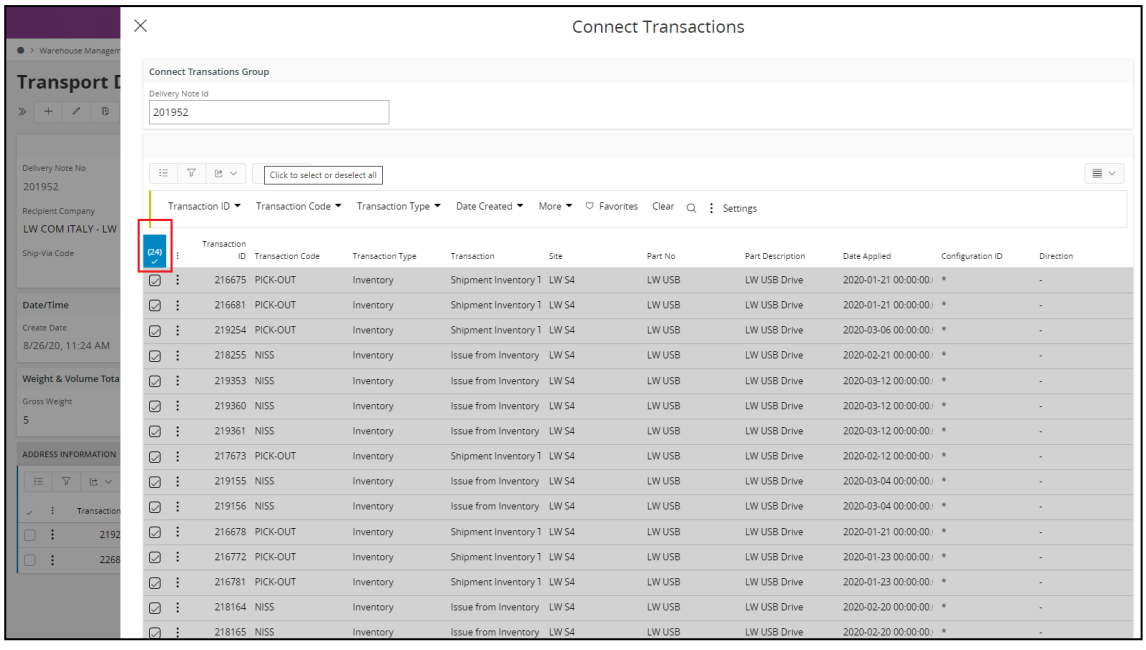


By default, above dialog box will be empty considering performance. Filter the transaction from transaction ID. The transaction type can be Inventory or Subcontract.

- Under the **Inventory** category, all the inventory transactions except OESHIP, CO-OESHIP and CO-DELV-OUT will be listed.
- Under the **Subcontract** category, WIPTOSUB transactions will be listed.

Once the inventory transactions are retrieved to the *Connect Transactions* dialog box, you have two options.

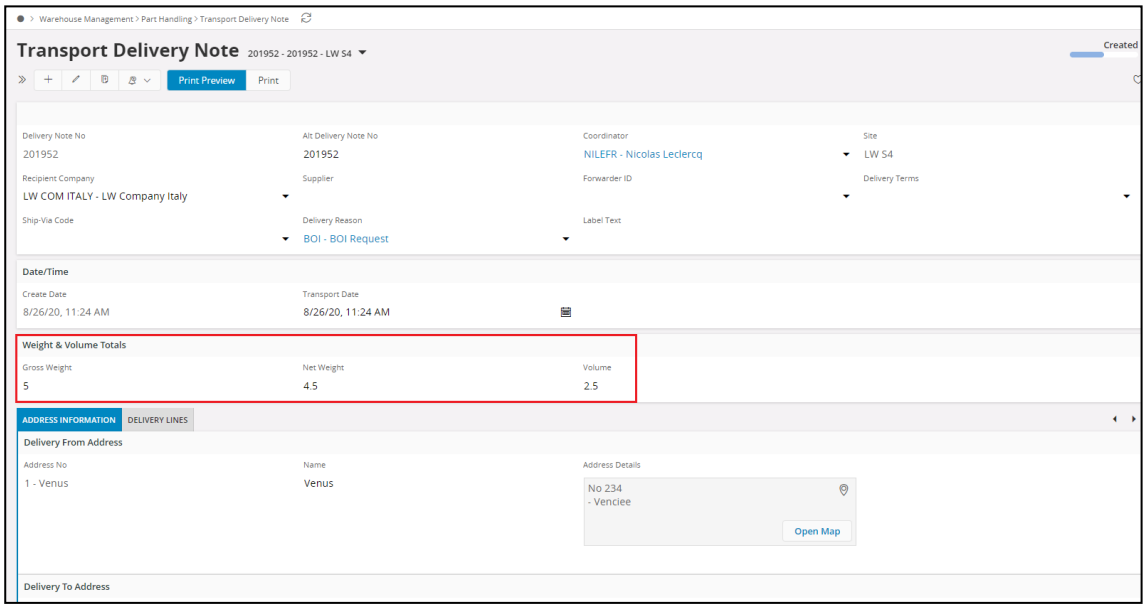
- Manually select the inventory transactions using the check box for each transaction line.
- To connect all transactions, click the check button in the top above the check boxes.



It is not possible to connect an inventory transaction to multiple transport delivery notes. If this is attempted an error message is given, mentioning “Transaction ID XX is already connected to delivery note 1-XXXXX”

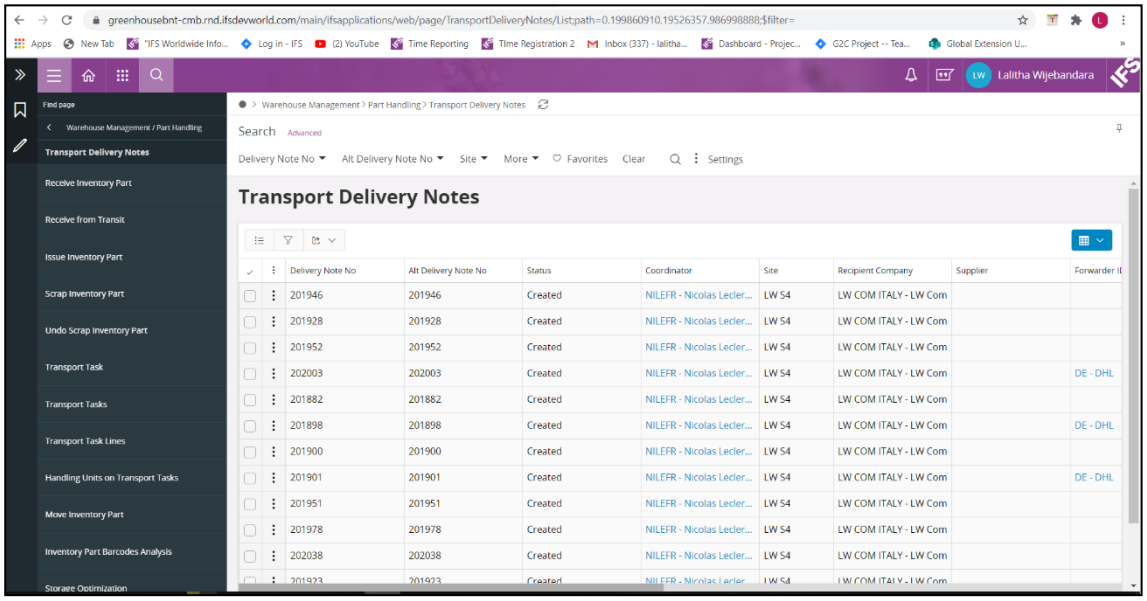
Inventory transactions that are connected to already printed transport delivery notes will not be listed, so that they cannot be connected to any other transport delivery note.

Once the required transactions are added to the transport delivery note, manually enter the **Gross Weight**, **Net Weight** and the **Volume** and save.



8.7 Transport Delivery Notes

Use the T*ransport Delivery Notes* page to view and analyze the transport delivery notes created in IFS Cloud. You cannot modify information from this page.



8.8 Print Transport Delivery note

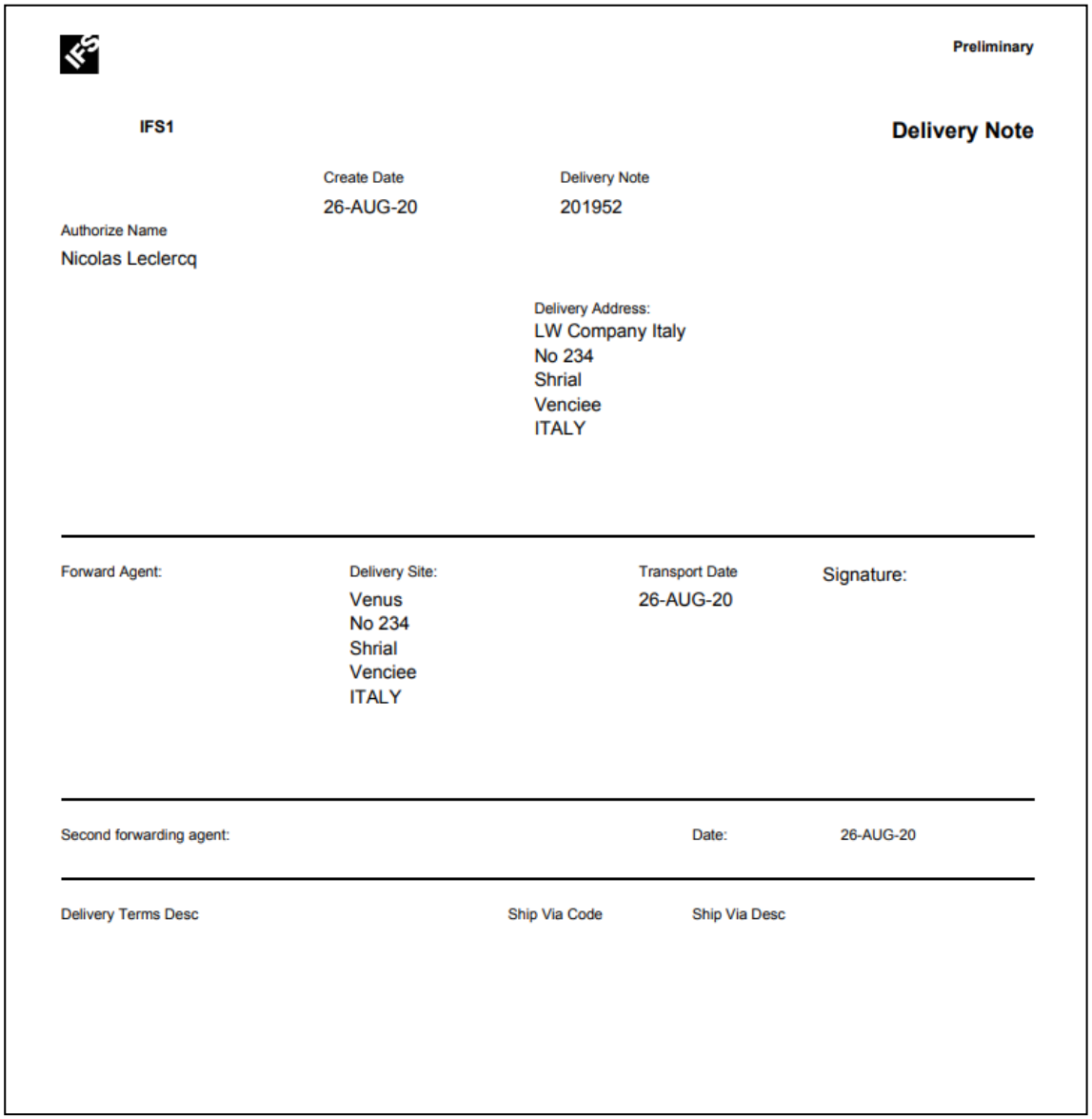
The transport delivery note is editable until it is finally printed. You can preview the report before printing.

The transport delivery note is printed from the *Transport Delivery Note* page.

- Open the context menu and select the **Print Delivery Note Preview** to print the preliminary report. The transport delivery note remains in the Created status.
- Open the context menu and select the **Print Transport Delivery Note** to print the final report. The transport delivery note status is updated to Printed.

It is possible to re-print the transport delivery notes at any time.

When a preview print is performed the document is marked with Preliminary in the top of the document.



Preliminary

IFS1

Delivery Note

Create Date
26-AUG-20

Delivery Note
201952

Authorize Name
Nicolas Leclercq

Delivery Address:
LW Company Italy
No 234
Shrial
Venciee
ITALY

Forward Agent:

Delivery Site:
Venus
No 234
Shrial
Venciee
ITALY

Transport Date
26-AUG-20

Signature:

Second forwarding agent:

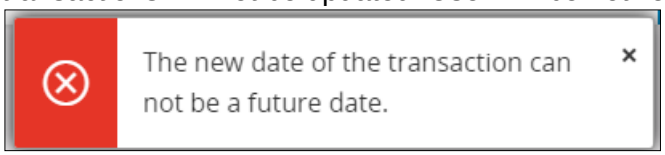
Date: 26-AUG-20

Delivery Terms Desc | Ship Via Code | Ship Via Desc

When printing the transport delivery note, you can observe the following changes.

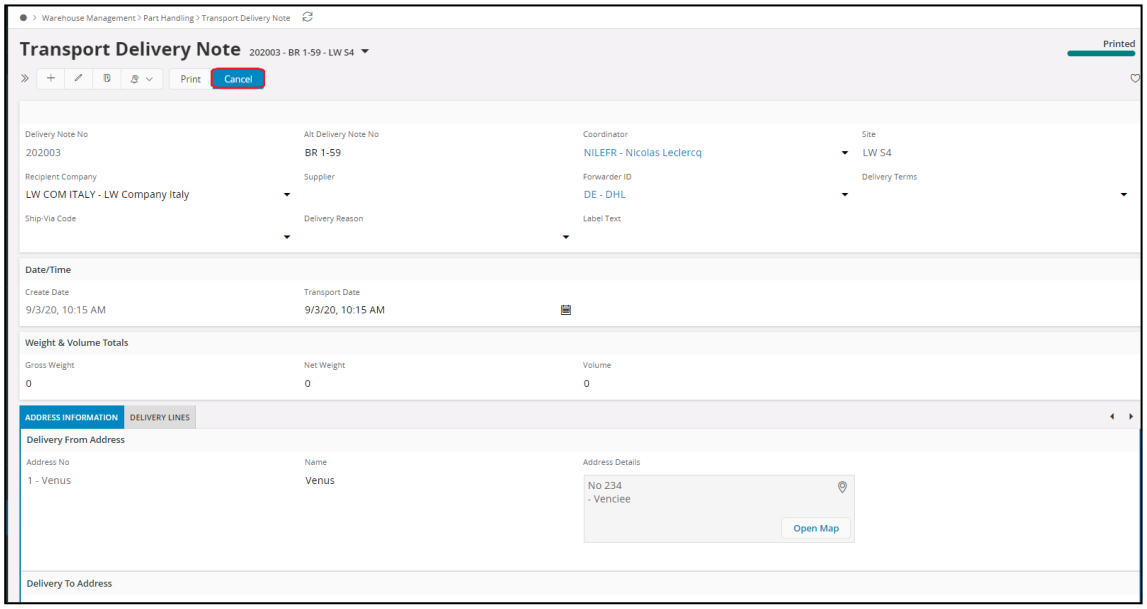
- **Alt Del Note No** field will be updated with the alternative delivery note number as per the date entered in the pre-requisite **Error! Reference source not found.**.
- Inventory transaction records/Labor and operation history records will be updated with Delivery reason, Delivery reason description, Delivery note date and Alternative delivery note number.
- Transport delivery note header status is set to Printed.
- The date applied on the inventory transactions will be updated as per the setting **Auto Update Inv Trans Date Applied** on the *Company/Supply Chain/ Warehouse Management* tab.

In case the **Transport Date** is a future date than the site date, the date applied on the inventory transactions will not be updated. User will be notified by an error message.



8.9 Cancel Transport Delivery Note

To cancel an already printed transport delivery note, click the cancel button in the header of the **Transport Delivery Note** and confirm by selecting OK in the warning message. This option is only available for transport delivery notes in the “Printed” status. When cancelled, the delivery note number is removed from the inventory transaction history records that are connected to the cancelled delivery note.



9 Italian E-invoice for the Public Administration

9.1 Overview Legal Requirement

In Italy it is a legal requirement that all companies must send all invoices to Public Administration with an electronically (XML file) invoice, in Italy called FatturaPA. The FatturaPA is an electronic invoice and is the only type of invoice that will be accepted by Public administration entities, which according to the articles of associations, are obliged to use the Exchange System. The Exchange System is an electronic system capable of:

- Receiving invoices in the form of files with the characteristics of the FatturaPA
- Carrying out checks on the files received,
- Forwarding invoices to the addressee Administrations

Starting from 1st of January 2017 the format of the xml file used for the electronic invoices addressed to public customers has been changed to allow the flow of electronic invoices also between private parties. The format of the xml file is adapted to be used for this case as well.

Starting from 1st of January 2019 E-invoicing is mandatory for all types of companies. Each invoice issued in Italy for a domestic customer should be in electronic format – XML file. Every issued invoice should be submitted for authorization to the system called SDI (Sistema di Intercambio, Exchange System in English) maintained by Italian government. After it is authorized it is automatically forwarded to the customer via email or other communication channel chosen by the customer.

Invoice issued for foreign customer can also be reported to SDI but it will not be forwarded to customer via SDI.

Starting from 1st of January 2022 all customer invoices including also the one sent to foreign customers and the supplier invoices received from foreign suppliers should be sent to the Italian Authority web portal (SDI) in FatturaPA format.

The Spesometro (called also Esterometro) that was including the invoices addressed or received from foreign subjects will be abolished.

9.2 Solution Overview

An IFS-style data file based on FatturaPA format will be created to send invoice data to Tax Authority SDI through a 3rd party software. This 3rd party software will communicate with the Tax Authority and send responses received from the Tax Authority back to IFS Cloud as an IFS-style response file.

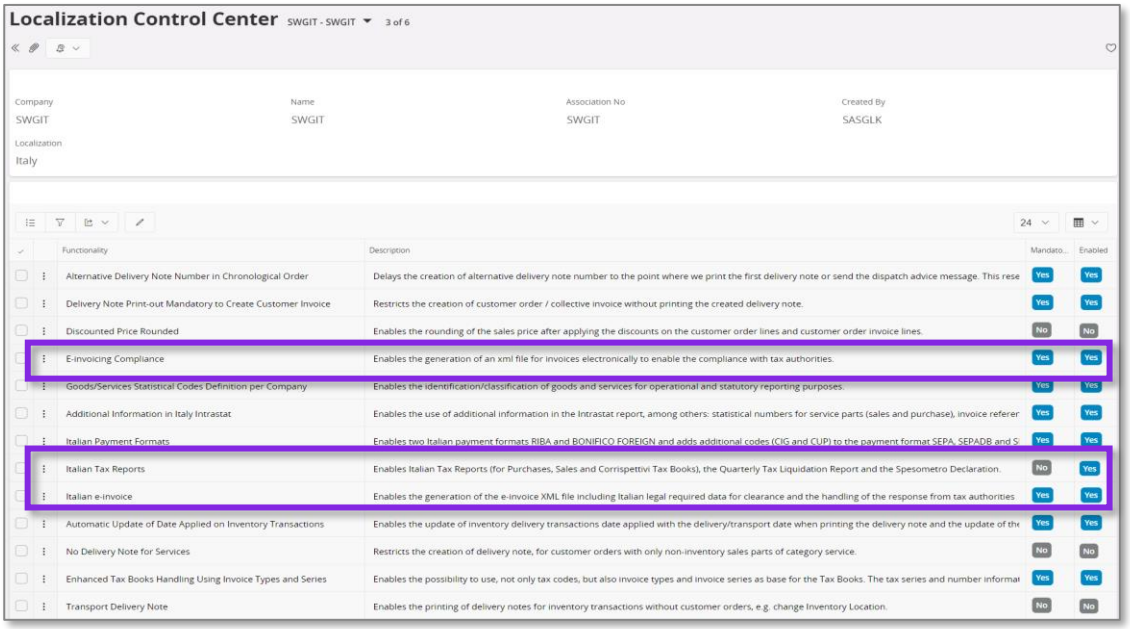
It is possible to handle inter-site flow (EDI/MHS) or E-INVOICE flow parallel to sending the Italian E-invoice to the Public Administration. With the introduction of the new LCC parameter "E-invoicing Compliance", it is allowed to set up basic data relating to Italian E-invoice at the Company level and basic data relating to inter-site flow or E-invoice flow at the Customer level.

The existing basic data needs to be adjusted. The "E-INVOICE_IT" receiver needs to be moved from the Customer/Supplier level to the Company level.

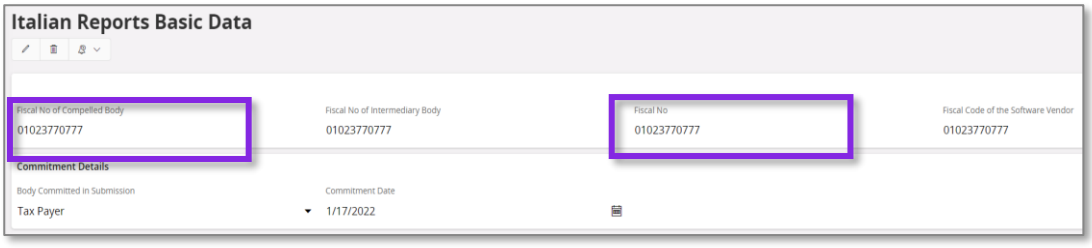
The solution has divided between customer invoices and supplier invoices.

9.3 Prerequisites

The company must be set up to use the Italian localization, and the mandatory parameter “E-invoicing Compliance” and “Italian e-invoice” is enabled on the *Company/Localization Control Center* tab. The “Italian Tax Reports” localization parameter must be enabled to enter fiscal number.



- Enter a fiscal number in the *Financials/Financial e-Reporting/Italian Reports Basic Data* page. It is used for tag <IdCodice> in <DatiTransmissione> block and it is also part of XML file number for Italian E-invoice.

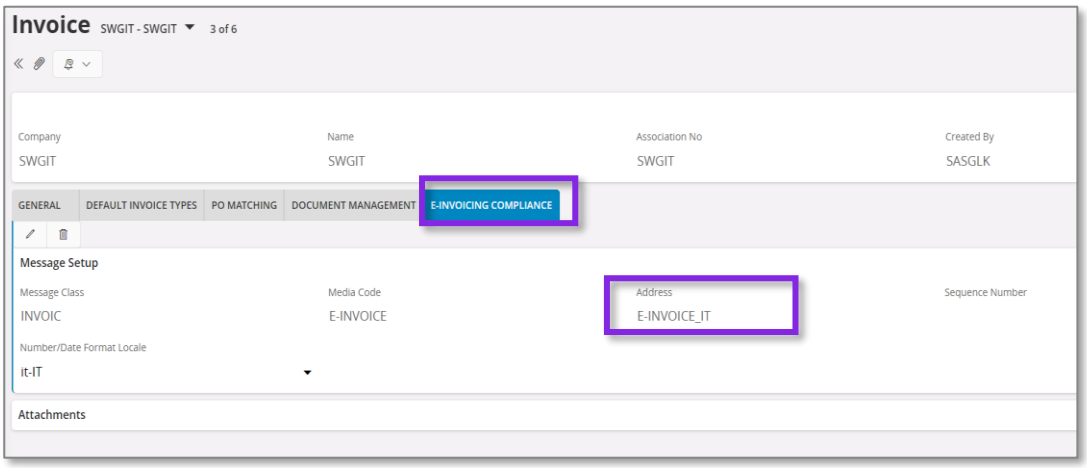


9.4 Define Basic Data

The common basic data set up for both Customer and Supplier invoices are listed below,

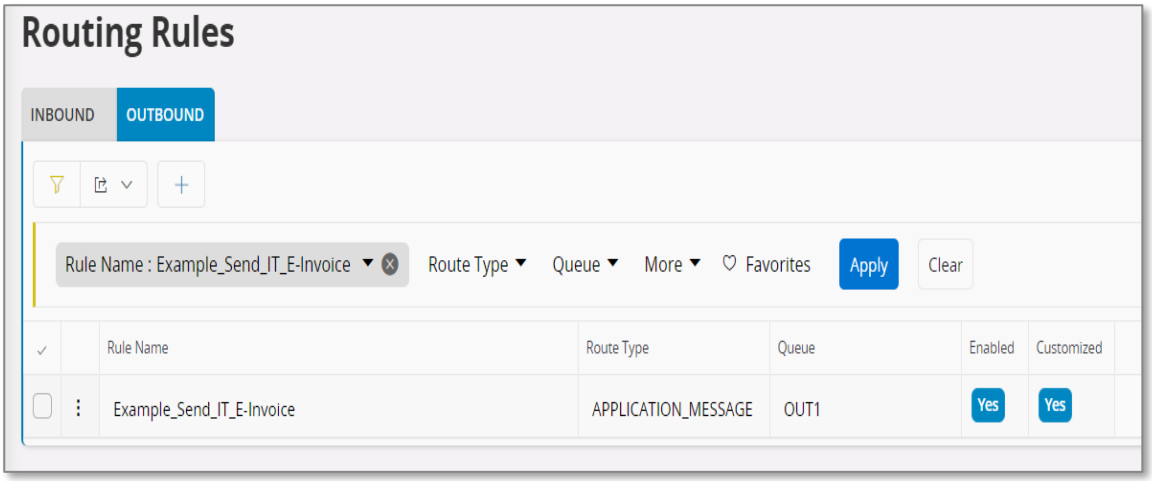
9.4.1 COMPANY MESSAGE SETUP

- Enter E-invoicing Compliance basic data for the company in the *Application Base Setup/Enterprise/Company/Company/Invoice/ E-invoicing Compliance* tab.
- Select “E-INVOICE_IT” in the Address field to generate the Italian E-invoice to the Public Administration entity.
- The basic data set up “E-INVOICE_IT” is added in the Company/Invoice/ E-invoicing Compliance tab. It will facilitate enabling the “Send” command from the invoice level for the Customer and from the ***Invoice Enclosures – EU Taxes Analysis*** page for the Supplier. This will also be given a possibility to send attachments for customer invoices when sending Italian E-invoice to the Public Administration entity.

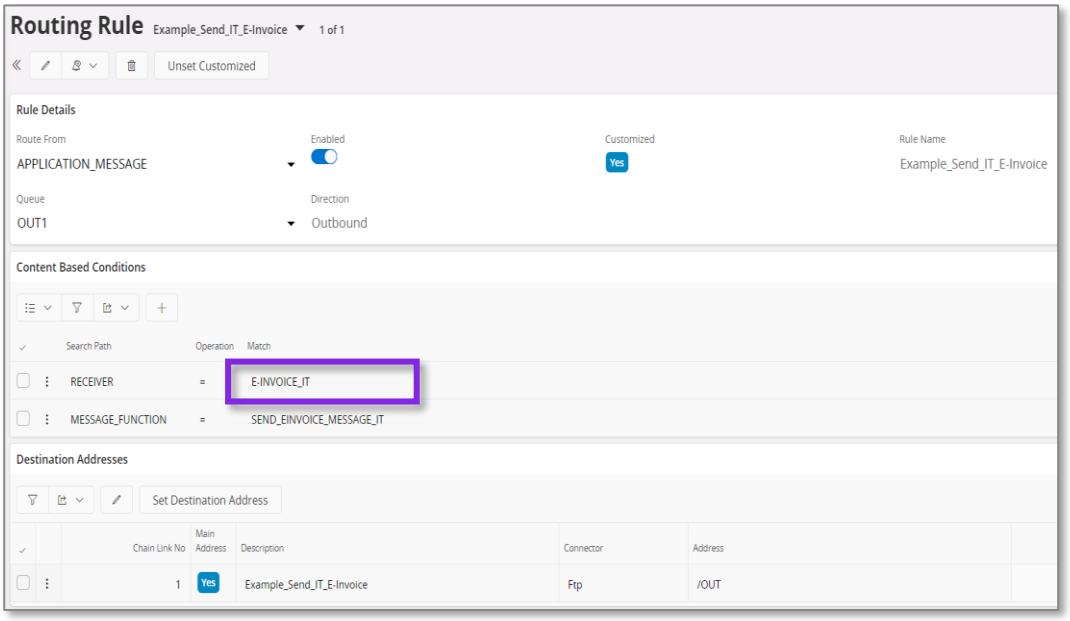


9.4.2 NEW ROUTING RULE

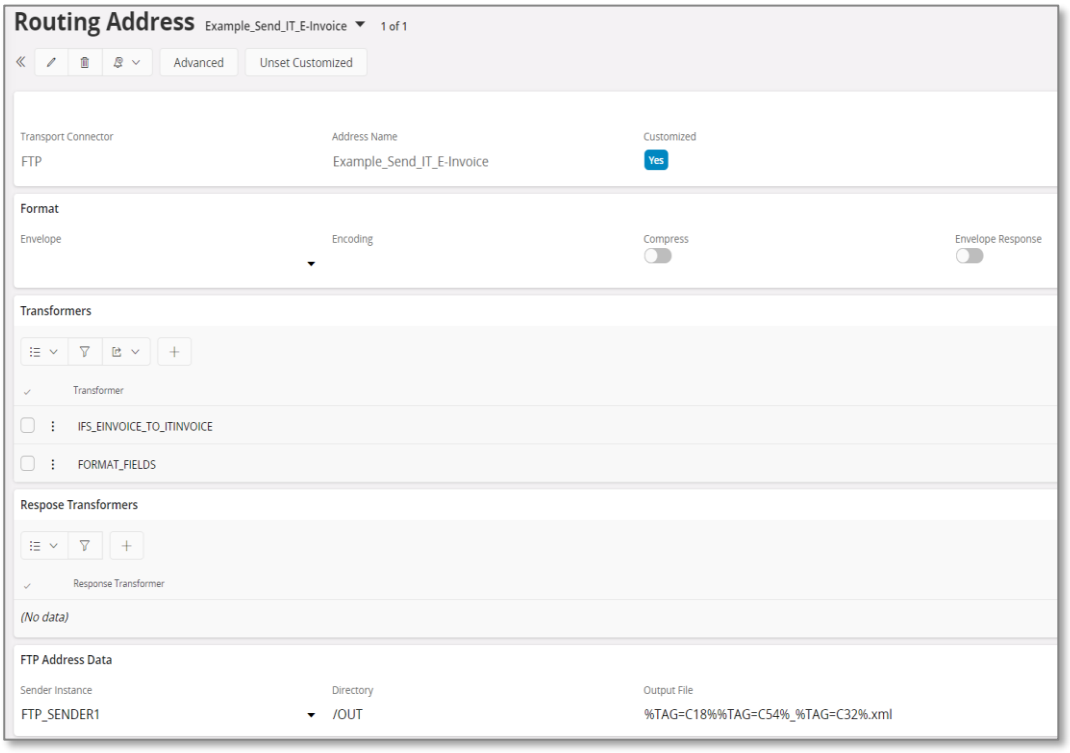
A new routing rule is added with the conditions MESSAGE_FUNCTION = SEND_EINVOICE_MESSAGE_IT and new receiver address equal to E-INVOICE_IT.



The setup of the routing rule needs to have the following conditions:



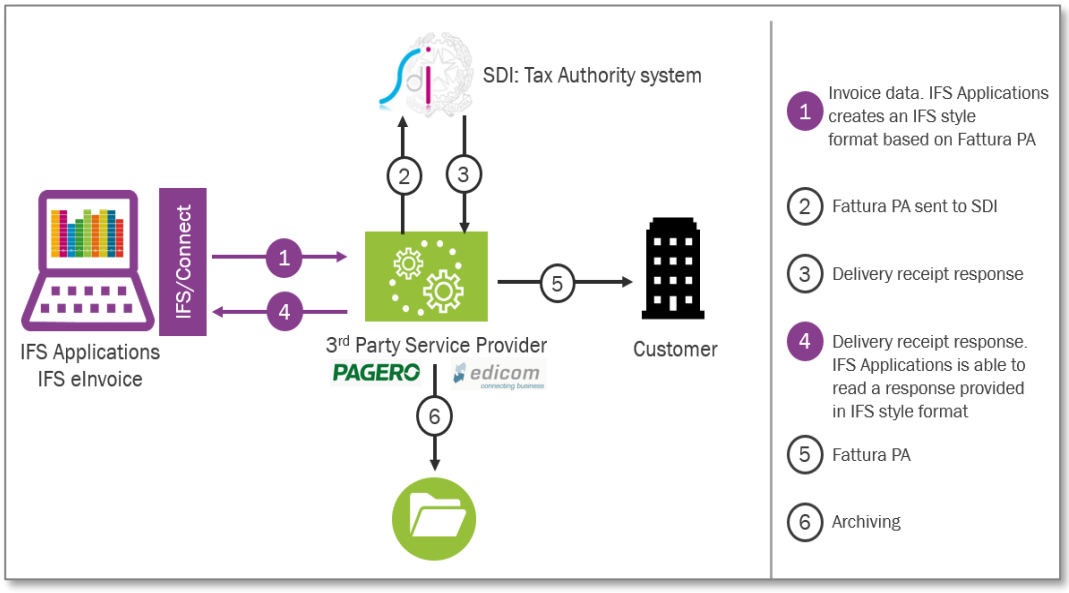
Routing address setup and transformers:



Note: To the existing routing rule (Example_Send_IFS_E-Invoice) a condition receiver address not equal to E-INVOICE_IT should be added, in order to get the right xml format.

9.5 Solution Overview For Customer Invoices

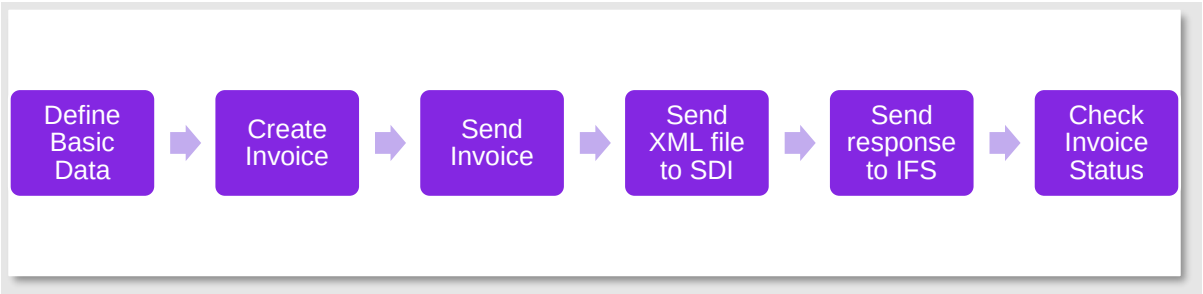
An IFS style data file based on FatturaPA format will be created to send invoice data to Tax Authority SDI through a 3rd party software. This 3rd party software will communicate with the Tax Authority and send responses received from the Tax Authority back to IFS Cloud as an IFS style response file.



To fulfill these requirements, the following has been added:

- New basic data added to the customer.
- Required format (tags) are created in the xml file for the invoice.
- In case of invoice issued to public customer it is possible to add stamp duty to the invoice.
- A new routing rule is created for Italian E-invoice so the correct XML will be generated and sent to the correct addressee. The file is placed in the outgoing folder of IFS Connect and the 3rd party service provider takes this file and sends it to SDI.
- New option **Sent** and new fields **Reporting Sent**, **Reporting Status, Reporting Time** and **Reporting Error Message** have been added to the ***Sent Invoices*** page.
- Handling of the response from SDI is added. The 3rd party service provider transforms the response to IFS style format and place it in the incoming folder of IFS Connect. The response is automatically uploaded to IFS Cloud. The **Response Status** of the invoice sending is visible in ***Sent Invoices*** page.

Customer Invoice Process



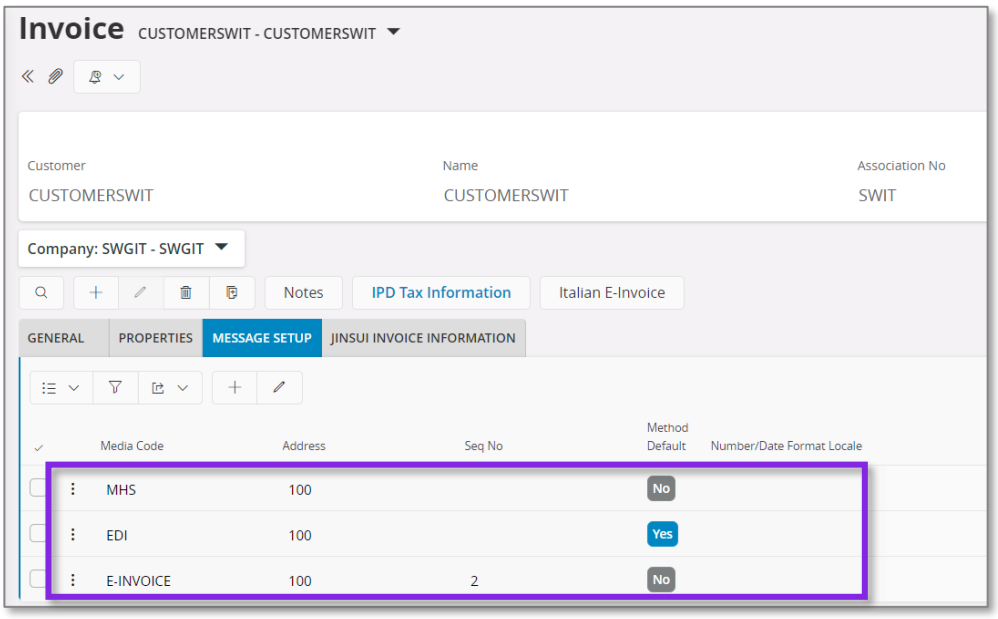
9.6 Define Basic Data for Customer Invoicing

9.6.1 CUSTOMER MESSAGE SETUP

With the introduction of the new LCC-parameter for E-invoicing Compliance, there is a change in the message set up. The message set up is now handled from the Company level. Customers who have used the Italian E-invoice ealier, need to adjust the basic data setup.

Customers who want to run the Inter-site flow or E-invoice flow parallelly with the Italian E-invoice need to define Message Setup (EDI/MHS/E-INVOICE) at Customer level.

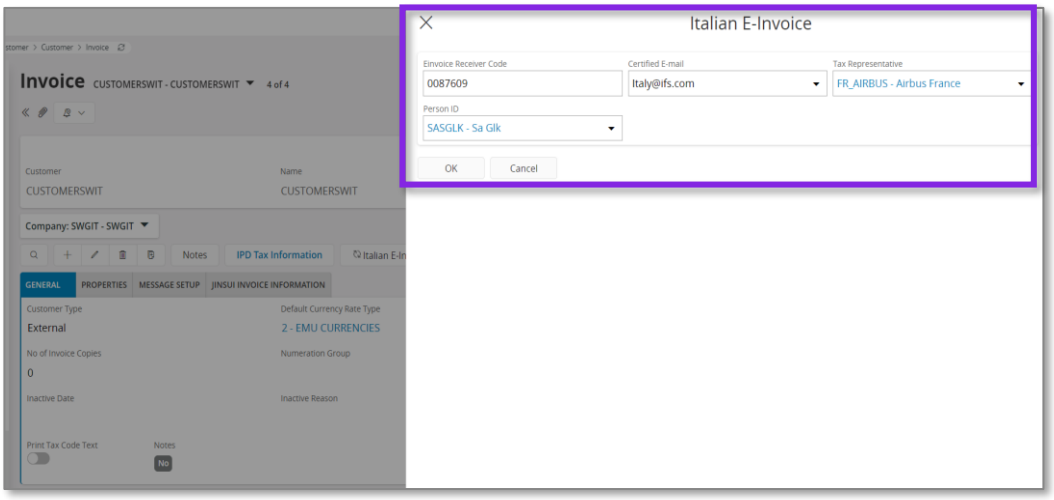
- E-INVOICE_IT receiver from now on set up at the Company level.
- Define Customer Message Setup for inter-site flow (EDI/MHS) or E-invoice flow (E-INVOICE) to send the invoice at the same time sending the Italian E-invoice.



9.6.2 CUSTOMER, INVOICE TAB

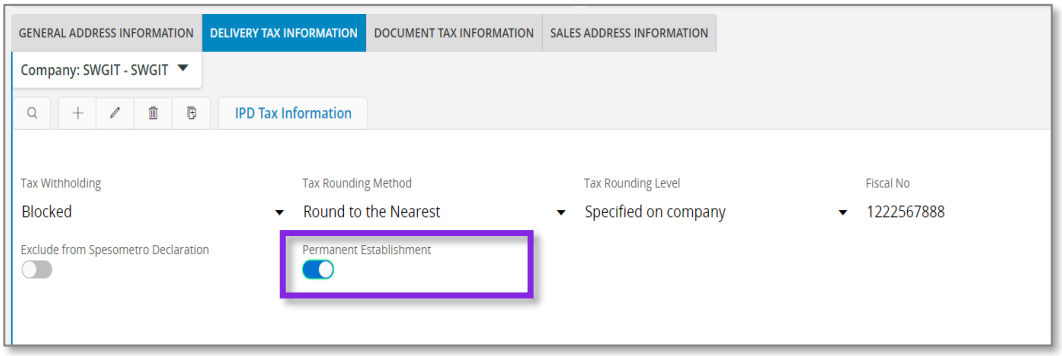
A new group **Italian E-invoice** is added to *Customer/Invoice/General* tab. It contains:

- **E-invoice Receiver Code.** Define with 6 or 7 characters depending whether customer is public or private. This value is written to <CodiceDestinatario> tag in XML file. This is to ensure to transmit the invoice to the correct addressee through the Exchange System.
- **Certified E-mail.** Define email address of the customer defined in Exchange System. List of values show email addresses of customer defined on the *Comm. Method* tab. This value is written to <PECDestinatario> tag in XML file.
- **Tax Representative.** Define identity of another customer being tax representative. Make sure that the customer entered has tax ID defined on *Address/Document Tax Information* tab. When it is filled then block <RappresentanteFiscale> is filled in XML file with the name and tax ID number of the tax representative.
- **Person ID.** Define person ID if the customer is a natural person. When it is filled then tags <Nome> and <Cognome> are filled with first and last name of the person in <CessionarioCommittente>, <DatiAnagrafici>, <Anagrafica> block. Otherwise <Denominazione> tag is filled instead.



9.6.3 CUSTOMER ADDRESS

New **Permanent Establishment** option is added to Customer/Address/Delivery Tax Information tab. It should be enabled for Italian addresses of foreign customers having permanent establishment ("stabile organizzazione" in Italian) in Italy. When this option is enabled for some address of the customer then <StabileOrganizzazione> block is filled in XML file.



Starting from the 1st of January 2022 all customer invoices including ones sent to foreign customers should be sent to the Italian Authority web portal (SDI) in FatturaPA format. With that change, added Default value 99999 into the tag <CAP> and skip the tag <Provincia> for foreign Customers. If the **Tax ID Number** and **Fiscal Number** of the foreign customer is empty, add the default value 99999999999 for the tag <IdCodice> without blocking the send.

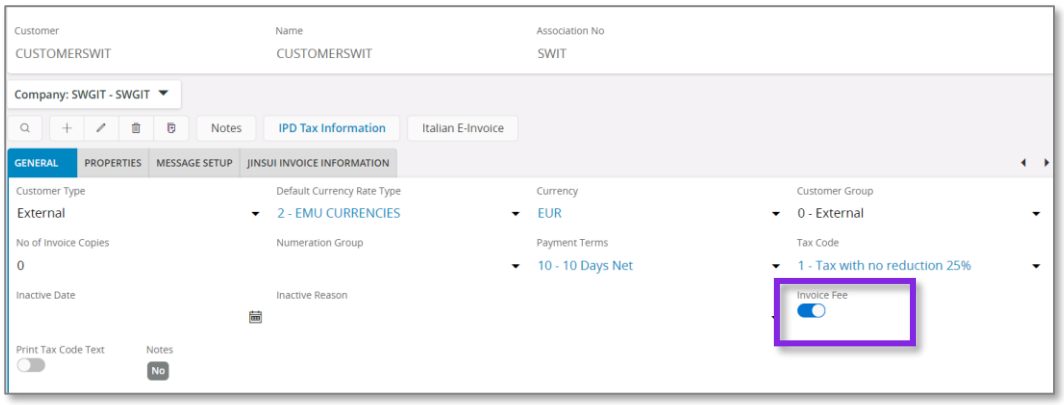
Changes related to *Delivery Tax Information/Supply Country/Tax Exempt Info*. With a new law nr 293390/2021 of 29 October 2021, the Italian Authority has introduced new requirements for the electronic invoices of the customer that has exemption certificate to control that the certificate that allows the customer to buy without Vat is valid. For this new requirement therefore, the following changes are required for the current solution:

- Added fixed value "INTENTO" instead of the fixed value "CERT INT" for the tag <TipoDato>.
- Added new tag <RiferimentoData> It should be filled when there is a valid Exemption Certificate and the value for this field should be retrieved from Issue Date. The format is YYYY-MM-DD.

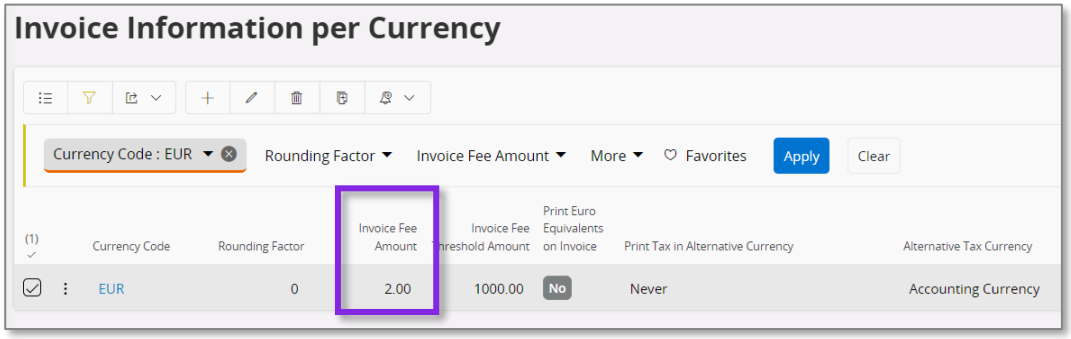
9.6.4 STAMP DUTY ON INVOICES

Some transactions invoiced in Italy have to have the option to add a stamp duty. In order to fulfill these requirements, the invoice fee functionality in standard is utilized.

The **Invoice Fee** option should be enabled on the *Customer/Invoice/General* tab.

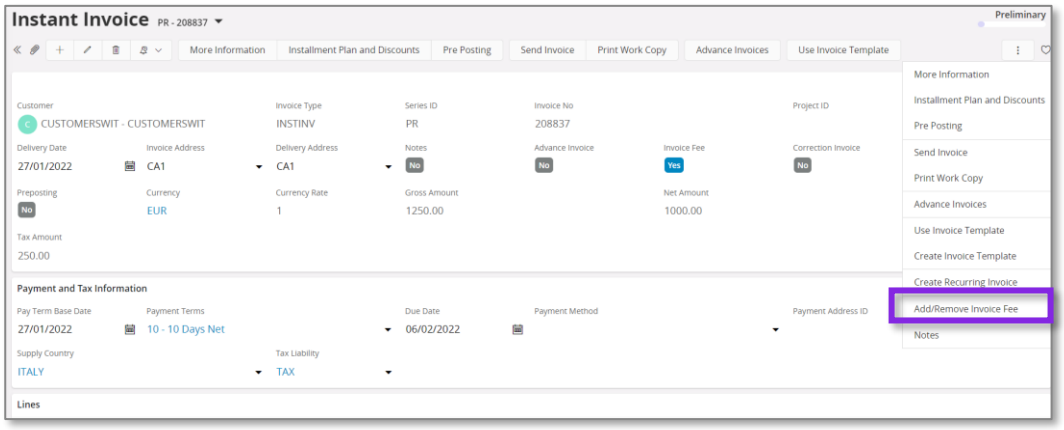


Create the following in the ***Invoice Information per Currency*** page.



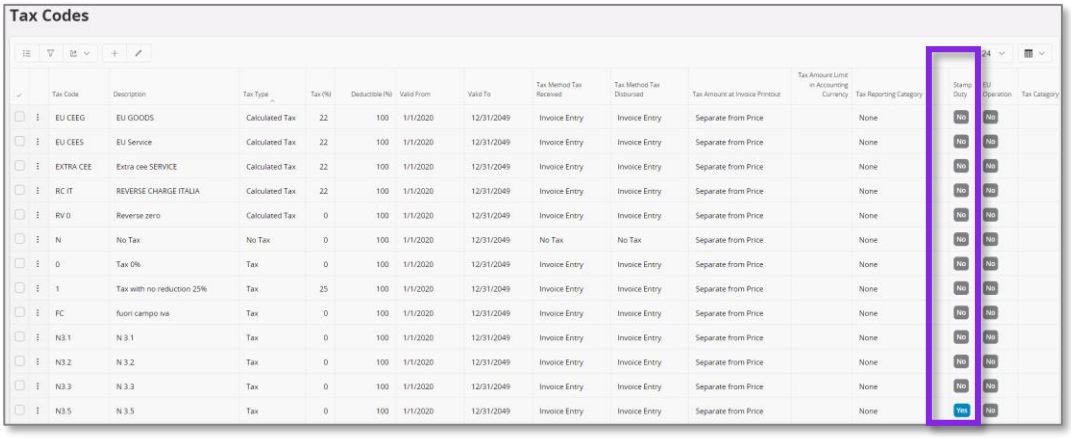
Use the command "**Add/Remove Invoice Fee"** on the ***Instant Invoice***, ***Customer Invoice*** and ***Project Invoice*** pages. To added or removed the invoice fee to the invoice. The message displayed will be:

- **The fee X EUR has been added to the invoice** – when fee has been added to the invoice.
- **The fee has been removed from the invoice** – when fee has been removed.
- **The Invoice Fee Amount not found in Invoice Information per Currency** – when Invoice Fee Amount is not found.

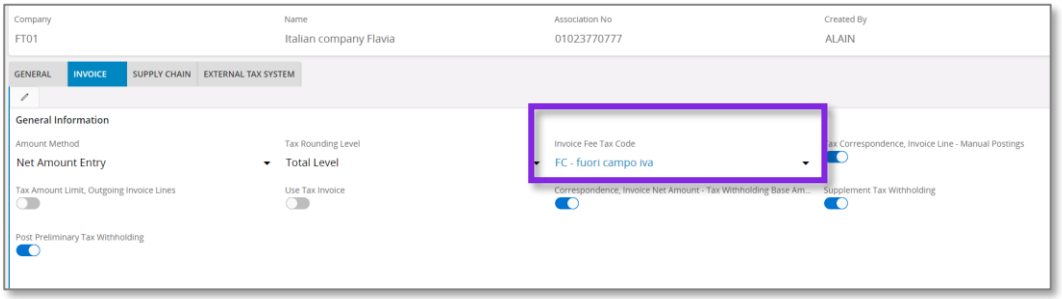


Some transactions invoiced in Italy need to have the option to add a stamp duty and write it to XML invoice, but it should not be included in invoice total - so that the customer cannot be charged with it. This is the case for public customers – stamp duty is calculated when there is 0% VAT on the invoice, certain types of articles are sold, and invoice net amount is greater than 77 EUR.

In order to fulfill these requirements, new **Stamp Duty** option has been added to ***Tax Codes*** page. It is only possible to select on tax codes with 0 % of Tax type



On *Company/Tax Control/Invoice* tab in the **Invoice Fee Tax Code** field enter a tax code with **Stamp Duty** option NOT enabled, so that Invoice Fee functionality works in standard way.



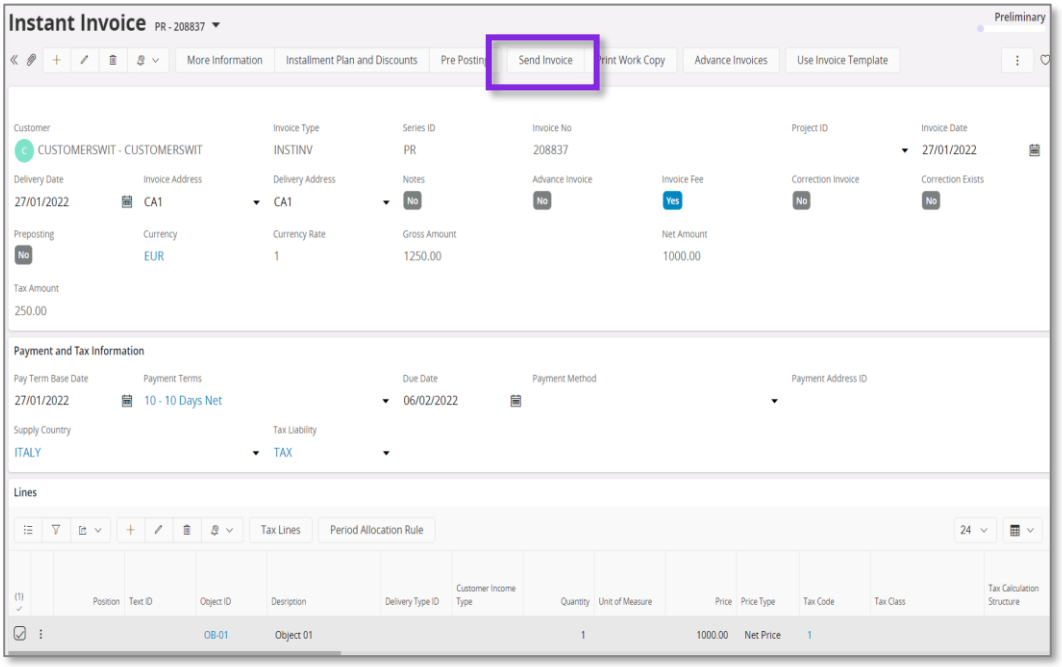
There are three scenarios, where stamp duty is reported in XML invoice depending on different parameters settings:

- **Invoice Fee** is NOT enabled on *Customer/Invoice/General* tab, invoice does not have invoice fee and the tax code with **Stamp Duty** is used on invoice – then stamp duty is written to the XML invoice and is NOT included in invoice total. The amount is taken from ***Invoice Information per Currency*** page.
- **Invoice Fee** is selected on *Customer/Invoice/General* tab, invoice has invoice fee and tax code with **Stamp Duty** is used on invoice – then stamp duty is both written to XML invoice and included in invoice total.
- Otherwise – no stamp duty information is written to XML file, however there might be standard invoice fee included in invoice total – treated as additional invoice line.

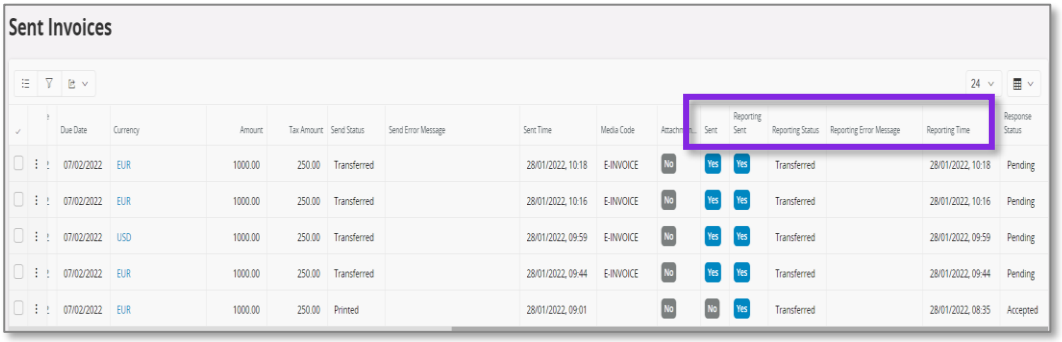
No validation is done for the invoice net amount – the applicable set up of parameters is user responsibility.

9.7 Create customer invoice

- Create an invoice using the standard functionality for invoice with the basic data Receiver Address = E-INVOICE_IT in the E-invoicing Compliance tab in the ***Company*** page.
- Select command **Send Invoice**.
- XML file is placed in IFS Connect outgoing folder and can be verified from there if needed.
- This is the file that will be picked up by the 3rd party service provider and sent to SDI system.



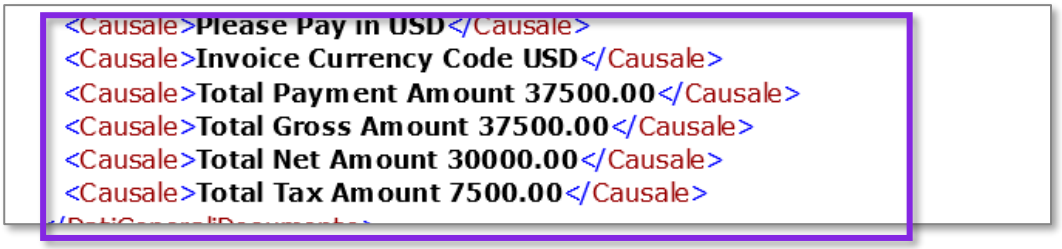
- If the customer is setup to run inter-site flow (EDI/MHS) or E-invoice flow (E-INVOICE), a separate message will be created along with the Italian e-invoice.
- New option **Sent** and new fields **Reporting Sent, Reporting Status, Reporting Time** and **Reporting Error Message** have been added to the ***Sent Invoices*** page to check if reporting is sent or any error occurred.



9.8 Invoices with Foreign Currencies

SDI accepts the FatturaPA format is only from currency EUR. Therefore, all the amount related tags in the XML has to be reported in EUR (Accounting Currency). However, for the foreign currency-based invoices (other than EUR), companies have a need to communicate the foreign currency amounts to customers to make the payments. To communicate foreign currency amounts

at header level and line level of the invoice <Causale> and <AltriDatiGestionali> modified respectively. Header level modified **Invoice Text** has used for the tag <Causale>.



9.9 Document Types Customer Invoices

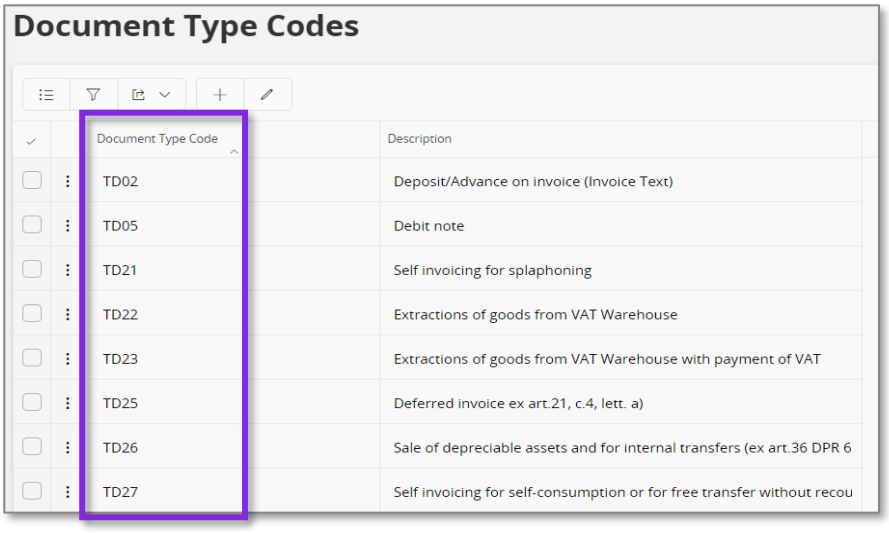
According to new technical documentation issued by SDI in 2020, following new document types are handled in the solution.

- 'TD02' - Deposit/Advance on invoice (Document Type Code)
- 'TD21' - Self invoicing (defined in ex art.7 paragraph 4 of DLgs 471/97)
- 'TD22' - Extractions of goods from VAT Warehouse
- 'TD23' - Extractions of goods from VAT Warehouse with payment of VAT
- 'TD26' - Sale of depreciable assets and for internal transfers
- 'TD27' - Self invoicing for self-consumption or for free transfer without recourse

According to new technical documentation issued by SDI in 2021, following new document types are handled in the solution and will be mandatory from 2022:

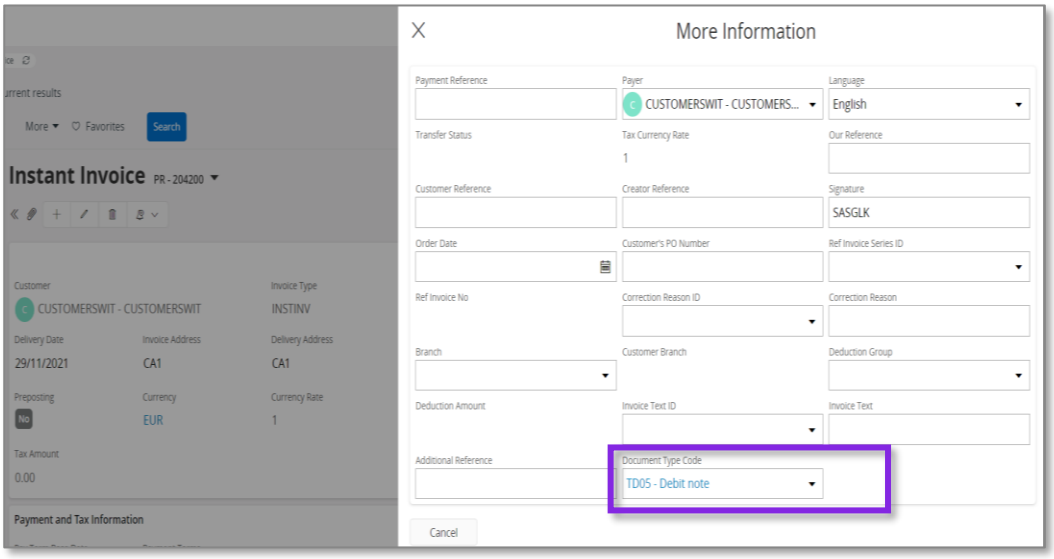
- 'TD05' - Debit note
- 'TD25' - Deferred invoice ex art.21, c.4, lett. a)

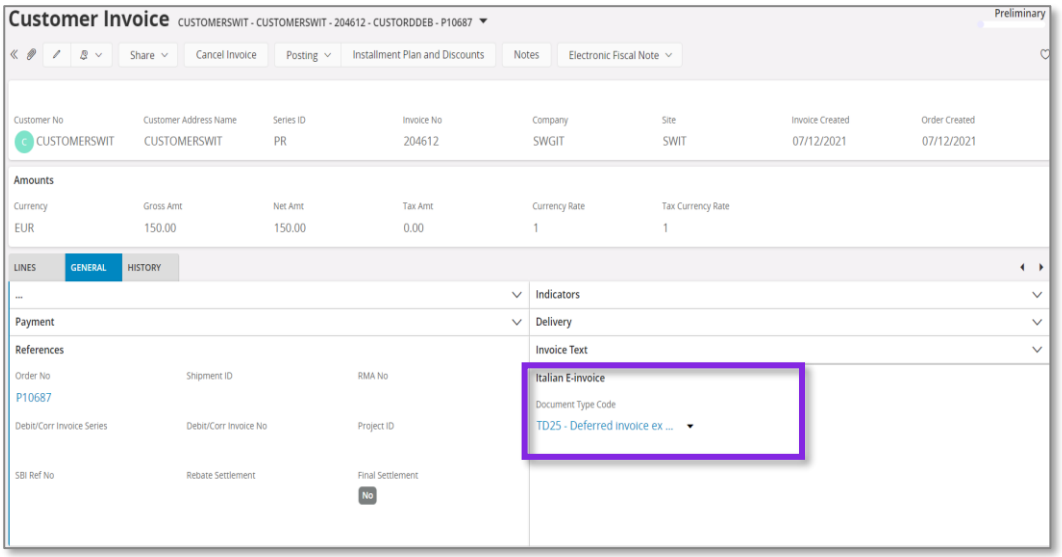
When issuing documents types listed above, predefined header level **Document Type Code** has to be connected to invoice and **Document Type Code** will be fetched to the <TipoDocumento> tag. In here, user has to add following predefined **Document Type Code** in the ***Document Type Codes*** page.

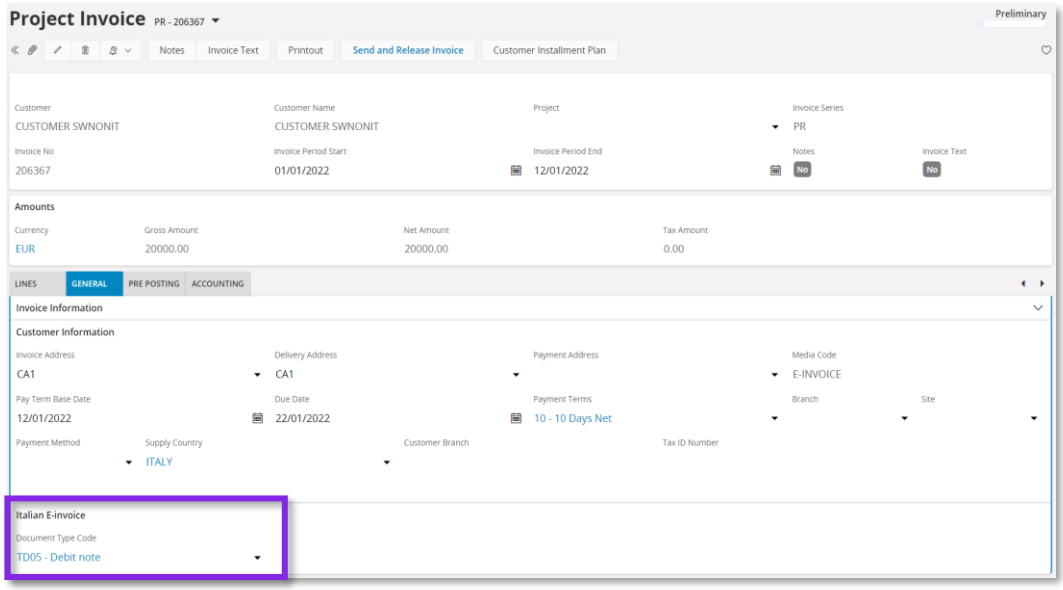


- ‘TD27’ will be fetched to the <TipoDocumento> tag when issuing free of charge invoices where company pays the VAT (Refer **Free of Charge (FOC)** functionality).
- ‘TD04’ will be fetched in <TipoDocumento> tag when issuing a Customer Credit invoice with net amount negative
- ‘TD01’ will be fetched in <TipoDocumento> tag when issuing a Customer invoice with net amount positive and there is not any Document Type Code
- ‘TD24’ will be fetched in <TipoDocumento> tag when issuing a Customer invoice with net amount positive, there is not any Document Type Code and there is at least one delivery note that has delivery note date < Invoice Date

New field **Document Type Code** added to the ***Instant Invoice***, ***Customer Invoice*** and ***Project Invoice*** pages as follows,







9.10 Invoices with Split Payment VAT

Split payment invoices can be registered in the system as follows

- The tax code specified on invoice line must have value “SPLIT” in the **Tax Code Text** field in the ***Tax Texts per Tax Code*** page.
- Tax withholding with tax method “Invoice Entry” must be connected to invoice line. The total withholding amount should match total VAT amount on the invoice.

When XML file is generated for the split payment invoice, <ImportoPagamento> tag (amount to pay) of the first installment is decreased with VAT amount.

9.11 Invoices with Tax Withholding with Tax Method Payment

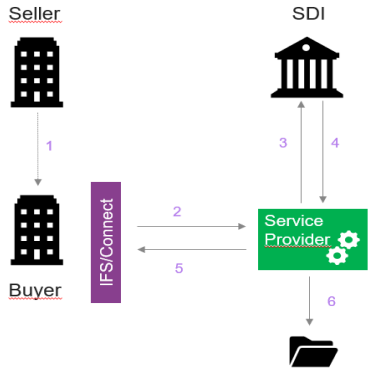
When XML file is generated for invoice with tax withholding with tax method “Payment”, tax withholding amount affects <ImportoPagamento> tag (amount to pay) for all installments of the invoice, proportionally to installment gross amount and according to the same rules as amounts to pay are suggested when paying invoice in the ***Mixed Payment*** page.

Example

- Customer invoice with net amount 4.000, tax 22% and gross amount 4.880.
- Tax withholding with tax method “Payment”: 20%, amount 800.
- Three invoice installments: 25%, 50% and 25%. Payment terms with tax distribution “Even”.
- Installment amounts: 1.220, 2.440 and 1.220.
- <ImportPagamento> tags: 1.020, 2.040 and 1.020.

9.12 Solution Overview for Supplier Invoices

Foreign supplier invoices, as well as domestic supplier invoices where reverse charge applies, must be submitted to SDI in FatturaPA format. An IFS style data file based on FatturaPA format will be created to send invoice data to Tax Authority SDI through a 3rd party software. This 3rd party software will communicate with the Tax Authority and send responses received from the Tax Authority back to IFS Cloud as an IFS style response file.

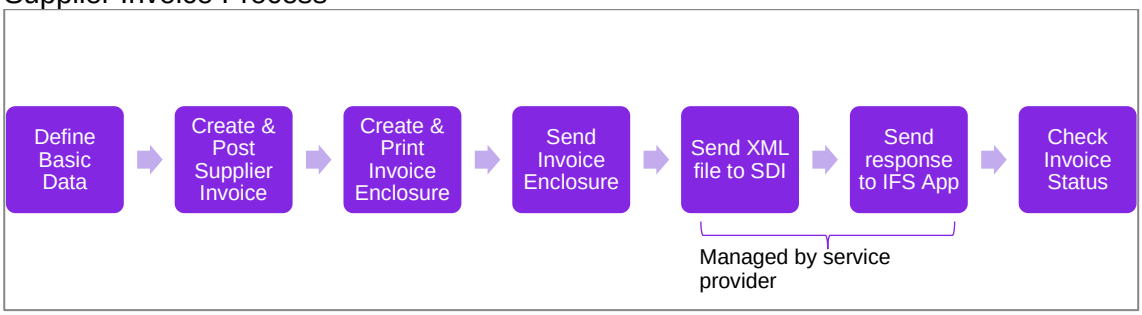


1. Seller outside Italy sends invoice to buyer in Italy (in any format).
2. Buyer creates e-invoice in IFS style based on FatturaPA format. Through IFS Connect, the file is placed in the Out-folder and picked up by the service provider.
3. FatturaPA invoice is sent to SDI.
4. SDI will validate the invoice and send back a response (Accepted or Rejected). SDI will also route back the invoice to the service provider using the Receiver Code provided in the file.
5. Response is sent to the buyer in IFS style format.
6. Archiving.

To fulfill the new requirement, the following solution should be adopted:

- Electronic supplier invoices should be created and sent to SDI where reverse charge is applied. In IFS cloud, this means that supplier invoices where a calculated tax code is connected to the invoice line need to be sent. A new sequential invoice numbering is needed, together with the original invoice number.
- New Document Types TD16, TD17, TD18, TD19 and optionally TD20 are used for this purpose and must be included in the file.
- To achieve this, Invoice Enclosure will be used, and **Document Type Code** will be connected to tax code from ***Tax Texts per Tax Code*** page. Document Type Code represents the Document Type.
- Supplier should be setup with a **Delivery Type** that is connected to Invoice Enclosure.
- New basic data fields for electronic invoicing will be added to Company and Supplier.
- Add “E-INVOICE_IT” receiver In *Company/Invoice/ E-invoicing Compliance/Message Setup* tab.
- Possibility to send the supplier invoice will be added from the ***Invoice Enclosure - EU Taxes Analysis*** page.
- New fields **Reporting Sent**, **Reporting Status** and **Reporting Error Message** have been added In the ***Invoice Enclosures – EU Taxes Analysis*** page.
- New page ***Sent Invoice Enclosures*** is created to show the sent supplier invoices including resending option.
- Same response handling as for customer invoices will be used.

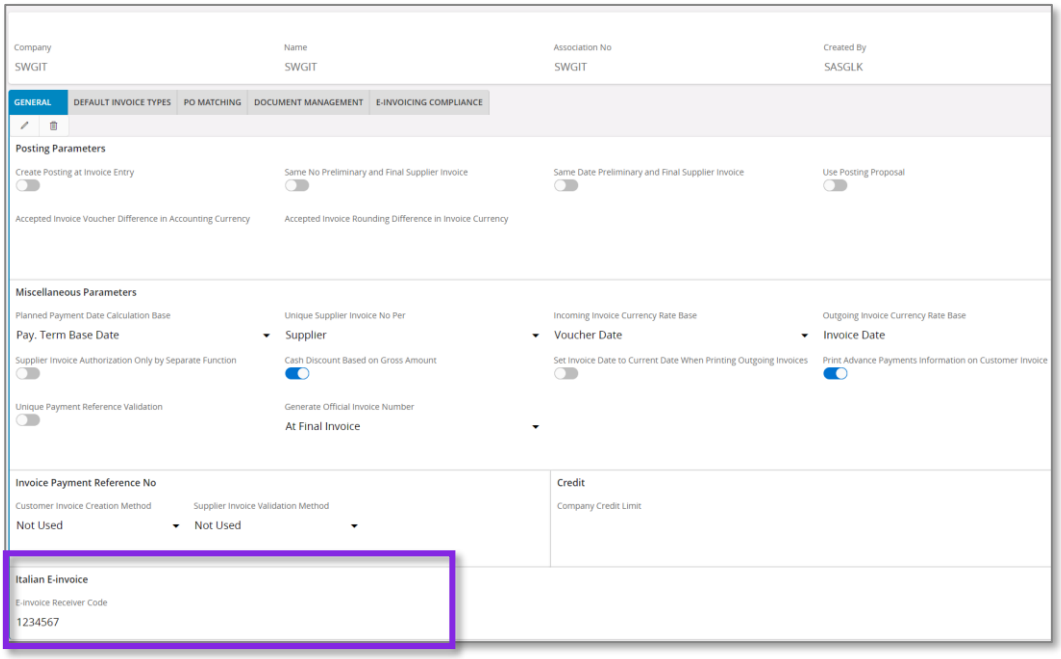
Supplier Invoice Process



9.13 Define Basic Data for Supplier Invoices

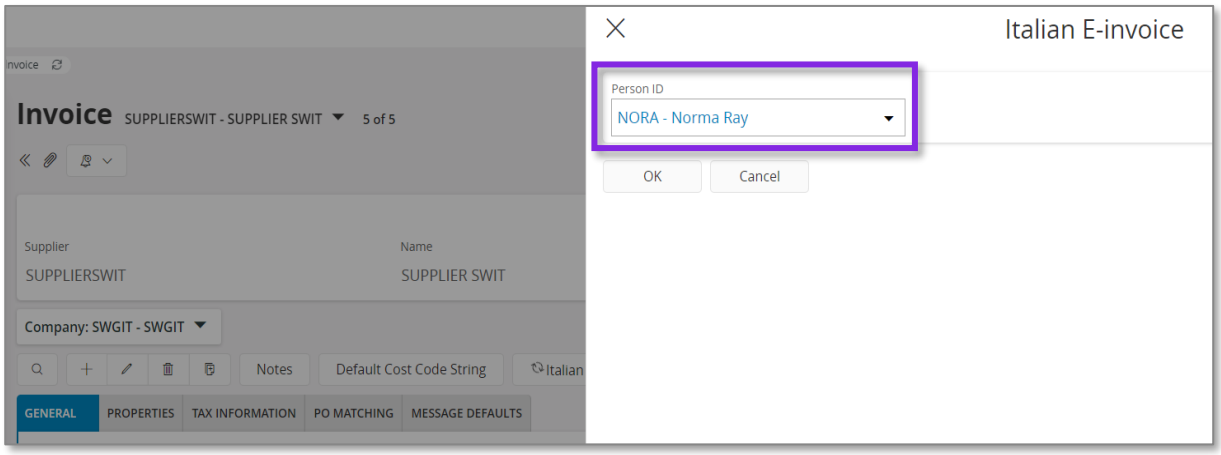
9.13.1 E-INVOICE RECEIVER CODE IN COMPANY

The field E-invoice Receiver Code has been added in *Company/Invoice/General* tab (in "Italian E-invoice" group). This is needed since SDI will route the invoice back to service provider for archiving reasons.



9.13.2 SUPPLIER, INVOICE TAB

Person ID field I has been added in *Supplier/Invoice/General* tab (Command as "Italian E-Invoice"). This is needed to distinguish if the supplier is a physical person.



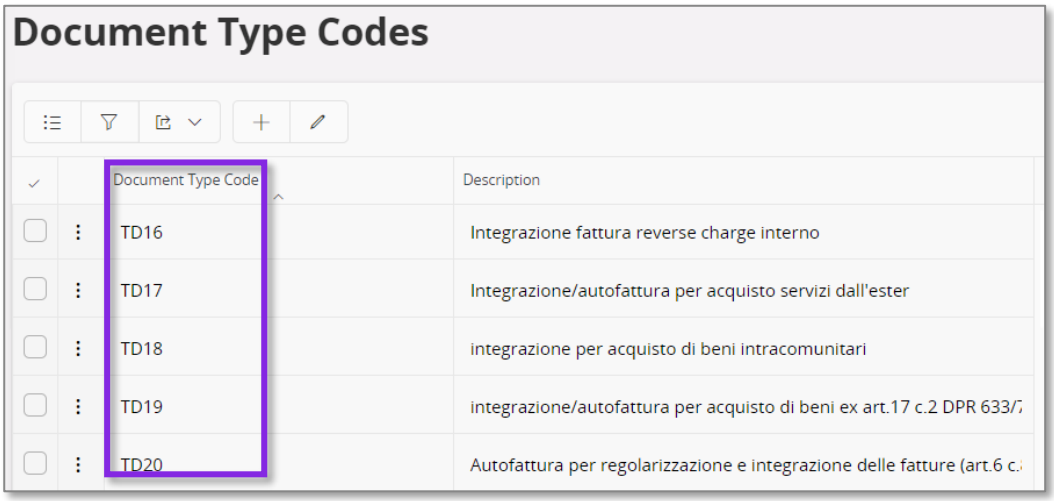
9.14 Document Types for Supplier Invoices

The Document Type TD16-TD17-TD18-TD19-TD20 should be linked to the calculated tax code to have the right document type for the supplier enclosure invoices. Following new document types are handled in the solution,

- 'TD16' - Integration Supplier Invoice applying reverse charge with Italian Supplier.
- 'TD17' - Integration and self billing for purchase of services outside EU.

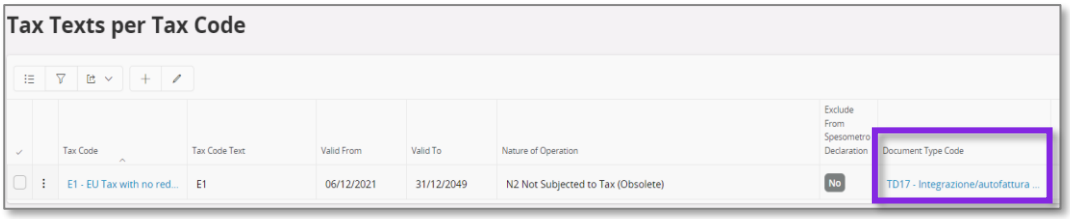
- ‘TD18’ - Integration for purchase in Europe.
- ‘TD19’ - Integration /Self billing for purchase of goods art 17 from foreign suppliers that has fiscal representative in Italy.
- ‘TD20’ - Self billing invoice to create in case of invoice not received.

All Document Types needed for supplier invoice need to be added in the ***Document Type Codes*** basic data page.

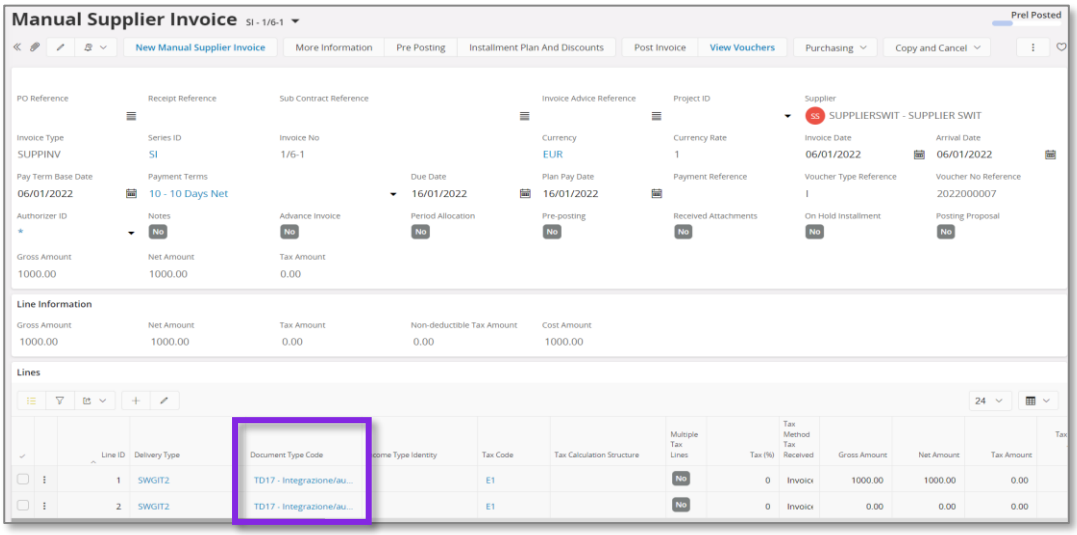


9.14.1 DOCUMENT TYPE CODE ADDED IN THE TAX TEXTS PER TAX CODE

The field **Document Type Code** has been added with a LOV to ***Tax Texts per Tax Code*** page to be able to link the document type to the Tax code with type Calculated Tax so that when a tax code is selected in a Manual Supplier Invoice line, Document Type Code is fetched.

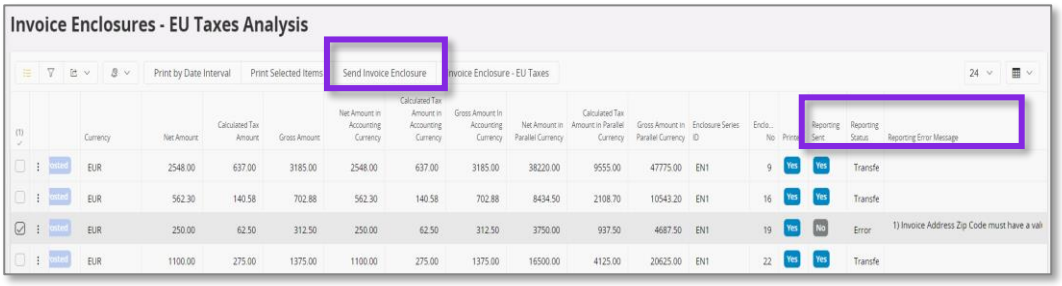


The **Document Type Code** field has been added also in the invoice line of supplier invoice with the option to edit it.

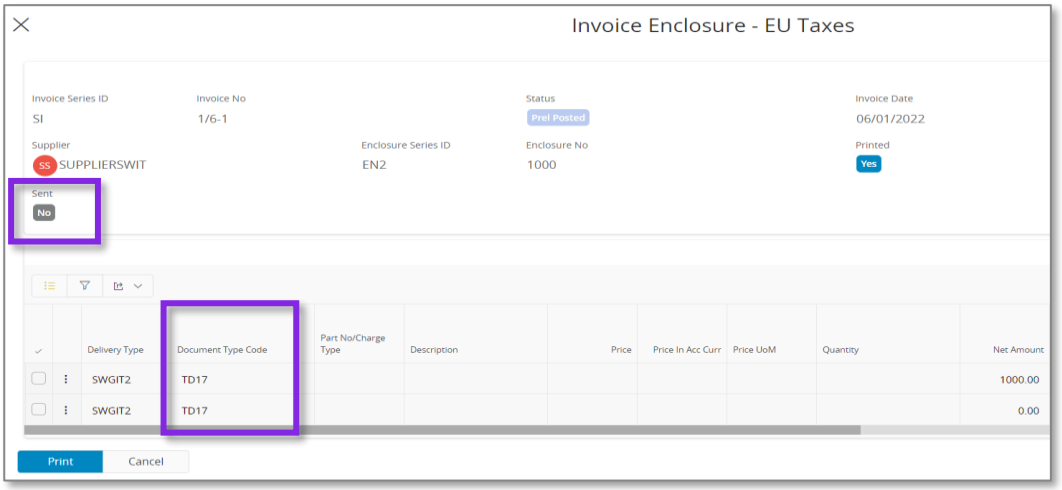


9.15 Create Electronic Invoice from Supplier Invoice

- Create Manual Supplier Invoice. Use a delivery type connected to Invoice Enclosure and use a calculated tax code connected to Document Type code. Document Type code is representing the document type.
- Post the invoice. Now the Invoice Enclosure is created.
- Print the Invoice Enclosure.
- In the ***Invoice Enclosures – EU Taxes Analysis*** page the possibility to **Send Invoice Enclosure** has been added. It is only possible to Send Invoice Enclosure when Invoice Enclosure is printed.
- New fields **Reporting Sent**, **Reporting Status** and **Reporting Error Message** have been added in the ***Invoice Enclosures – EU Taxes Analysis*** page to check if reporting is sent or any error occurred.



- New option **Sent** and new field **Document Type Code** is added to the Invoice Enclosure dialog.



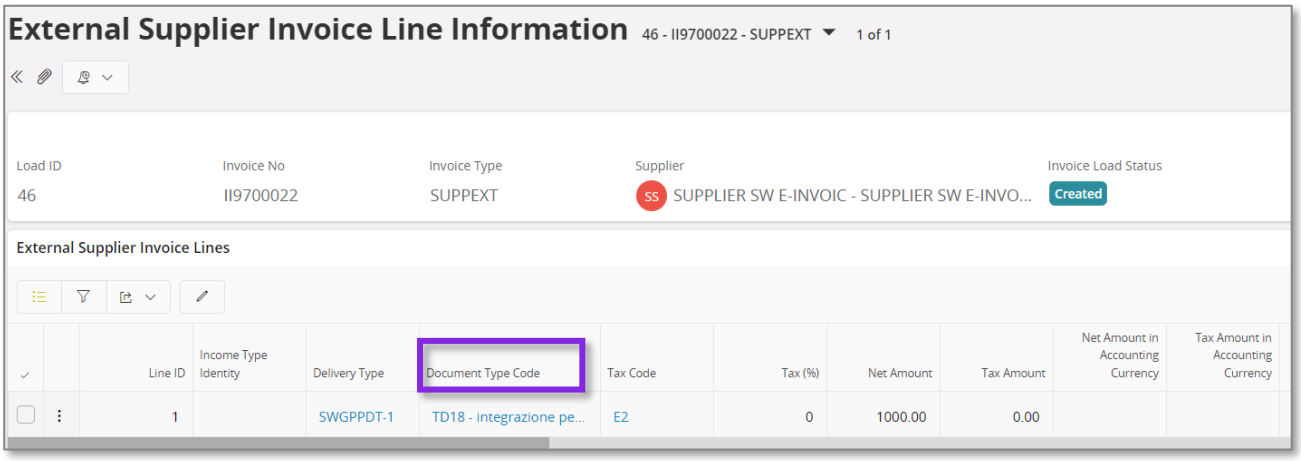
Same Routing Rule, Routing Address and same transformer as for sending of customer invoices will be used.

The following new validations have then been introduced:

- When posting manual supplier invoice validate connected Document Type Code. It is not allowed to use different Document Type Codes in the same invoice.
- When posting manual supplier invoice validate that invoice line with Document Type Code must have a Delivery Type connected.
- Block the possibility to use the Cancel functionality and Cancel and Create for Italian company when invoice contains delivery type connected to Document Type Code with calculated tax code and invoice enclosure is Sent.

9.16 External Supplier Invoice

Added functionality to fetch **Document Type Code** connected to a tax code when loading a supplier invoice. It is also possible to add the **Document Type Code** manually. The new filed is added in *External Supplier Invoice Line Information.*



9.17 Uploading response file

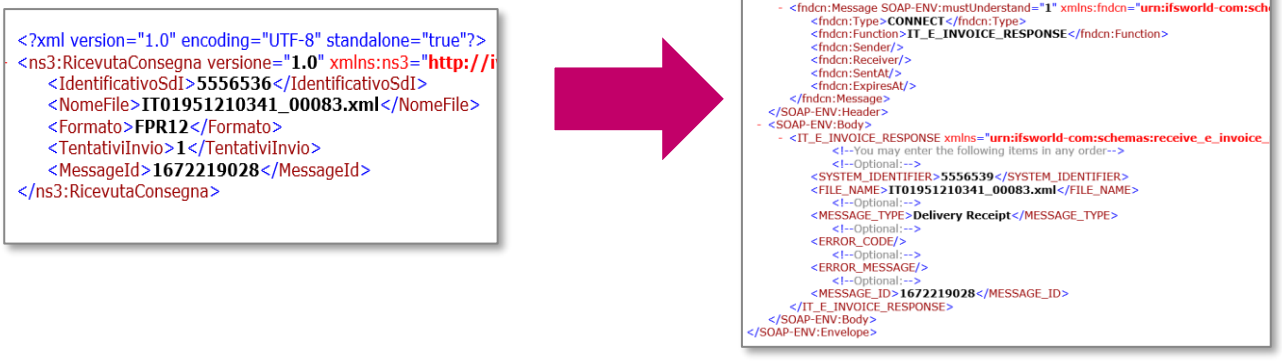
The same response handling will be used for both customer and supplier invoices.

9.17.1 PREREQUISITES

User IFSCONNECT with the company used should be defined in the ***Users per Company*** page.

9.17.2 TRANSFORM RESPONSE FILE

The response file received from SDI system is transformed to IFS format used for response for Italian E-invoice. The transformation is done by 3rd party software or XSL transformer (not included).



Transformed XML file is placed in incoming folder of IFS Connect by 3rd party service provider. From this folder it is automatically uploaded to IFS.

For customer invoices, the status of the response is set on the invoice and presented in the field **Response Status** in ***Sent Invoices*** page.

For supplier invoice enclosures, the status of the response is set on the invoice and presented in the field **Response Status** in ***Sent Invoice Enclosures*** page.

Possible values of **Response Status** are “Pending”, “Accepted” or “Rejected”. The value “Pending” is set automatically when XML file is created for the invoice.

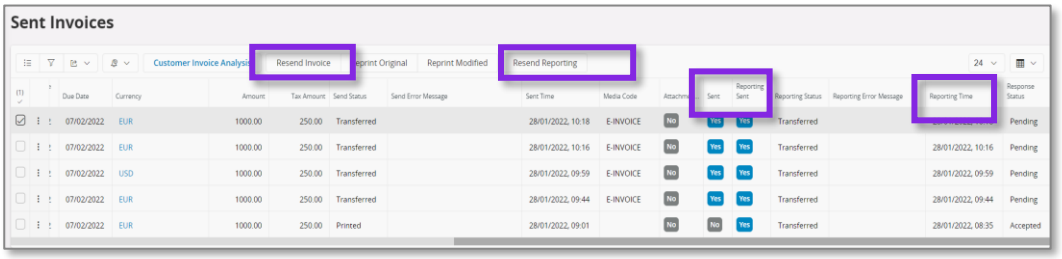
The value “Accepted” is set when response message “Delivery Receipt” is uploaded to IFS Cloud. It is the final version of the status which means that invoice is accepted by SDI system and can be forwarded to the customer or it is forwarded automatically by SDI.
The value “Rejected” is set when response message “Rejection Notice” is uploaded to IFS Cloud. In this case:

- Check the 3rd party product used for communication with SDI to find out what is the error message sent by SDI.
- Correct a data in the IFS Cloud and Generate an XML file once more for the given invoice. This is done by selecting the Resend option in either ***Sent Invoices*** page for customer invoices or ***Sent Invoice Enclosures*** page for supplier invoices.

9.18 Overview of Sent Invoices and error handling

9.18.1 SENT INVOICES

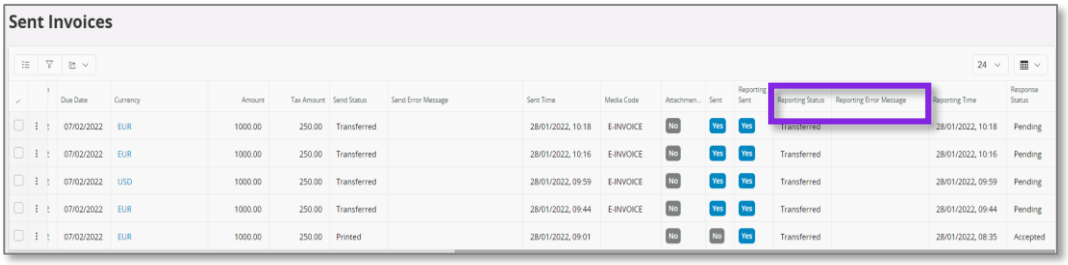
New option **Sent** will indicate if the invoice has been sent in case of using inter-site (EDI/MHS) flow or E-invoice flow (E-INVOICE) in parallel to sending Italian E-invoice to the Public Administration entity. New option **Reporting Sent** will indicate the Italian E-invoice has been sent and Reporting Status will be set to transferred. **Reporting Time** is showing sent date and sent time of Italian E-invoice.
The command **Resend Invoice** is for resending the inter-site flow (EDI/MHS) or E-invoice flow (E-INVOICE) and command **Resend Reporting** is for resending the Italian E-invoice to the Public Administration entity.



9.18.2 ERROR HANDLING CUSTOMER INVOICES

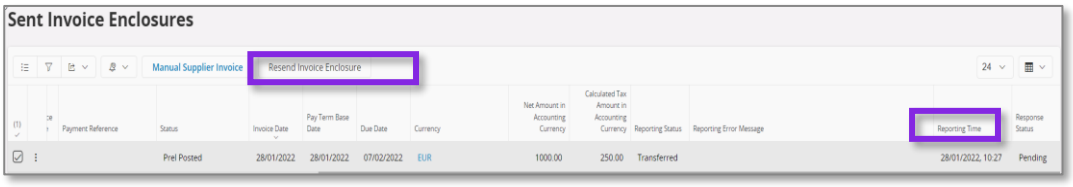
New field **Reporting Status** is indicating the reporting send status of the Italian E-invoice. When the invoice has not been sent due to error(s) in the send process Reporting Status will be set to Error. If there is any validation error occurred at the time of sending the Italian E-invoice will indicate in the ***Sent Invoices*** page under the new field **Reporting Error Message.** It will show the description of the error of schema validation. Previously validation errors relating to Italian E-

invoice have been handled in the ***Customer Invoices with Errors*** page. Now Error handling has separated due to the possibility of running inter-site (EDI/MHS) flow or E-invoice flow parallel to sending Italian E-invoice. Users can see invoice sent errors and Italian E-invoice errors separately.



9.18.3 SENT INVOICE ENCLOSURES

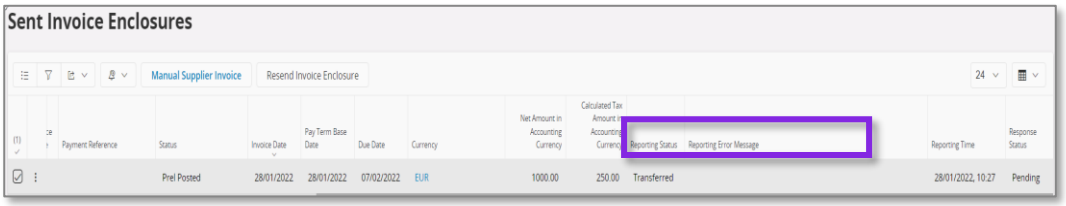
A new page ***Sent Invoice Enclosures*** has been added for the supplier to be able to see all the Invoice Enclosures sent. **Resend Invoice Enclosure** command is enabled to resend the invoice enclosure to SDI in FatturaPA format in case of errors. New field **Reporting Time** is showing sent date and sent time of invoice enclosure.



9.18.4 ERROR HANDLING SUPPLIER INVOICES

If there is any validation error occurred at the time of sending the invoice enclosure in FatturaPA will indicate in the ***Invoice Enclosures – EU Taxes Analysis*** page under the new field **Reporting Error Message**.

The field **Reporting Status** is indicating the status of the invoice enclosure sent to the SDI. When the invoice enclosure has not been sent due to error(s) in the send process **Reporting Status** will be set to Error. If there is any validation error occurred at the time of resending the invoice enclosure in FatturaPA will indicate in the ***Sent Invoice Enclosures*** page under the field **Reporting Error Message**.



9.19 Delimitations

The following delimitations exist when reporting Tax Withholding with tax method “Payment” in <ImportoPagamento> tag.

- Solution is only applied for invoices without Split Payment.
- Tax withholding code with tax method “Invoice Entry” cannot be specified on the invoice.
- Only single tax withholding code with tax method “Payment” can be specified on the invoice.

Not possible to send attachments with EDI/MHS Media Code setup.

10 Italian Payment Formats

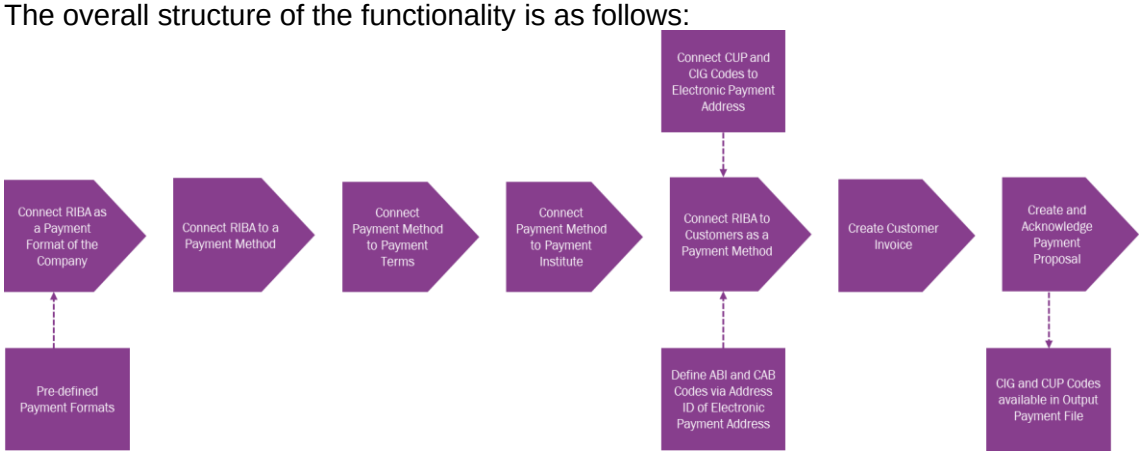
10.1 Payment format - RIBA

10.1.1 OVERVIEW LEGAL REQUIREMENT

It is a common business practice to use cashless payment methods in Italy. Payment cards are the most widely used form of payment. In terms of value, credit transfers are the dominant payment method. Italian domestic non-pre-authorized direct debit, RIBA, is an electronic collection instrument. It is classified as a non-pre-authorized direct debit, as the creditor requires the debtor's agreement to collect their receivables. RIBA is used by firms to collect trade and other credits.

10.1.2 PROCESS OVERVIEW

The overall structure of the functionality is as follows:



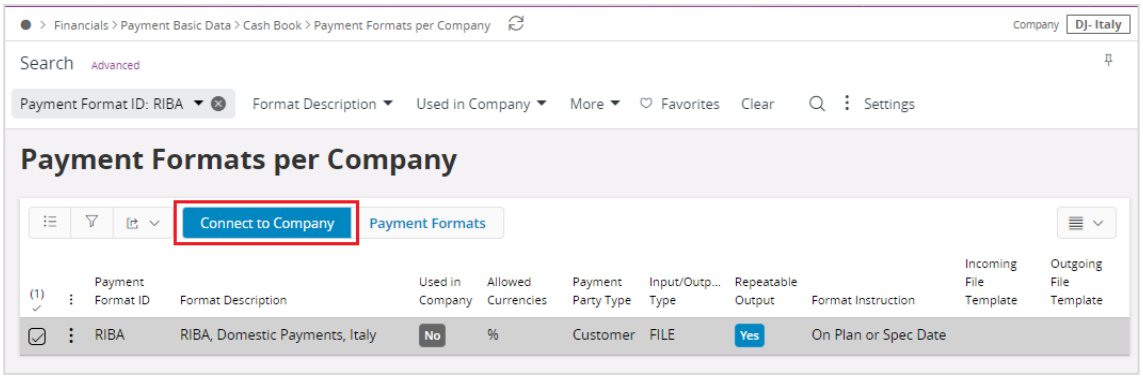
10.1.3 PREREQUISITES

The company must be set-up to use Italian localization, see the Company Set up chapter, and the "Italian Payment Formats" localization functionality must be enabled.

10.1.4 BASIC DATA

10.1.4.1 Enable Payment Format

Payment format RIBA is added to the *Payment Formats per Company* page. Search for RIBA payment format and select it. Then click on the **Connect to Company** command button to enable this payment format.



10.1.4.2 Create Payment Method

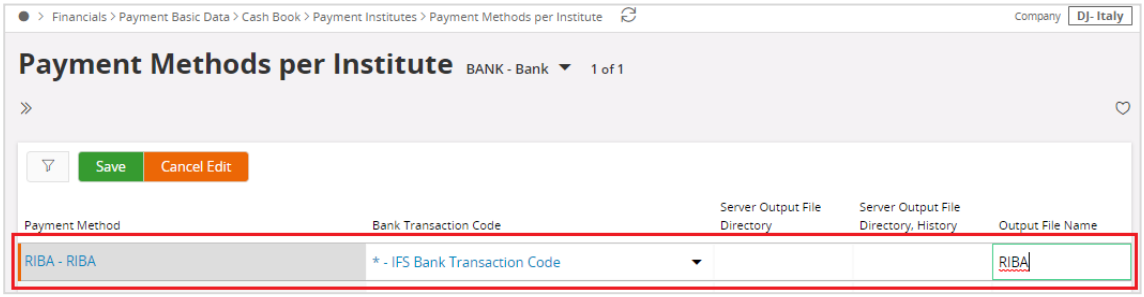
Create a payment method and connect above enabled payment format using standard processes, read more in IFS Cloud documentation.

10.1.4.3 Connect Payment Method

Once the payment method is created connect the payment method in following pages. This is IFS standard functionality and refer IFS Cloud Documentation for more information.

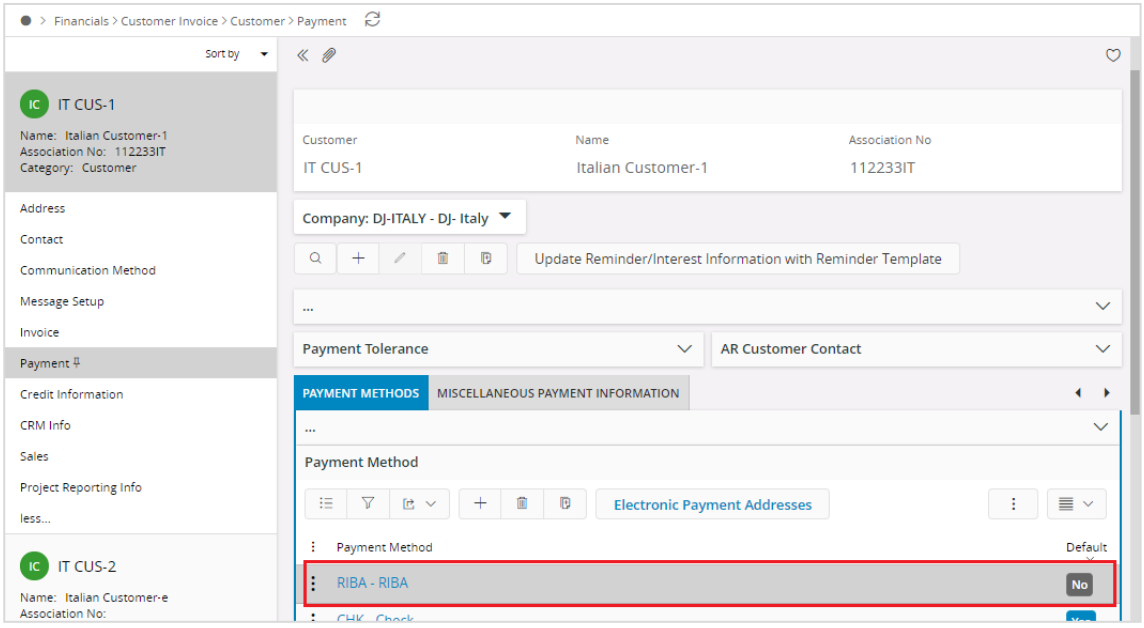
1. Payment methods per institute

Go to the *Payment Institutes* page and select the Payment institute which you want to connect the above created payment method. Then click on the command button **Payment Methods per Institute**. Connect the payment method to the payment institute via a new record.



2. Customer Payment Methods

Connected the payment method RIBA to customers from payment method sub tab on the *Customer/ Payment* page.

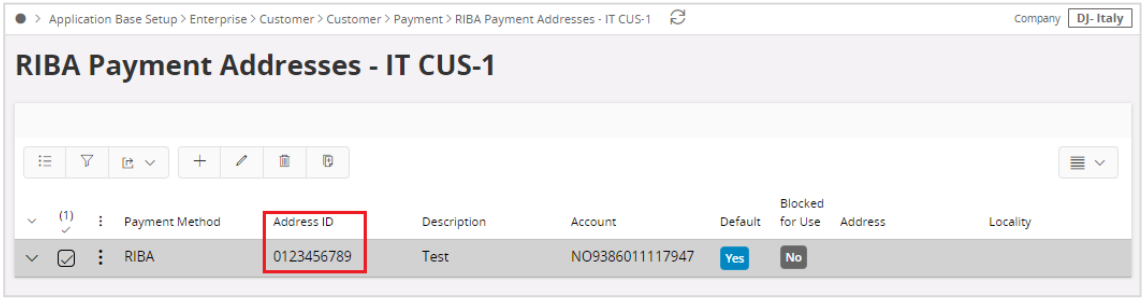


10.1.4.4 Define ABI and CAB Code

The ABI codes identify the bank and CAB codes identify the bank's branches. These two codes together represent the payment address identity. The payment address identity can be defined in the *electronic payment addresses* page via the Address ID column (first 5 digits denote ABI code and the last 5 digits denote CAB code). If used for one-time customer payments, then the payment address identity should be entered in customer's address ID field.

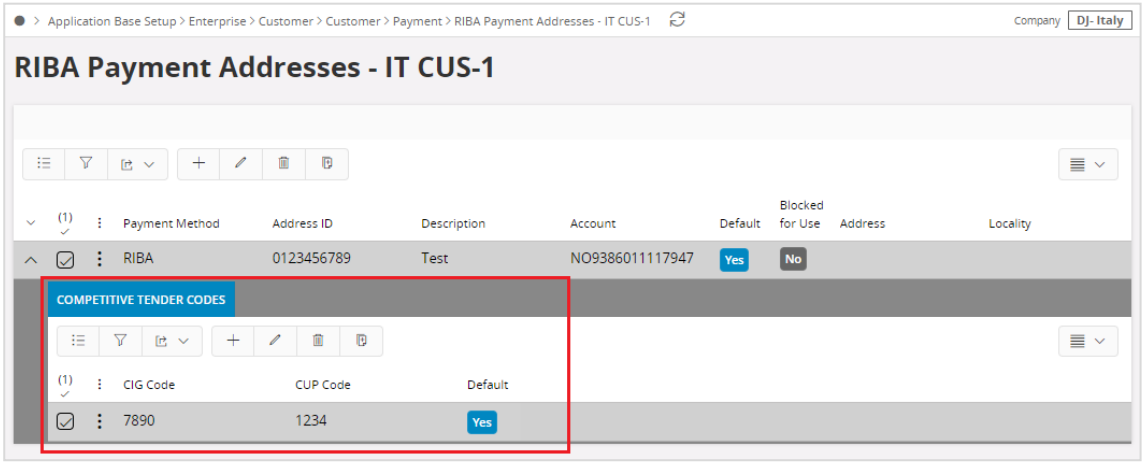
10.1.4.5 Connect ABI and CAB Code to Customer

On the *Customer/Payment/Payment Methods* tab select the RIBA payment method and click on the command button **Electronic Payment Addresses.** Then specify a new record setting up the ABI and CAB codes in the address ID coloumn as mentioned above and other necessary details.



10.1.4.6 Competitive Tender codes Per Payment Address

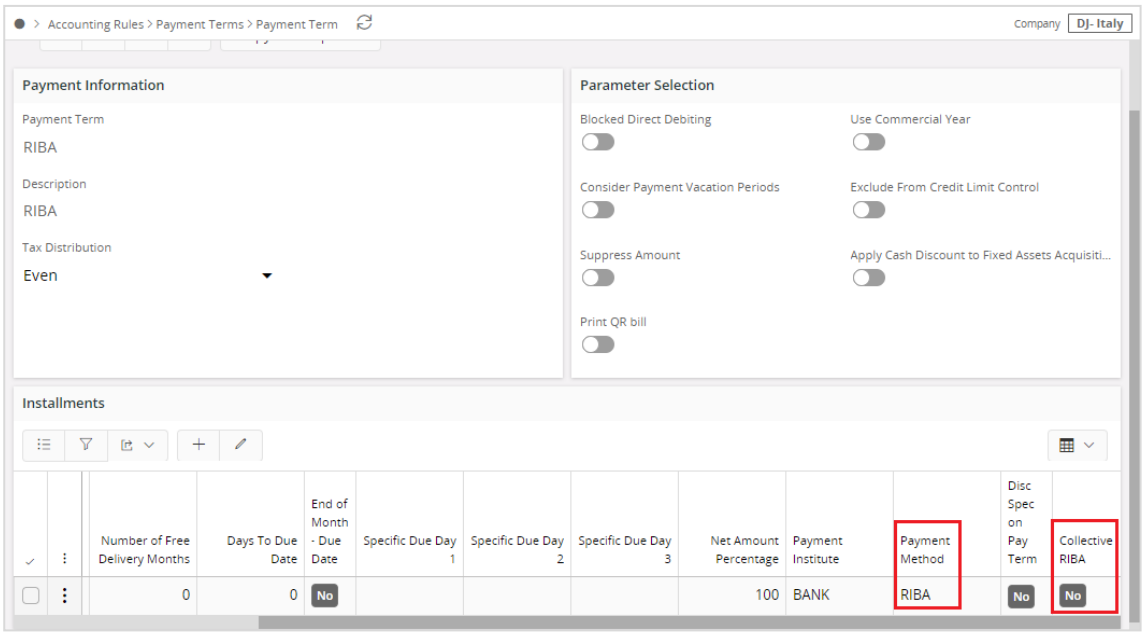
While on the *electronic payment addresses* page of the customer under RIBA payment method, select the address line defined in the above step and click on the downward arrowhead to enter the **Competitive Tender Codes** via the nested list. This nested list option is only enabled for payment methods related to RIBA payment format. Enter information such as CIG and CUP codes, which is provided by the government and save. A customer can be connected to several competitive tender codes.



10.1.4.7 Payment Terms

In the *Payment Term* page create a new payment term. Connect the payment method created above.

A new **Collective RIBA** toggle is added to the *Payment Term* Page. If this toggle is set to YES position, a single payment document will be created for invoice installments. If this is set to NO position, then separate payment documents will be created per invoice installment. This involves creating separate payment documents even for installments with the same due date and the customer.

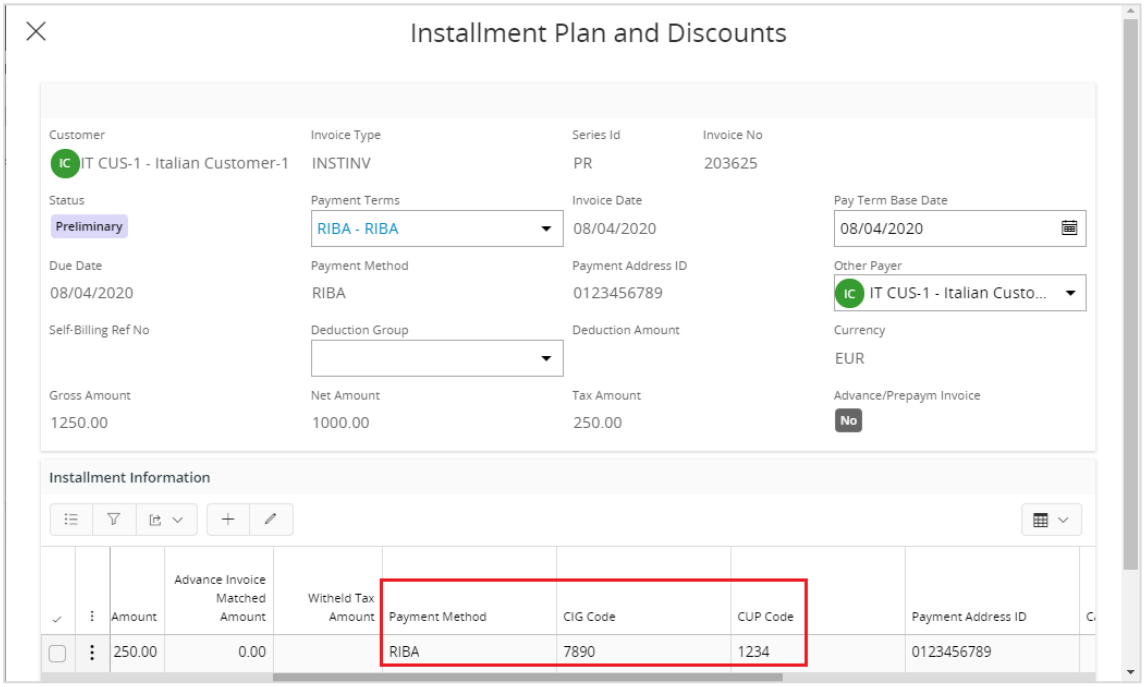


10.1.5 CREATE CUSTOMER PAYMENT

10.1.5.1 Create Customer invoice

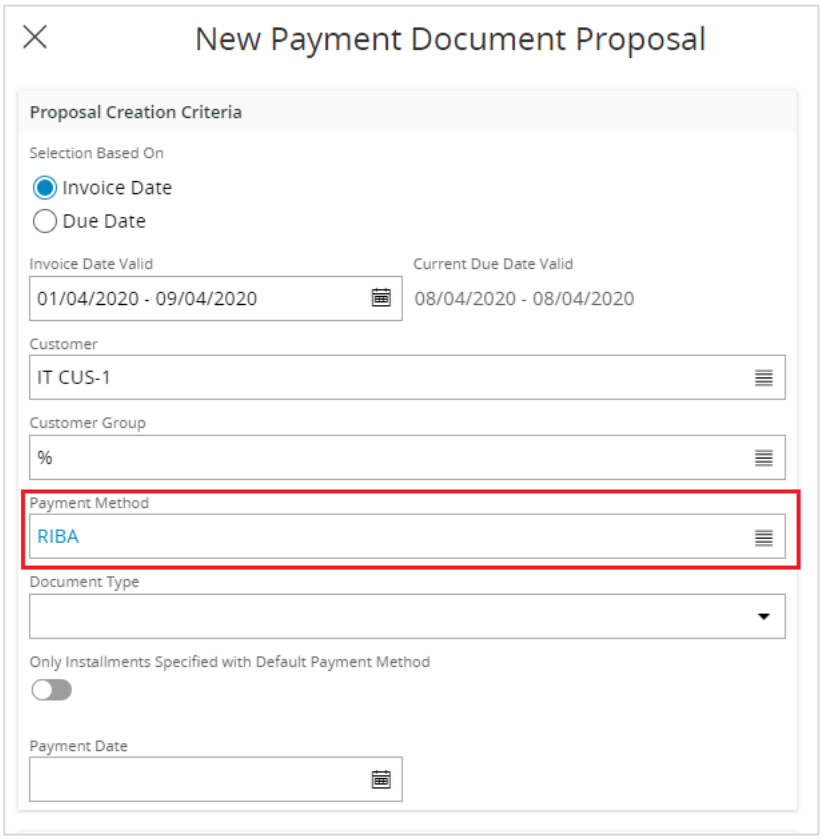
Create a customer invoice using standard functionality. Make sure to use a customer who uses payment method RIBA. Use payment term created above in the invoice.

Payment method and CIG CUP codes marked as default are fetched to the customer invoice installment. CIG CUP codes can be changed using the drop-down list in the *Installment Plan and Discounts modal assistant.*



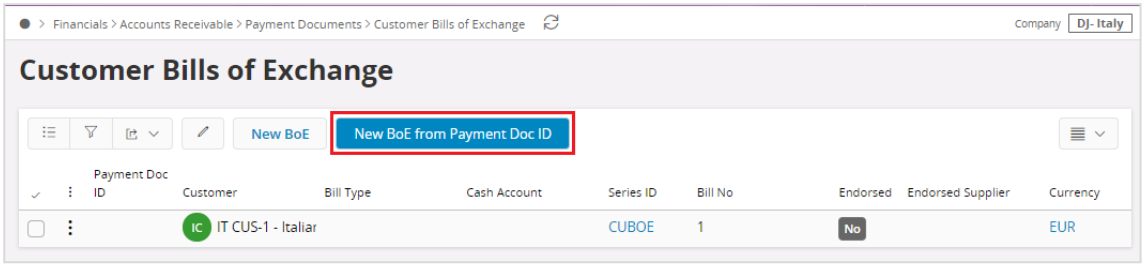
10.1.5.2 Create Payment Document Proposal

Create a payment document proposal using standard functionality. Use RIBA payment method when creating the proposal.



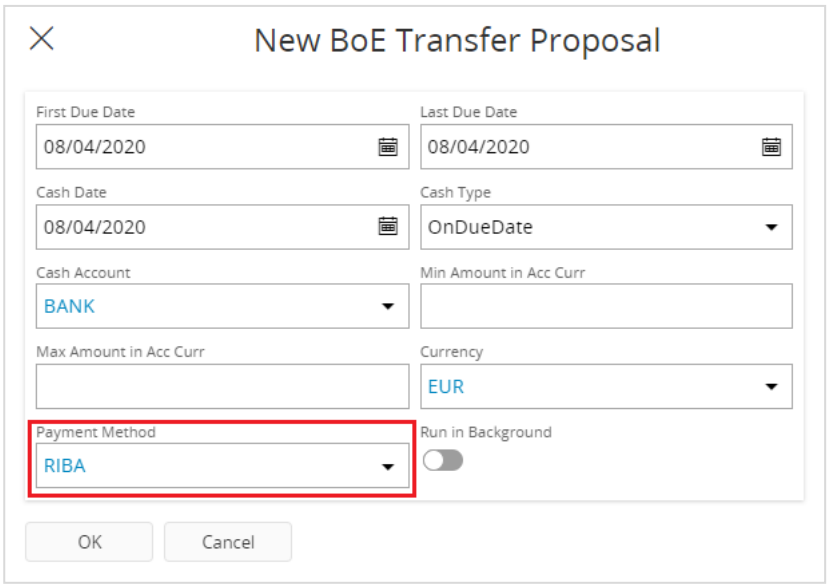
Acknowledge and print the proposal.

10.1.5.3 Create Customer Bill of Exchange using Payment Document Proposal



- In the *Customer Bills of Exchange* page click the command button **New BOE from Payment Document ID**.
- Select the above created payment document proposal and create the bill of exchange.

10.1.5.4 Create BOE Transfer Proposal



- Using standard functionality create the Customer BOE transfer proposal. Use RIBA payment method.
- **Acknowledge** the Customer BOE transfer proposal.
- Use the **New BoE Transfer File** command button in *Customer BoE Transfer Proposal* page and create the output file. Check the output folder.

10.1.5.5 Payment File

The output file will appear as below. CIG and CUP codes are fetched to the payment file.

```
IBBANK 530  08042008/04/2020 14:48:47                                                    E
140000001          08042030000000000125000-530  01   5605219     0123456789          BANK 4IT CUS-1            E
200000001DJ- ITALY
300000001ITALIAN CUSTOMER-1                                  IT-CUS-232388973
400000001NO: 123                      1542                   TEST
5000000019700008                              CIG7890 CUP1234                          00104715578
5100000010000000001DJ- ITALY
700000001
EFBANK 530  08042008/04/2020 14:48:47      000000100000000012500000000000000000000000009                    E
```

10.1.6 INSTALLMENT PLAN ON THE INVOICE

It is a requirement in Italy to print the installment plan on the invoice, with the Italian specific CIG and CUP codes.

When the “Italian Payment Format” parameter is enabled for the company, then the installment plan is always added to the RDF of the invoices listed below, even if the Installment Plan only contains one installment:

- Customer Order Invoice
- Customer Order Collective Invoice
- Instant Invoice
- Project Invoice
- Proforma Invoice
- Shipment Proforma Invoice

10.1.7 DELIMITATIONS

None.

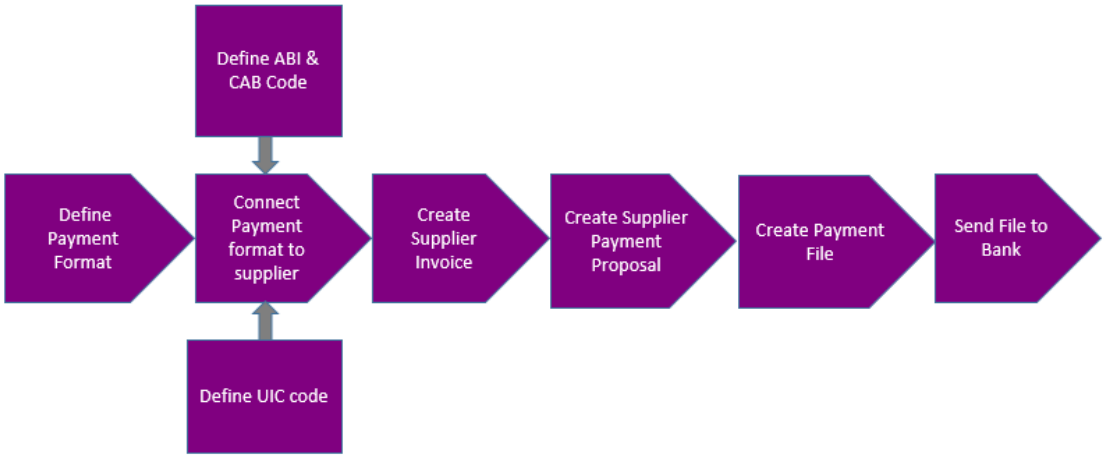
10.2 Payment Format - Bonifico Foreign

10.2.1 OVERVIEW LEGAL REQUIREMENT

The payment format BONIFICO FOREIGN (BON)is a common payment format in Italy to make bank transfers to foreign suppliers. The format contains all information required for the electronic files that has to be sent to Italian banks.

10.2.2 PROCESS OVERVIEW

The overall structure of the functionality is as follows:



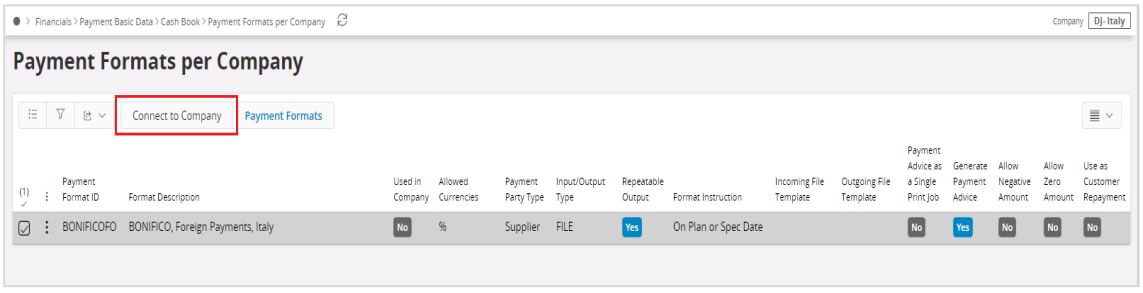
10.2.3 PREREQUISITES

The company must be set-up to use Italian localization, see the Company Set up chapter and the “Italian Payment Formats” localization functionality must be enabled.

10.2.4 BASIC DATA

10.2.4.1 Payment Formats Per Company

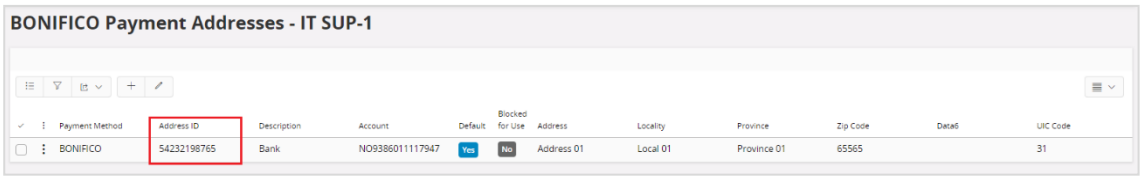
Payment format BONIFICO FOREIGN is added to the *Payment Formats per Company* page. Select the **Connect to Company** command button from the header to enable this payment format.



This format is fixed and contains all the information required for the electronic files to be sent to the Italian banks.

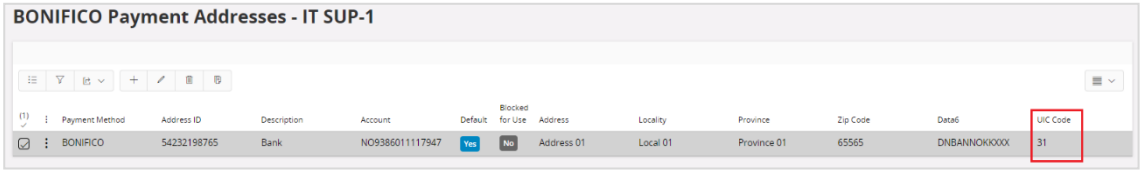
10.2.4.2 Define ABI and CAB codes

The ABI codes identify the bank and CAB codes identify the bank’s branches. These two codes together represent the payment address identity. The payment address identity can be defined in the *electronic payment addresses* page via the Address ID column (first 5 digits ABI code and the last 5 digits CAB code). If used for one-time supplier payments, then the payment address identity should be entered in supplier’s address ID field.



10.2.4.3 UIC COde

UIC Code is a number defined by the Italian Foreign Exchange Office (UIC- Ufficio Italiano dei Cambi), used to identify all countries with which Italian companies have trading activities. This information is predefined. The UIC code should be connected in the supplier electronic payment address, by selecting from the list of values.



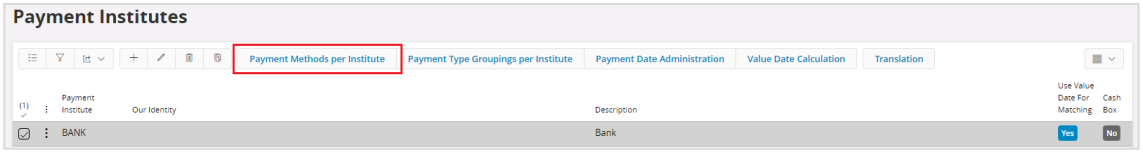
10.2.5 PAYMENT PROCESS

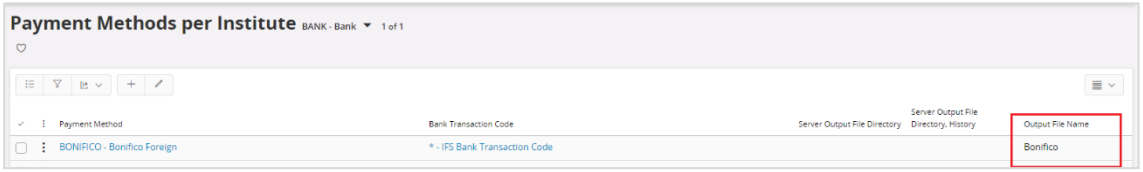
10.2.5.1 Payment Method

Create a payment method connecting the BONIFICOFO payment format. This is standard functionality, find more information in the IFS Cloud documentation.

10.2.5.2 Payment institute

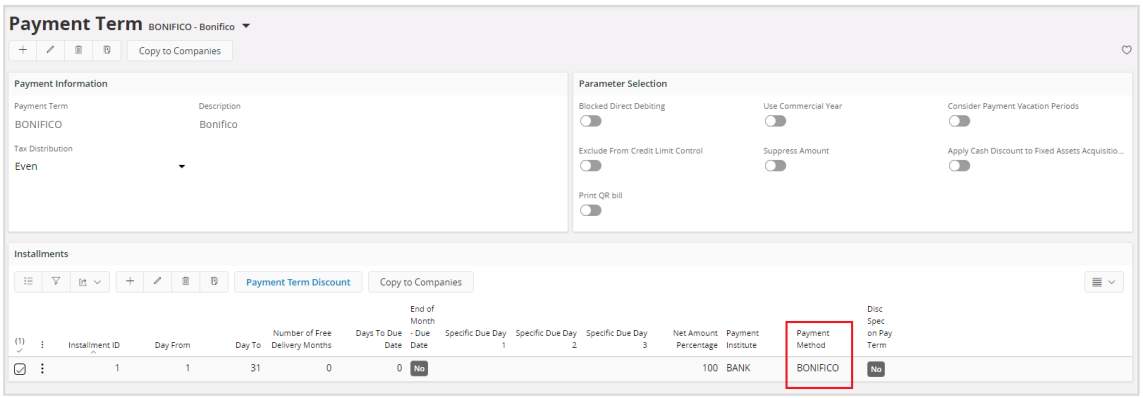
To connect payment method BONIFICO to the payment institute; go to *Payment Institutes* page select the relevant payment institute and click on the command button **Payment Methods per Institute** and create a new record with payment method BONIFICO. Once the method is connected you can specify the output file name if required. This is standard functionality, find more information in the IFS Cloud documentation.





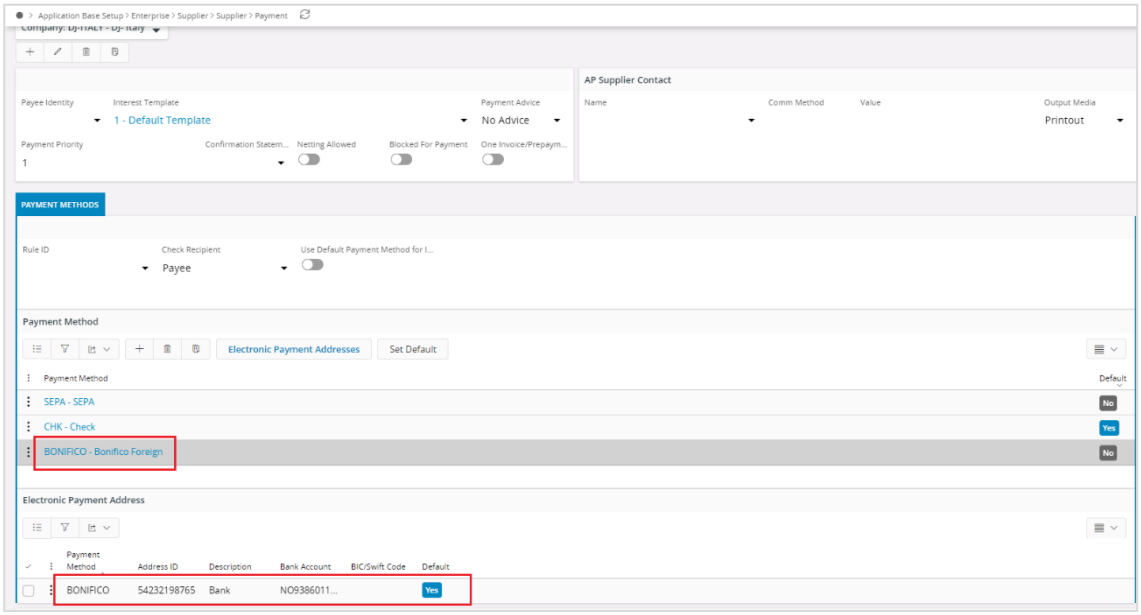
10.2.5.3 Payment Terms

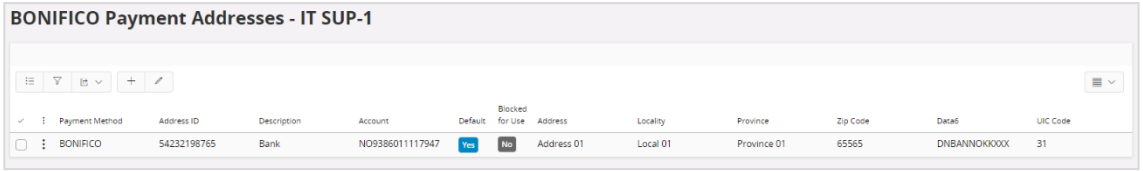
In the *Payment Term* page connect the payment method as shown below. This is useful if only one payment term is defined for BONIFOCO FOREIGN.



10.2.5.4 Supplier Electronic Payment Addresses

Connect BONIFICOFO payment method to the supplier on the *Supplier/Payment* page. Select BONIFICO payment method and click on the **Electronic Payment Addresses** command button and enter the correct information.





Enter the following:

- **Address ID -** This consists of the ABI and CAB codes. Need to be entered manually. The entered value would be split as ABI (first 5 digits) and CAB code (last 5 digits) automatically when above codes are required.
- **Description** - Name of the bank. Need to be entered manually.
- **Account Number -** This is a mandatory field and should contain the IBAN number of the bank of the supplier. The IBAN number is validated based on the country specific rules.

- **Address, Locality, Province and Zip Code –** These are optional data fields and can be added manually.
- **UIC Code** – A code that identifies the country of the supplier according to the UIC table and that should be inserted by using the drop-down list. This is mandatory to save the address.
- **Data 6 -** Enter the BIC code of the supplier's bank if used.

10.2.5.5 Cash Accounts

In the *Cash Accounts* page select the specific cash account needed and define:

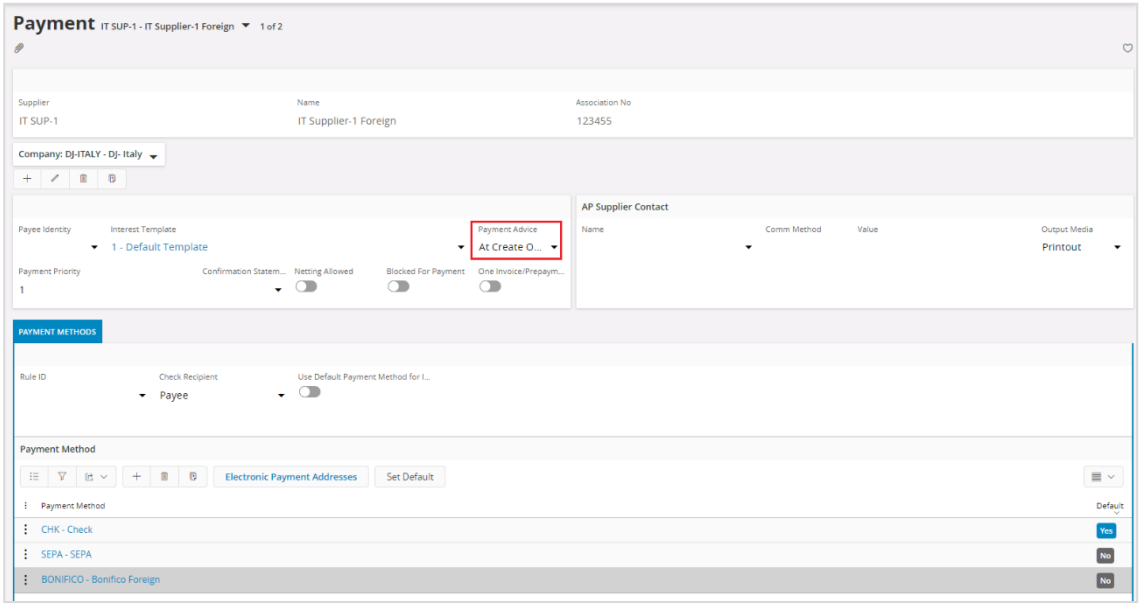
- **Account Number -** Company's IBAN Number
- **Institute Code -** ABI code of the bank
- **Office Code -** CAB code of the bank associated to the cash account

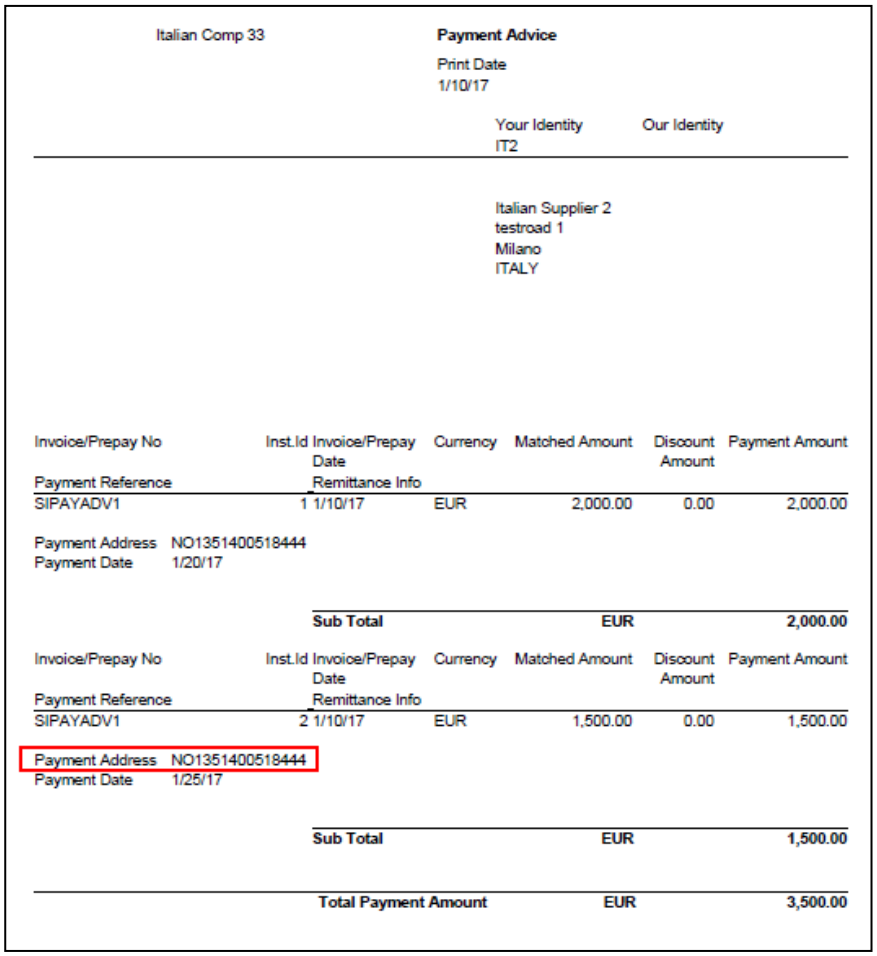
10.2.6 CREATE PAYMENT FILE

Use standard functionality for automatic supplier payment to extract the electronic file BONIFICO FOREIGN. The required information will be included in the payment file and stored in the location that you specify through the pop-up dialog that appears when the file is being generated. Then the file can be sent to the bank.

10.2.7 PAYMENT ADVICE

If the **Payment Advice** is selected for the supplier, the standard report will include the IBAN number from BONIFICO FOREIGN as Payment Address.





Italian Comp 33

Payment Advice

Print Date
1/10/17

Your Identity	Our Identity
IT2	

Italian Supplier 2
testroad 1
Milano
ITALY

Invoice/Prepay No	Inst.Id	Invoice/Prepay Date	Currency	Matched Amount	Discount Amount	Payment Amount
Payment Reference		Remittance Info				
SIPAYADV1	1	1/10/17	EUR	2,000.00	0.00	2,000.00

Payment Address NO1351400518444
Payment Date 1/20/17

Sub Total	**EUR**	**2,000.00**

Invoice/Prepay No	Inst.Id	Invoice/Prepay Date	Currency	Matched Amount	Discount Amount	Payment Amount
Payment Reference		Remittance Info				
SIPAYADV1	2	1/10/17	EUR	1,500.00	0.00	1,500.00

Payment Address NO1351400518444
Payment Date 1/25/17

Sub Total	**EUR**	**1,500.00**
Total Payment Amount	**EUR**	**3,500.00**

10.2.8 DELIMITATIONS

None.

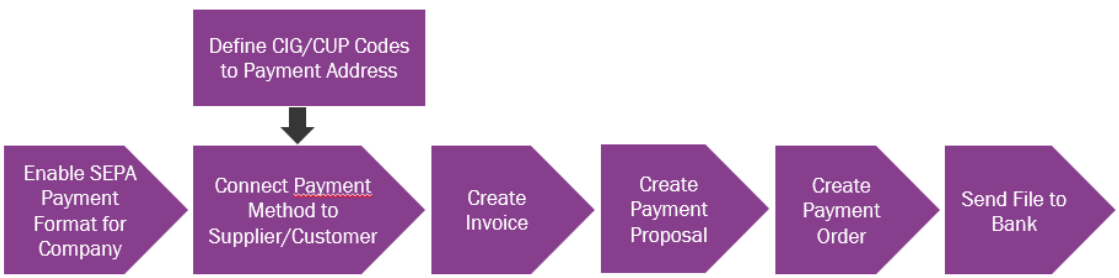
10.3 Payment Format - SEPA

10.3.1 OVERVIEW LEGAL REQUIREMENT

In Italy, the government issues CIG and CUP codes to identify contracts or assignments relating to public investments. These codes help the government to simplify the administrative activities and track the financial data of such public contracts, in an easy and effective manner.

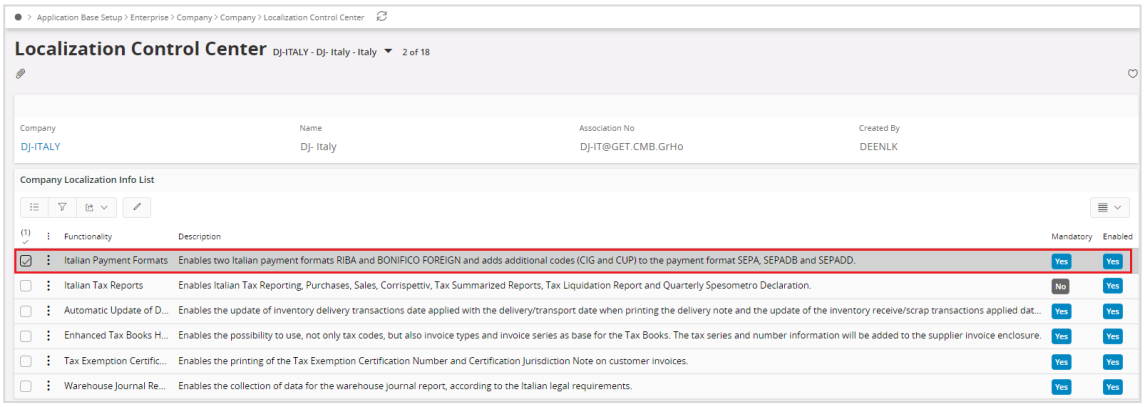
According to the Italian anti-mafia law all bank transfers/payment related to a public contract must contain information about the CIG and CUP codes assigned.

10.3.2 PROCESS OVERVIEW



10.3.3 PREREQUISITES

The company must be set-up to use Italian localization, see the Company Set up chapter, and the "Italian Payment Formats" localization functionality must be enabled.

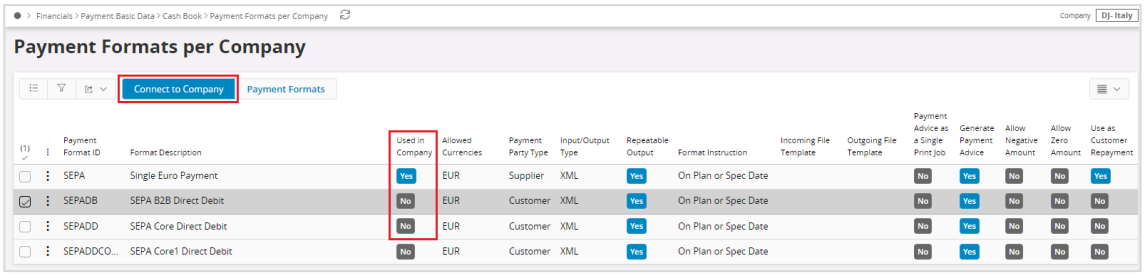


10.3.4 DEFINE BASIC DATA

- Enable SEPA, SEPADB, SEPADD payment format for the company
- Define payment method and connect it to the new payment format
- Define information in the tab *Mandate Specific Info* for SEPADB and SEPADD
- Connect the payment method to supplier/customer
- Add CIG/CUP codes to the *Electronic Payment Address* page for both Customer and Supplier

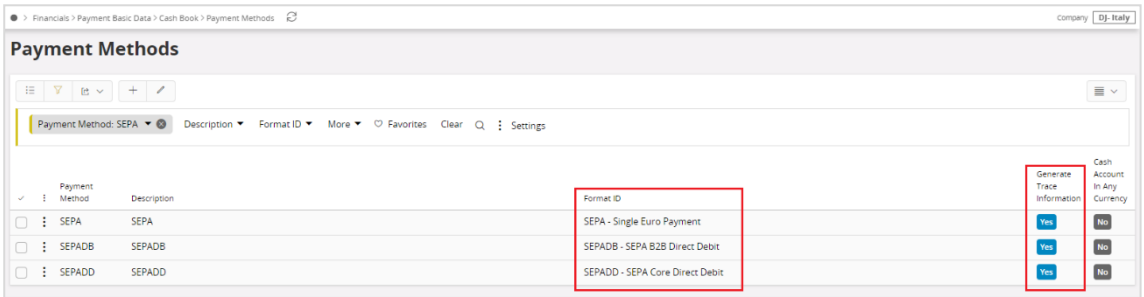
10.3.4.1 Enable SEPA, SEPADB, SEPADD payment format for the company

To utilize these payment formats, they need to be enabled for the company. This is done via *Payment Formats per Company* page by selecting the **Connect to Company** command button on each specific payment format ID.



10.3.4.2 Define Payment Method and Connect it to the New Payment Format

Define new payment methods connecting the methods to the payment formats SEPA, SEPADD and SEPADB via the drop-down list from the Format ID coloumn. Once you save the created method verify that **Generate Trace Information** toggle is set to "Yes" for the payment method.

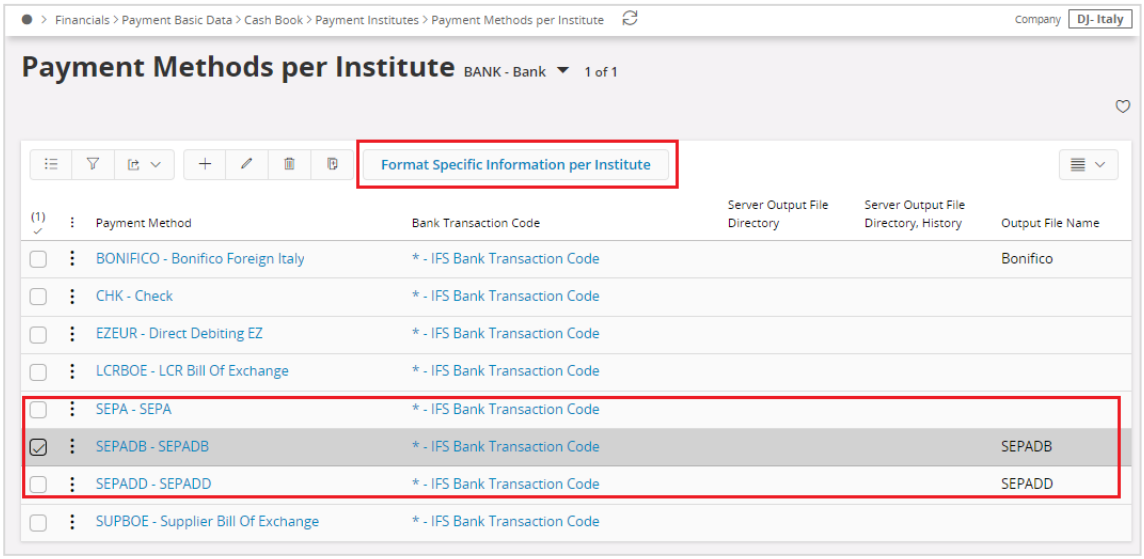


10.3.4.3 Define Information in the Mandate Specific Info for SEPADB and SEPADD

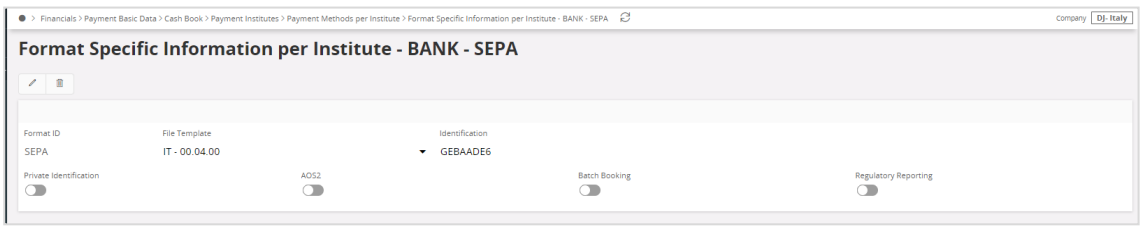
In the *Payment Formats per Company* page select the payment format and select the command button **Mandate Specific Details.** Define information on the *Mandate Specific Details* modal dialogue. This information is mandatory for SEPADB and SEPADD, but not applicable for SEPA.

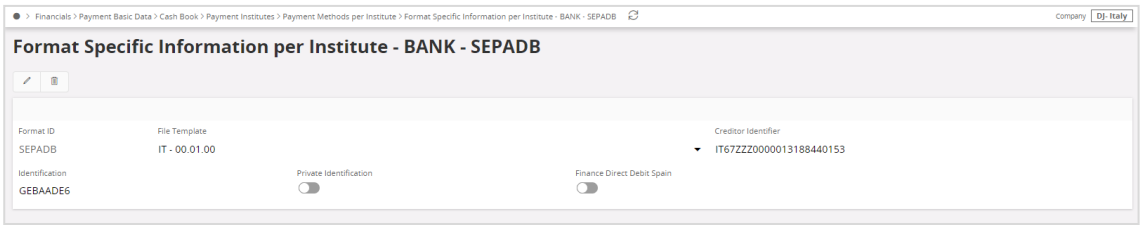
10.3.4.4 Connect Payment Methods to a Payment Institute

Go to *Payment Institutes* page and select an existing payment institute or create a new payment institute. Next select the selected payment institute and click on the command button **Payment Methods per Institute**. Add the payment methods SEPA, SEPADD and SEPADB to the **Payment Methods per Institute** page.

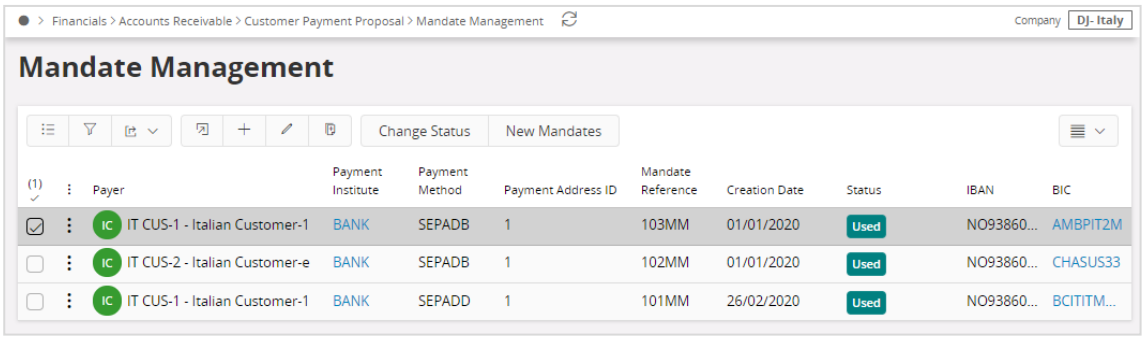


In the *Payment Methods per Institute* page select the payment method and click on the command button **Format Specific Information per Institute** to define Payment format and file template. Use the drop-down list of values. For SEPADB and SEPADD, **Creditor Identifier** needs to be entered as well.



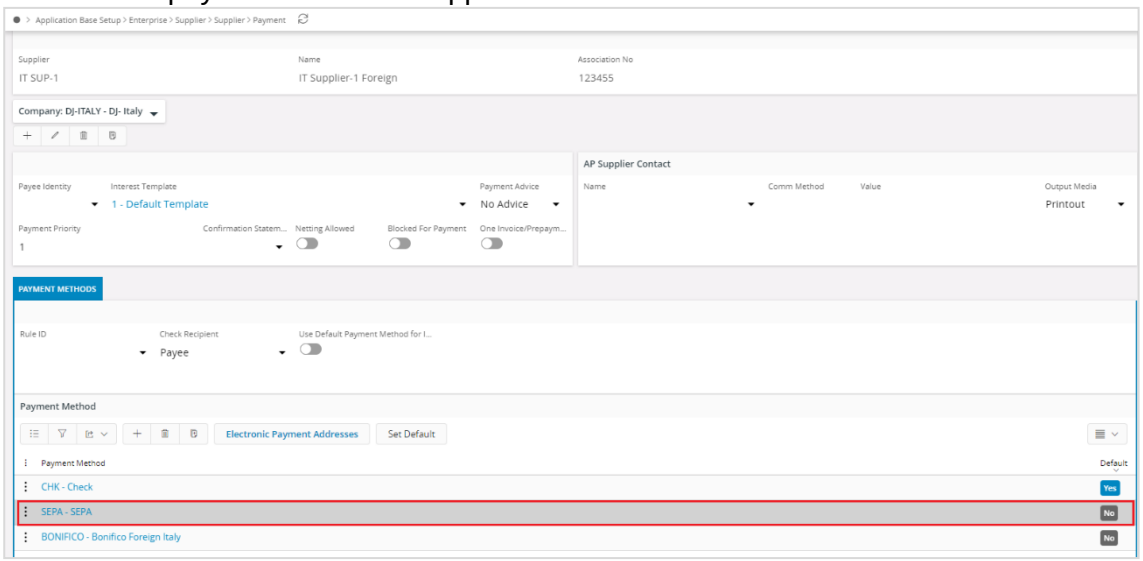


Define the correct Payment Methods for customers in the *Mandate Management* page. Note that the information in the **Mandate Reference** column would the same when connecting payment methods to customers. Enter the specific IBAN code for the customer. Select the specific BIC code from list of values. Using the **Change Status** command button change the status of the mandate to Used state.
This process is the same for SEPADB and SEPADD.



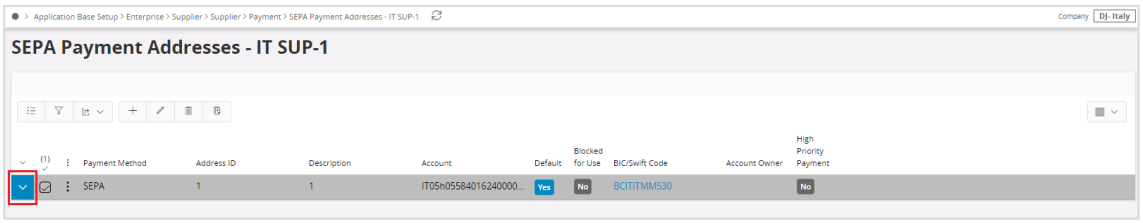
10.3.4.5 Connect the Payment Method to Supplier/Customer

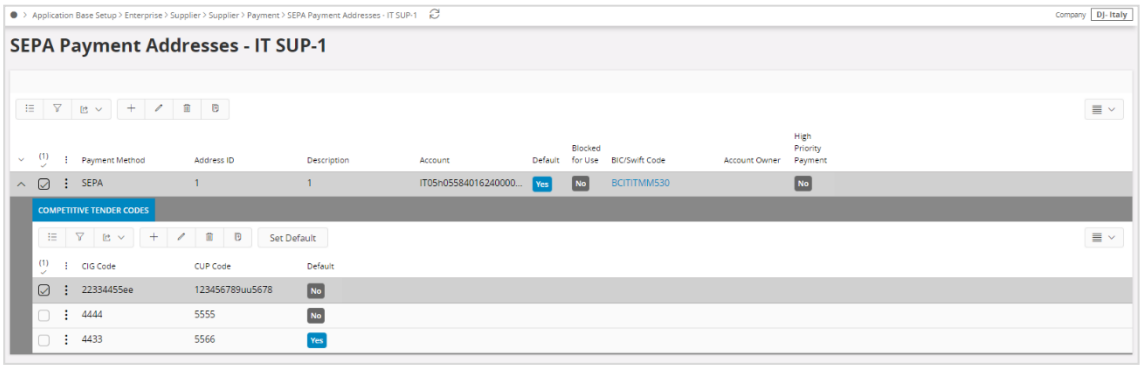
Connect the payment format to Supplier/Customer



10.3.4.6 Add CIG/CUP Codes to the Electronic Payment Address page

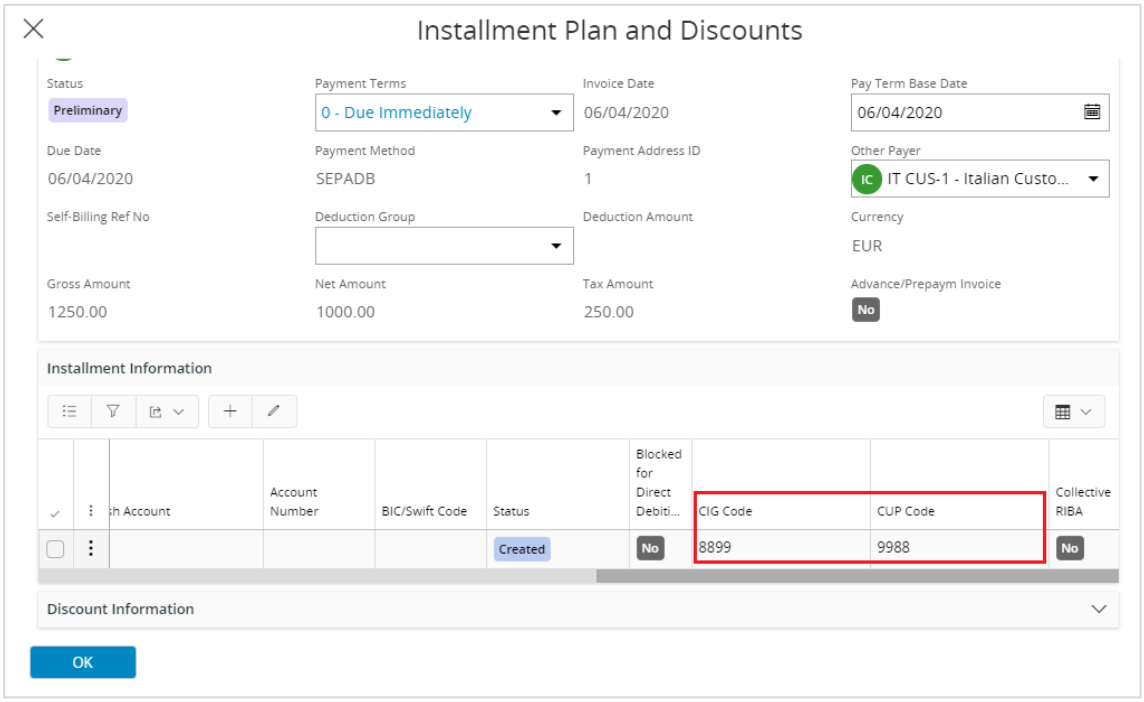
In the *Electronic Payment Addresses* page enter the bank address data and BIC/Swift code. After entering the bank address and the BIC/SWIFT code click on the drop-down arrow and expand the nested list to add the CIG and CUP codes.





It is now possible to specify CIG/CUP codes on supplier/customer installments for payment methods connected to payment formats SEPA, SEPADB, SEPADD. CIG/CUP codes are editable for SEPA payment formats in the Customer/Supplier Installment Plan in the *Manual Customer Invoice* page and in the *Installment Plan and Discounts* modal assistant opened from the Manual *Supplier Invoice and Instant Invoice* page.

The default CIG/CUP codes from electronic payment address are set automatically on installments of customer order invoice, instant invoice and manual supplier invoice. This is done when payment method connected to SEPA/SEPADD/SEPADB formats is defined on payment term details. This is the same function as for BONIFICO and RIBA payment formats.



10.3.5 CHANGES TO CUSTOMER INVOICES

When creating one of the following invoices, the system fetches the CIG/CUP codes from the payment address to invoice installment plan and discount as default.

- Instant Customer Invoice
- Recurring Instant Invoice
- Correction Instant Customer Invoice
- Manual Customer Invoice
- Advance Customer Order Debit Invoice
- Advance Customer Order Credit Invoice
- Prepayment Based Debit Invoice
- Prepayment Based Credit Invoice
- Customer Order Correction Invoice
- Customer Order Collective Correction Invoice
- Rebate Invoice
- Project Correction Invoice
- Project Credit Invoice
- Customer Order Invoice, Debit
- Customer Order Invoice, Credit
- Customer Order Collective Invoice, Debit
- Customer Order Collective Invoice, Credit
- Project Invoice
- Customer Order Self-Billing Invoice, Debit
- Customer Order Self-Billing Invoice, Credit
- External Customer Invoice
- Customer Difference Item
- Interest Customer Invoice

10.3.6 SEPA PAYMENT

Connect the payment method SEPA to suppliers on the *Supplier/Payment* page. Select the payment method SEPA and click on the command button **Electronic Payment Addresses** to open the *SEPA Payment Addresses* page.

1. Create a supplier invoice and save.
2. Go to *Installment Plan and Discounts*, enter payment method with SEPA format and enter CIG/CUP code on the installment. If the “Use Default Payment Method for Installments” is enabled on the supplier, the CIG/CUP codes are automatically added. Authorize installment for payment.
3. Generate payment proposal with supplier invoice included and acknowledge it.
4. Create payment order. Use payment method, payment institute, cash account created earlier. Go to the out folder and verify XML file created. Look for <Ustrd> tag and see whether invoice number and CIG/CUP codes are correct.

10.3.7 SEPADB/SEPADD

The process is the same for SEPADB and SEPADD.

1. Create a customer invoice and save.
2. Go to installment, enter payment method created earlier and enter CIG/CUP code on installment. If the “Use Default Payment Method for Installments” is enabled on the customer, the CIG/CUP codes are automatically added.
3. Generate customer payment proposal with customer invoice included with and acknowledge it.
4. Create direct debiting payment order. Use payment method, payment institute, cash account created earlier. Go to the out folder and verify XML file. Look for <Ustrd> tag and see whether invoice number and CIG/CUP codes are correct.

10.3.8 INSTALLMENT PLAN ON THE INVOICE

It is a requirement in Italy to print the installment plan on the invoice, with the Italian specific CIG and CUP codes.

When the “Italian Payment Format” parameter is enabled for the company, then the installment plan is always added to the RDF of the invoices listed below, even if the Installment Plan only contains one installment:

- Customer Order Invoice
- Customer Order Collective Invoice
- Instant Invoice
- Project Invoice
- Proforma Invoice
- Shipment Proforma Invoice

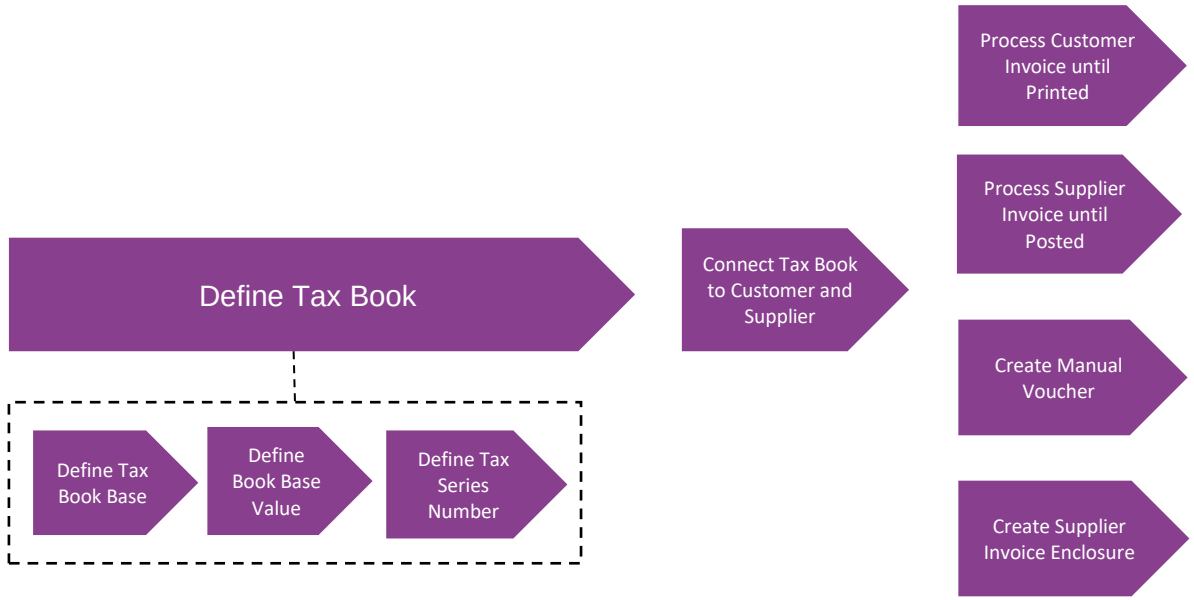
10.3.9 DELIMITATIONS

- CIG/CUP codes are not applied to customer order.
- CIG/CUP codes are not applied to project.

11 Enhanced Tax Books Handling Using Invoice Type and Series

11.1 Overview Legal Requirement

The Italian tax authorities requires tax transactions to be numbered with a tax series number series per invoice ID when reporting tax. This number must be progressive according to the tax liability date. Supplier invoice enclosure is a legal requirement in Italy and the EU. The printout of supplier invoice enclosure needs to include tax series id and tax series no.



11.2 Process Overview

The tax books and tax series numbers are used in the following reports:

- Sales Tax Book
- Purchase Tax Book
- Corrispettivi
- Tax Summarized Report
- Quarterly VAT Liquidation and
- Spesometro Declaration

11.3 Prerequisites

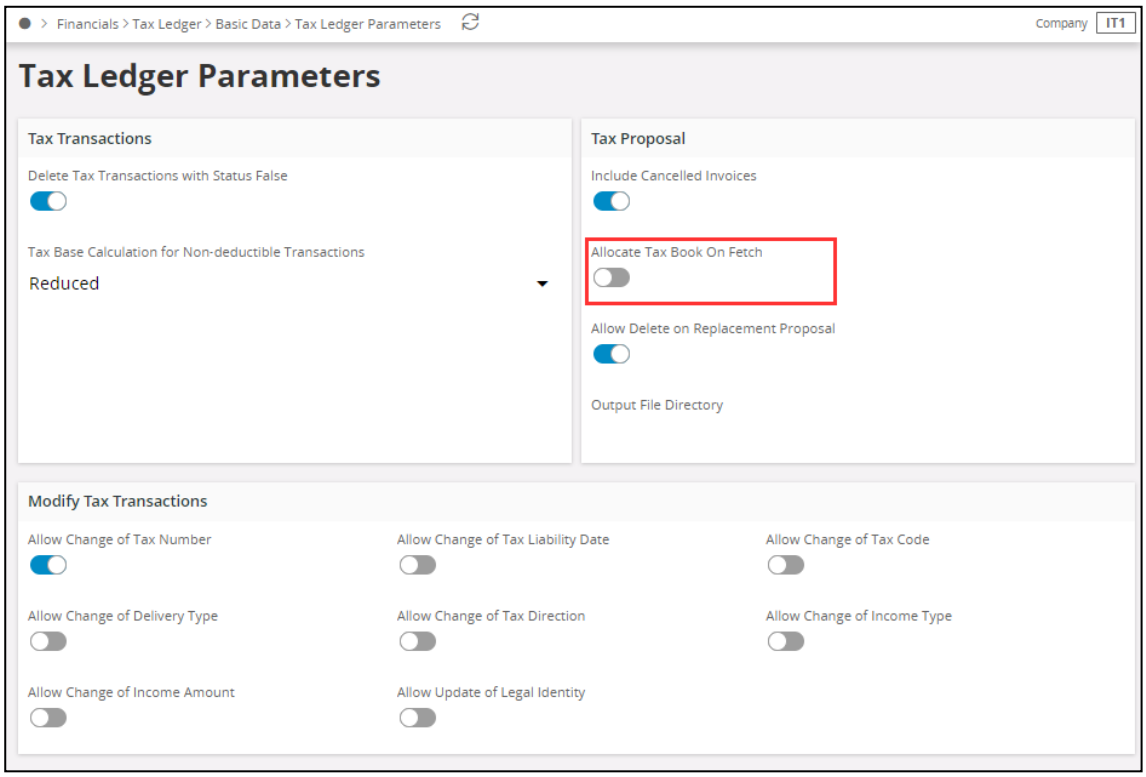
The company must be set-up to use Italian localization, see the Company Set-Up chapter. The localization functionality “Enhanced Tax Books Handling Using Invoice Type and Series” must be enabled.

11.4 Allocate Tax Book on Fetch

The *Allocate Tax Book On Fetch* parameter in the *Financials/Tax Ledger/Basic Data/**Tax Ledger Parameters*** page defines when tax numbering is fetched to the transaction.

- When it is not selected, tax numbering is done in the moments of the posting of the supplier invoice or at the printout of customer invoice or at the posting of payments or manual vouchers.
- When it is selected, the numbering takes place during a fetch of tax ledger information.

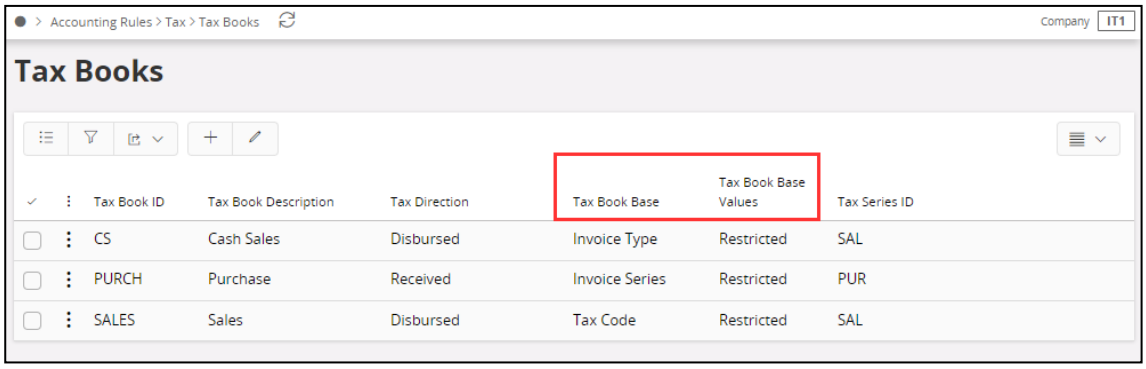
The *Allocate Tax Book On Fetch* is by default not selected for the Italian localization.



11.5 Define Tax Book

Create new tax books in the *Tax Books* page. Two new columns are added:

- **Book Base** – This is a control type to determine what tax transactions goes into the specific tax book. The following options are available:
  - "Invoice Type". This means that only the tax transactions of the selected invoice types will be updated with tax number.
  - "Tax Code". This means that only the selected tax code will be updated with tax number.
  - "Invoice Series". This means that only the tax transactions of the selected invoice series will be updated with tax number.
- **Book Base Value** – The following available options are:
  - "All". This means that all values for tax codes or invoice types will be updated with tax number.
  - "Restricted". This means that only defined values for either tax codes or invoice types will be updated with tax number.



Note:

- It is recommended to use “Invoice Series” as the book base for tax books connected to invoices and “Tax Code” as the book base for payments.
- It is recommended to use different set of tax codes for Payments and different set of tax codes for Invoices.
- The same tax code can be used in invoices as well as in payments.
- Using the same tax code in Payments and Invoices could create conflict in tax reports. Therefore, use separate tax codes payment and invoice transactions.
  See the example below:

Tax Book	Book Base	Tax Code Per Book	Invoice Series Per Book
Payment	Tax Code	T1;T2	
Sales	Invoice Series		II;CI;CD
Purchase	Invoice Series		SI;SX

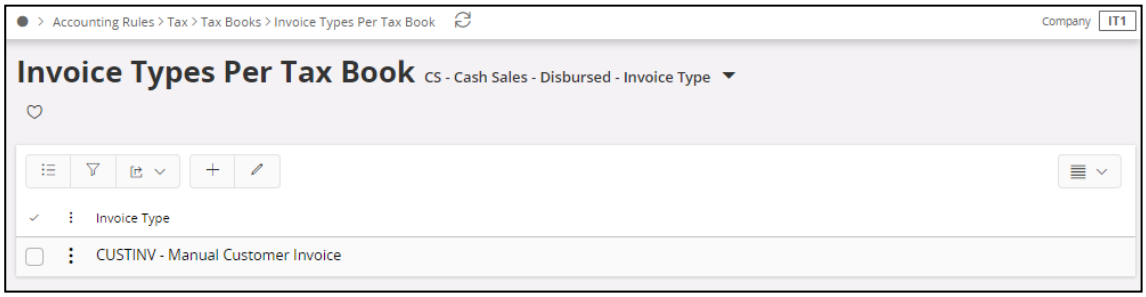
11.5.1 TAX BOOK BASE

When “Tax Code” is selected as book base, you must define the tax codes that should be included for this tax book.

Select the tax book with *Tax Book Base* “Tax Code” and click on the command *Tax Code Per Tax Book* to enter the restricted tax codes.

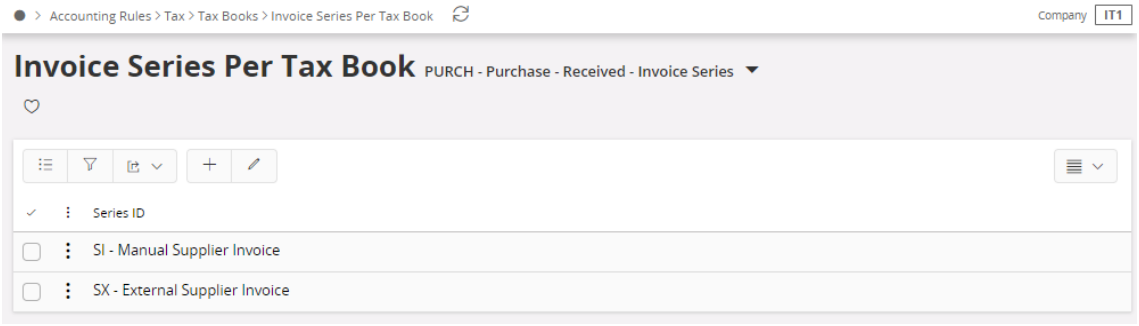
For “Invoice Type” selected as book base, you must define the invoice types that should be included for this tax book.

Select the tax book with *Tax Book Base* “Invoice Types” and click on the command *Invoice Types Per Tax Book* to enter the restricted Invoice Types.



For “Invoice Series” selected as book base, you must define the invoice series that should be included for this tax book.

Select the tax book with *Tax Book Base* “Invoice Series” and click on the command *Invoice Series Per Tax Book* to enter the restricted Invoice Series.

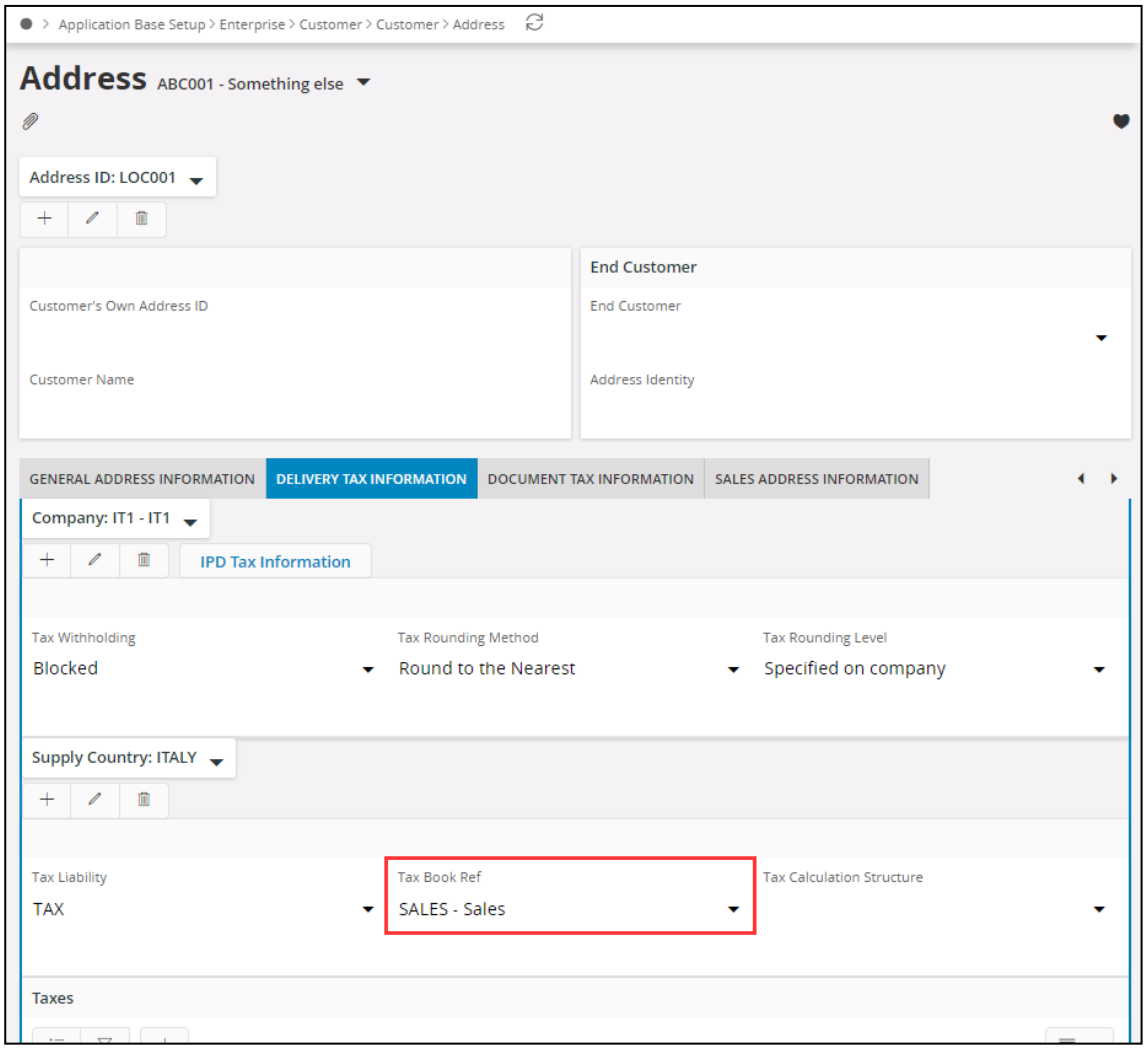


11.5.2 TAX SERIES ID AND TAX SERIES NUMBER

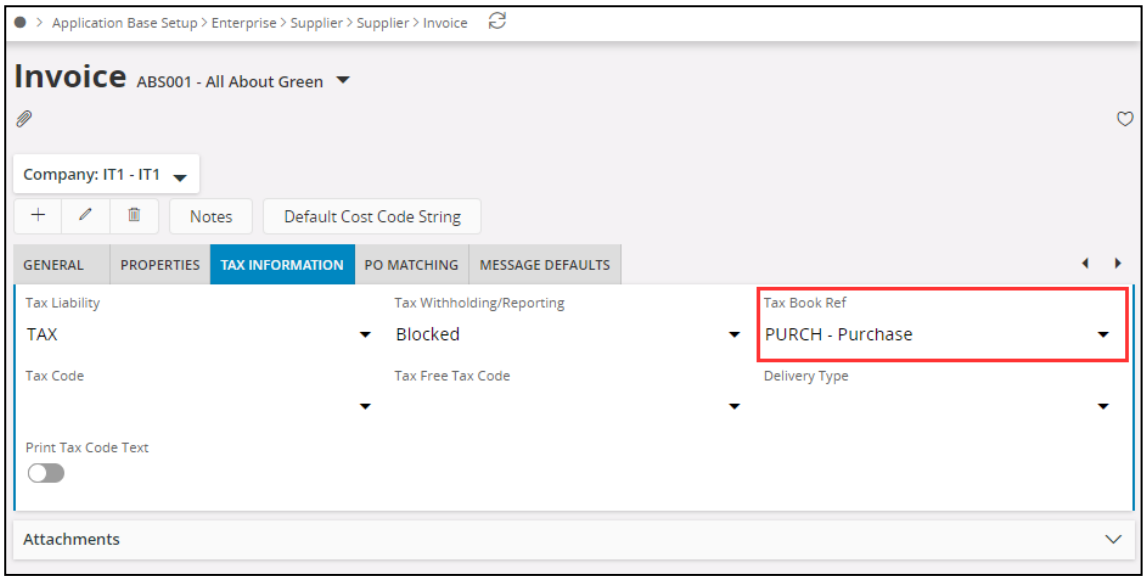
Create a new **Tax Series ID** in the *Tax Series* page for each tax book and add a **Tax Series Number** for each id. (Applications standard process)

11.5.3 CONNECT TAX BOOK TO CUSTOMER AND SUPPLIER

After the tax books are defined, connect them respectively to the customer and supplier.
For the **Tax Book Ref** field on the *Customer/Address/Delivery Tax Information* tab. List of values provides all the tax books with the Disbursed set for **Tax Direction.**

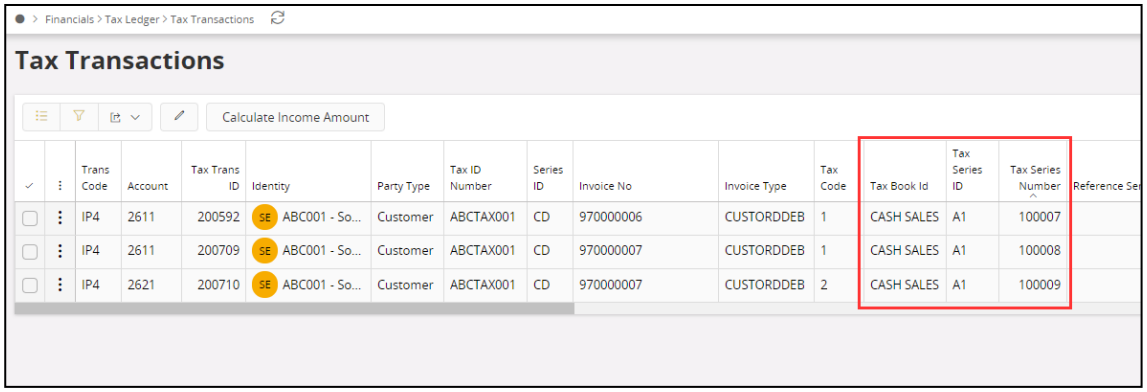


For the **Tax Book Ref** field on the *Supplier/Invoice/Tax Information* tab, List of values provides all the tax books with the Received set for **Tax Direction**.



11.6 Process Customer Invoice With Tax Number

Create a customer invoice, read more in IFS Cloud Documentation. When a customer invoice is printed (customer order invoices and instant invoices), the tax book information is fetched and stored on the invoice. Tax book ID, tax series ID and tax series number are updated to the tax transaction when updating the voucher to general ledger. This information is available in the *Tax Transaction* page and when creating Italian tax reports. Use the table view settings to enable the tax books columns.

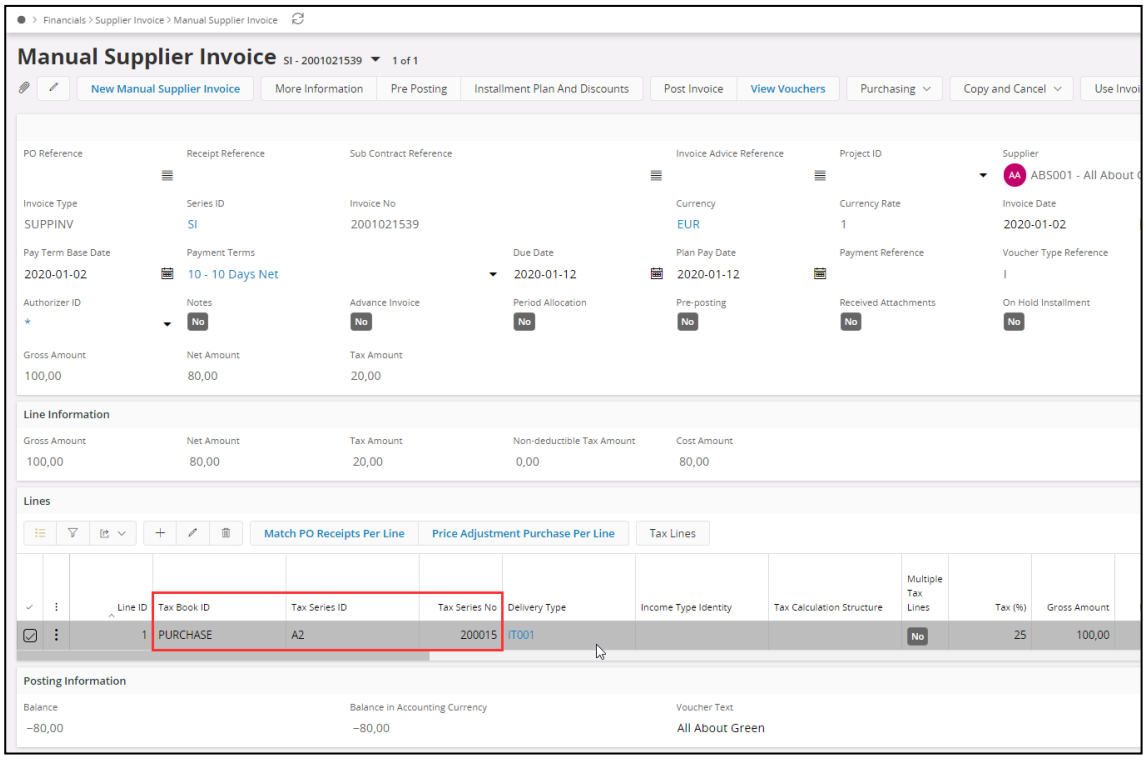


Trans Code	Account	Tax Trans ID	Identity	Party Type	Tax ID Number	Series ID	Invoice No	Invoice Type	Tax Code	Tax Book Id	Tax Series ID	Tax Series Number
IP4	2611	200592	SE ABC001 - So...	Customer	ABCTAX001	CD	970000006	CUSTORDDEB	1	CASH SALES	A1	100007
IP4	2611	200709	SE ABC001 - So...	Customer	ABCTAX001	CD	970000007	CUSTORDDEB	1	CASH SALES	A1	100008
IP4	2621	200710	SE ABC001 - So...	Customer	ABCTAX001	CD	970000007	CUSTORDDEB	2	CASH SALES	A1	100009

Note:
If the invoice lines contain tax codes that are attached to different tax books, an error message will be prompted when the invoice is printed. In case of the split payment invoices, there will be one tax book for VAT postings and another one for withholding tax postings (as withholding tax is used to reverse VAT in split payment). The general rule is that only one combination of tax book ID, tax series ID and tax series number per tax direction is allowed for the invoice.

11.7 Process supplier invoice with Tax numbering

Create a supplier invoice, read more in IFS Cloud Documentation. When the supplier invoice is posted, the tax book information is fetched and Tax Book ID, Tax Series ID and Tax Series Number are updated on the supplier invoice line.



Tax book ID, tax series ID and tax series number are updated to the tax transaction when updating the voucher to general ledger. This information is available in the *Tax Transaction* page and when creating Italian tax reports.

Note:
When there is no reference to a tax book on the *Customer/Address/Delivery Tax Information/Supply Country* or *Supplier/Invoice/Tax Information* tabs, an error message will be displayed.

If there is a conflict between tax books, i.e. the tax code as a book base is included in one tax book and the invoice type or invoice series as a book base is included in another which is connected to the customer, then the system reaches for the tax book for which the tax code is selected as a book base regardless the connection between the customer and the tax book. (The tax book connected with the customer may not be the same as the tax book with the tax code as a book base).

If no tax series id or tax series number is defined for a tax book, and these fields are left blank and an error message will be displayed.

If the invoice lines contain tax codes that are attached to different tax books, an error message will be prompted when the invoice is posted. The general rule is that only one combination of tax book ID, tax series ID and tax series number per tax direction is allowed for the invoice.

11.8 Payment Voucher

Create a payment transaction including a tax code, read more in IFS Cloud Documentation. When a payment voucher is updated to general ledger, tax book ID, tax series ID and tax series number are updated to the tax transaction. This information is available when creating Italian tax reports.

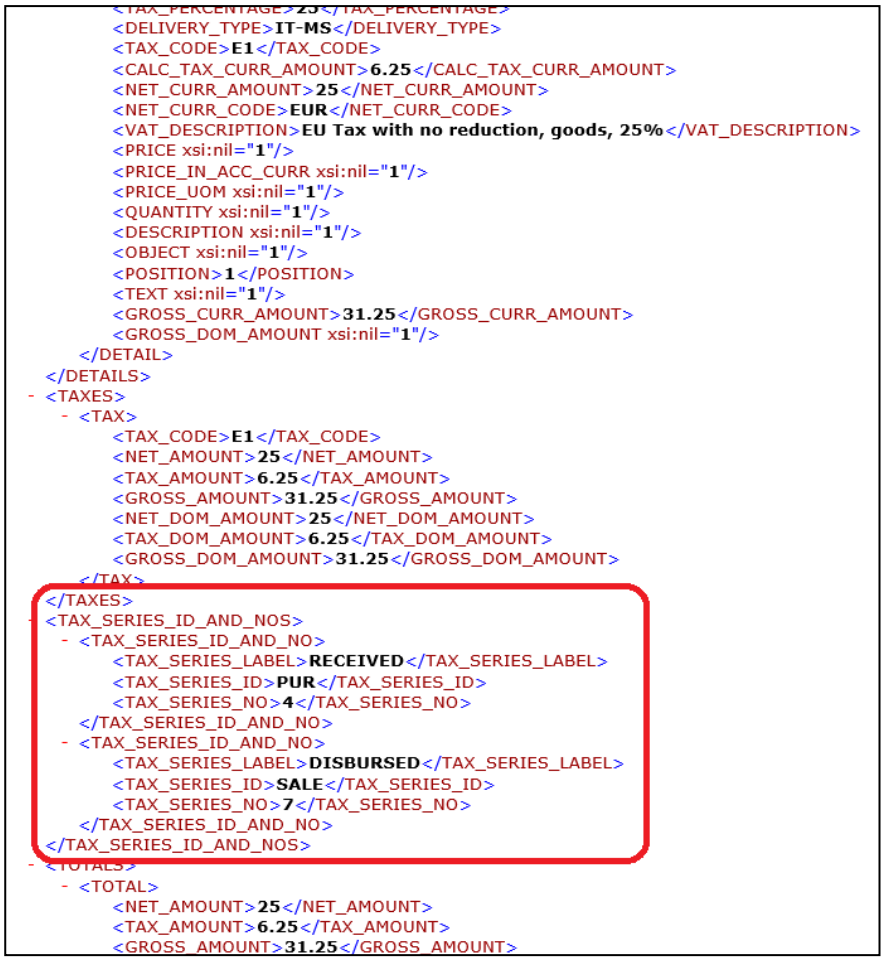
11.9 Manual Voucher

Create a manual voucher including a tax code, read more in IFS Cloud Documentation. When the manual voucher is updated to general ledger, tax book ID, tax series ID and tax series number are updated to the tax transaction. This information is available when creating Italian tax reports.

11.10 Supplier Invoice Enclosure

Tax series id and tax series number for both the disbursed and received tax direction is included in the **Invoice Enclosure – EU Taxes** report. See the IFS Cloud Documentation for how to print the report.

The values are presented in the RDF-file and it looks like this:



11.11 Delimitations

Enhanced Tax Book Handling Using Invoice Types and Series is not designed to work with Tax Books Structures.

12 Italian Tax Reports

12.1 Purchase Tax Book , Sales Tax Book , Corrispettivi & Tax Summarized Report

12.1.1 OVERVIEW LEGAL REQUIREMENT

Italian companies are obliged to provide a number of VAT reports to the tax authorities. There are several different VAT reports that must be printed and supplied by the company, for example:

- Purchase Tax Book: To monthly report VAT transactions related to purchases
- Sales Tax Book: To monthly report VAT transactions related to sales.
- Corrispettivi (Cash Book Register): To monthly report VAT transactions not related to sales/customer invoices, e.g. sales to employees or for the companies that work on the retail.
- Tax Summarized Report: To monthly report a summary of data from several tax books.

The Italian tax authorities requires tax transactions that are included in the reports to be numbered with a tax series number series per invoice ID when reporting tax. This number must be progressive according to the tax liability date. Read more about this in the Tax Book Tax Numbering chapter.

12.1.2 PROCESS OVERVIEW

12.1.3 PREREQUISITES

The company must be set-up to use Italian localization, see the Company Set up chapter, and the "Enhanced Tax Books Handling Using Invoice Type and Series" and "Italian Tax Reports" localization parameters must be enabled.

Tax books, tax series and tax number series must be defined as described in chapter "Enhanced Tax Books Handling Using Invoice Type and Series".

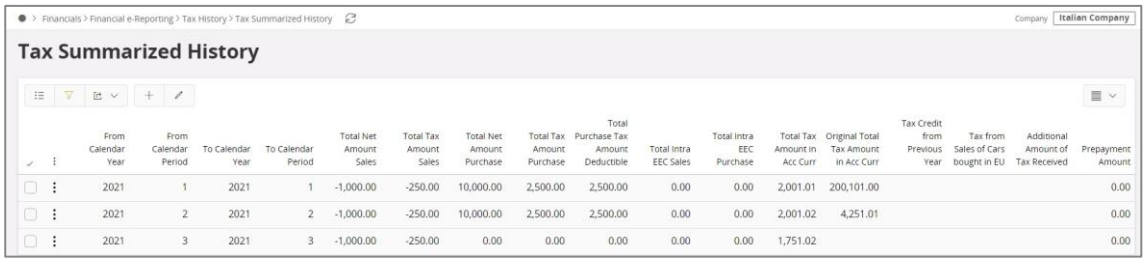
12.1.4 DEFINE TAX REPORT BASIC DATA

In order to create Italian Tax Reports, following basic data is required.

1. Define opening balance in *Tax Summarized History* page.
2. Define *Tax Reports*
3. Connect Tax Books to Tax Reports

12.1.4.1 Define Opening Balance In Tax Summarized History

The page *Tax Summarized History* contains, per calendar period, summarized tax information and this information is used by the "*Quarterly Tax Liquidation Report*". Enter the initial open balances manually before printing the report for the first time. If needed for the "Quarterly Tax Liquidation" report, opening balances for the last quarter should be added.

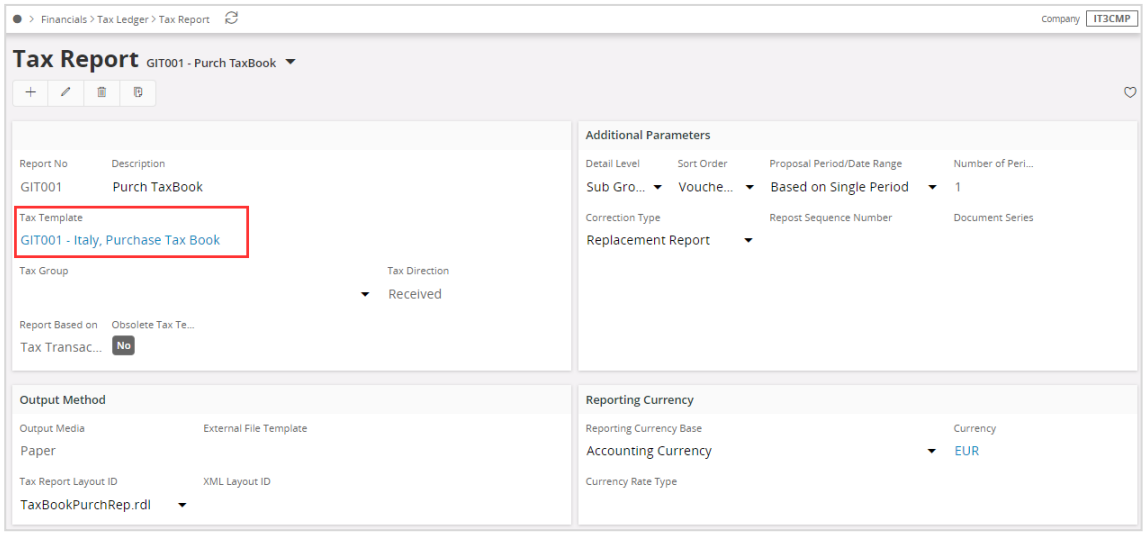


12.1.4.2 Define Tax Reports

Four tax templates have been defined for the Italian tax reporting. The reports are created from the *Tax Reports* page and following tax templates are available:

- GIT001-Italy, Purchase Tax Book
- GIT002-Italy, Sales Tax Book
- GIT003-Italy, Corrispettivi Tax Book
- GIT004-Italy, Tax Summarized Report

Select the appropriate Tax Template for the Tax Reports.

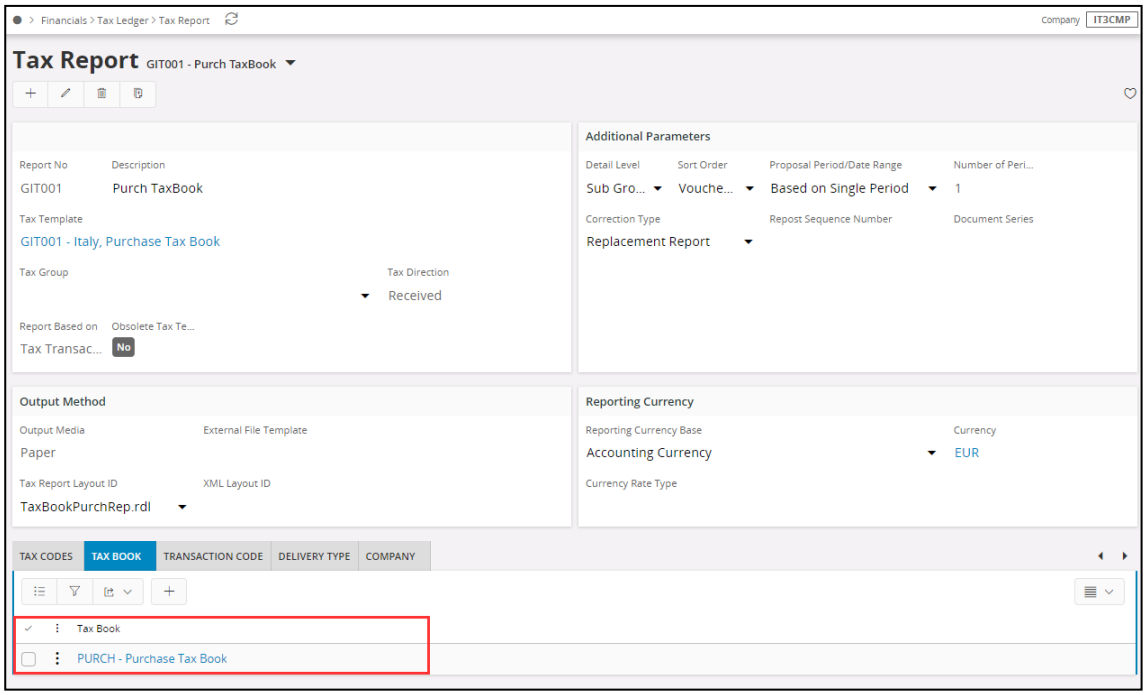


Tax Reports can be defined based on accounting periods or based on dates

- If you want to define tax report based on single accounting period, select “Based on Single Period” in the **Proposal Period/Date Range** field.
- If you want to define tax report based on one or more accounting periods, select “Based on Periods” in the **Proposal Period/Date Range** field.
- If you want to define tax report based on dates, select “Based on Dates” in the **Proposal Period/Date Range** field.

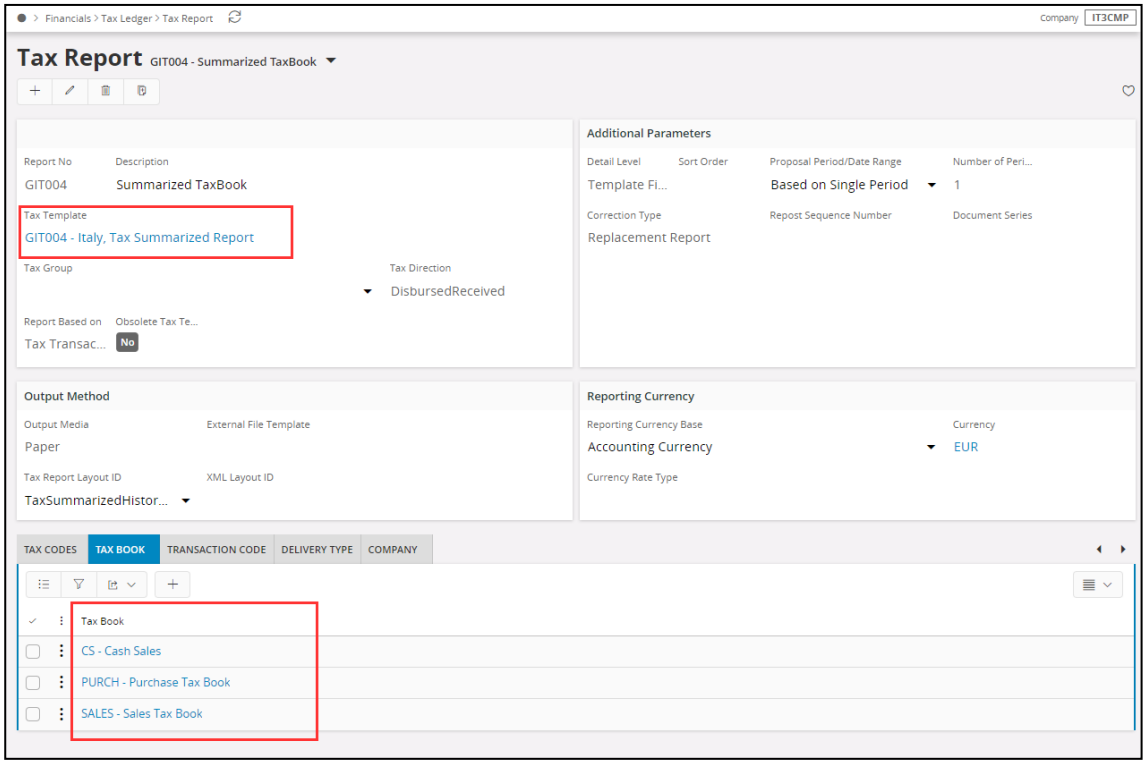
12.1.4.3 Connect Tax Books to Tax Reports

The Italian tax reporting is based on the Tax Books that have been defined for the company. Connect the relevant **Tax Books** to the tax report. E.g. connect all the sales tax books to the Italian Sales Tax Book Report.



The Tax Summarized Report is required when there are more than one tax sales book or more than one tax purchase book. The purpose of this report is to summarize the data from several tax books.

In order to print the Tax Summarized Report all tax books used for Sale, Purchase and Corrispettivi Reports must be connected to Tax Summarized Report. See example below.



12.1.5 PRINT TAX REPORTS

Follow standard process for printing tax reports to print the Italian tax reports. Refer to IFS Cloud documentation for further details.

12.1.5.1 Sales, Purchase and Corrispettivi Reports

The Sales Tax Book report has the following layout.

TAX BOOK SALES

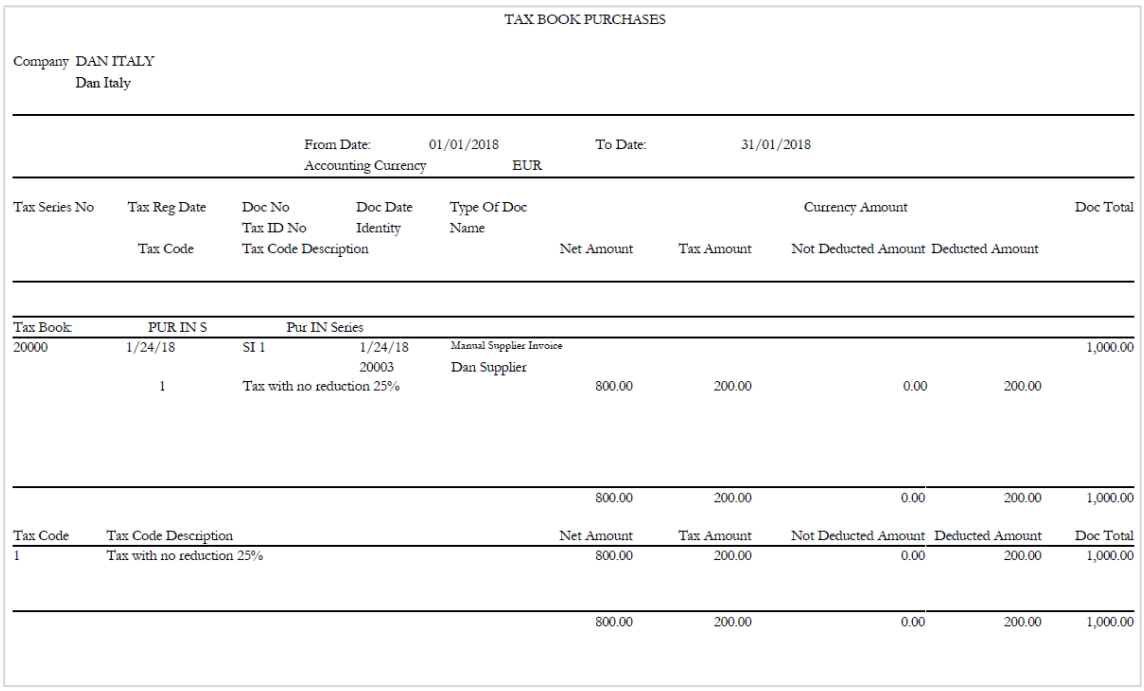
Company DAN ITALY — Add1 — Add2
Dan Italy

From Date: 01/01/2018 To Date: 31/01/2018
Accounting Currency: EUR

Tax Series No	Tax Reg Date	Doc No / Tax ID No / Tax Code	Doc Date / Identity / Tax Code Description	Type Of Doc / Name	Currency Amount: Net Amount	Currency Amount: Tax Amount	Doc Total
Tax Book:	SALE B	Sales Tax Book					
10000	1/23/18	II 9700001	1/23/18	Instant Customer Invoice			1,250.00
			10092	Dan Italy Customer			
	1	Tax with no reduction 25%			1,000.00	250.00	
10001	1/24/18	CD 970000001	1/24/18	Instant Customer Invoice			125.00
			10092	Dan Italy Customer			
	1	Tax with no reduction 25%			100.00	25.00	
					1,100.00	275.00	1,375.00

Tax Code	Tax Code Description	Net Amount	Tax Amount	Doc Total
1	Tax with no reduction 25%	1,100.00	275.00	1,375.00
		1,100.00	275.00	1,375.00

The Purchase Tax Book report has the following layout.



TAX BOOK PURCHASES

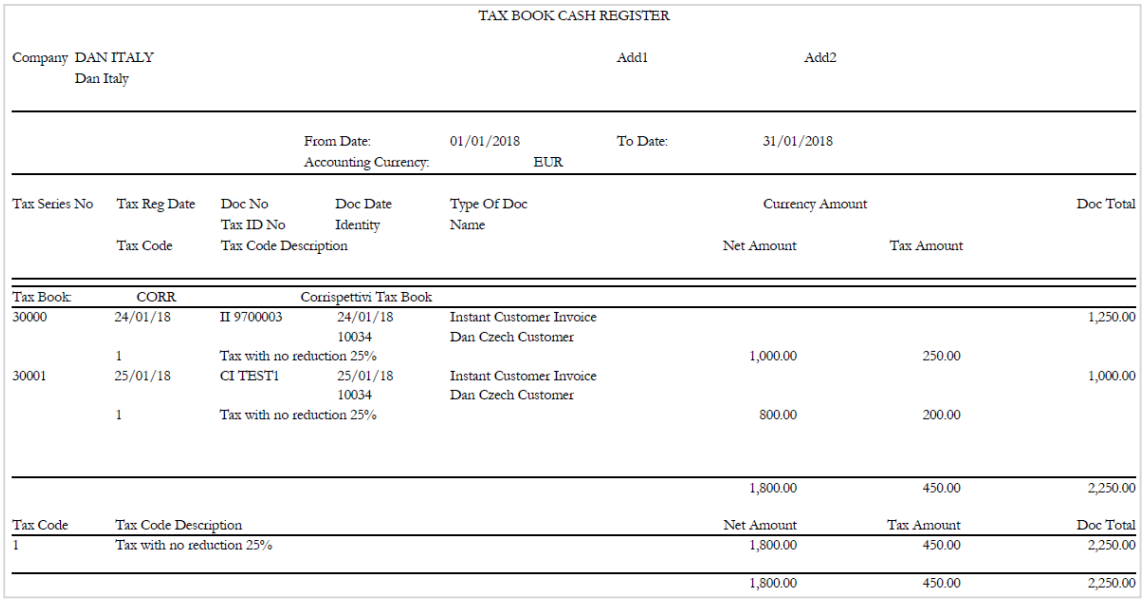
Company DAN ITALY
Dan Italy

From Date: 01/01/2018 To Date: 31/01/2018
Accounting Currency EUR

Tax Series No	Tax Reg Date	Doc No / Tax ID No / Tax Code	Doc Date / Identity / Tax Code Description	Type Of Doc / Name	Currency Amount: Net Amount	Tax Amount	Not Deducted Amount	Deducted Amount	Doc Total
Tax Book:	PUR IN S	Pur IN Series							
20000	1/24/18	SI 1	1/24/18	Manual Supplier Invoice					1,000.00
			20003	Dan Supplier					
	1	Tax with no reduction 25%			800.00	200.00	0.00	200.00	
					800.00	200.00	0.00	200.00	1,000.00

Tax Code	Tax Code Description	Net Amount	Tax Amount	Not Deducted Amount	Deducted Amount	Doc Total
1	Tax with no reduction 25%	800.00	200.00	0.00	200.00	1,000.00
		800.00	200.00	0.00	200.00	1,000.00

The Corrispettivi Tax Book report has the following layout.



TAX BOOK CASH REGISTER

Company DAN ITALY
Dan Italy

Add1 Add2

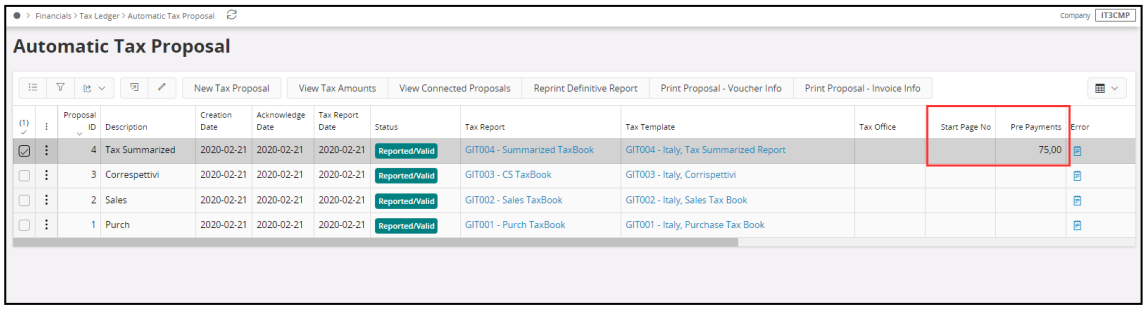
From Date: 01/01/2018 To Date: 31/01/2018
Accounting Currency: EUR

Tax Series No	Tax Reg Date	Doc No / Tax ID No / Tax Code	Doc Date / Identity / Tax Code Description	Type Of Doc / Name	Currency Amount: Net Amount	Tax Amount	Doc Total
Tax Book:	CORR	Corrispettivi Tax Book					
30000	24/01/18	II 9700003	24/01/18	Instant Customer Invoice			1,250.00
			10034	Dan Czech Customer			
	1	Tax with no reduction 25%			1,000.00	250.00	
30001	25/01/18	CI TEST1	25/01/18	Instant Customer Invoice			1,000.00
			10034	Dan Czech Customer			
	1	Tax with no reduction 25%			800.00	200.00	
					1,800.00	450.00	2,250.00

Tax Code	Tax Code Description	Net Amount	Tax Amount	Doc Total
1	Tax with no reduction 25%	1,800.00	450.00	2,250.00
		1,800.00	450.00	2,250.00

12.1.5.2 Tax Summarized Report

Enter values in the **Start Page No** and **Pre- Payments** fields. This Information is transferred to the fields **Tax Credit from Previous Year** in the *Tax Summarized History* page.



When the “Tax Summarized Report” is Definitive Printed and the status of the report is “Reported/Valid”, a new record for the period will be created in the *Tax Summarized History* page.

The Tax Summarized Report has the following layout.

TAX SUMMARIZED REPORT

Company MABEPL-IT
Italian company

Address 1

From Date: 4/1/21
To Date: 4/30/21

Tax Book Id	Tax Book Description	From	To	Tax Series ID / Type Of Document
TB	Sales	20210006	20210051	Instant Customer Invoice

Tax Code	Tax Code Description	Net Amount	Tax Amount	Deductable Tax Amount
WHT-INV-10	Tax Withholding, Invoice	43,860.00	3,986.00	3,986.00
Total		43,860.00	3,986.00	3,986.00
22	Tax Code, 22%	-66,000.00	-14,520.00	-14,520.00
Total		-66,000.00	-14,520.00	-14,520.00
SPLIT	Tax Code	-10,100.00	-2,222.00	-2,222.00
Total		-10,100.00	-2,222.00	-2,222.00
WHT-SPLIT	Tax Code for Split Payment, Tax Withholding	6,000.00	1,320.00	1,320.00
Total		6,000.00	1,320.00	1,320.00
TOTAL FOR THE PERIOD		-26,240.00	-11,436.00	-11,436.00

12.1.6 SETUP FOR SCENARIO WITH ACCOUNTING PERIODS DIFFERENT THAN CALENDAR PERIODS

In Italy, VAT reporting always relates to calendar periods. In case accounting periods are shifted comparing to calendar periods (for example: April 2020 is first accounting period, May 2020 is second accounting period etc.) the following needs to be considered

- Tax proposals for template GIT004 should be prepared according to standard functionality, that is, they can either be defined with respect to periods and run per accounting period or they can be defined per selected dates (first and last day of the month). Example: Proposal for tax/accounting period 2020 - 01 is used to create report for April 2020.
- When tax proposal is printed as definitive, new entry in the *Tax Summarized History* page is created for calendar period. Example: When proposal for tax/accounting period 2020 - 01 is printed as definitive, the *Tax Summarized History* page is updated with data for calendar period 2020 - 04 (April 2020).

12.1.7 DELIMITATIONS

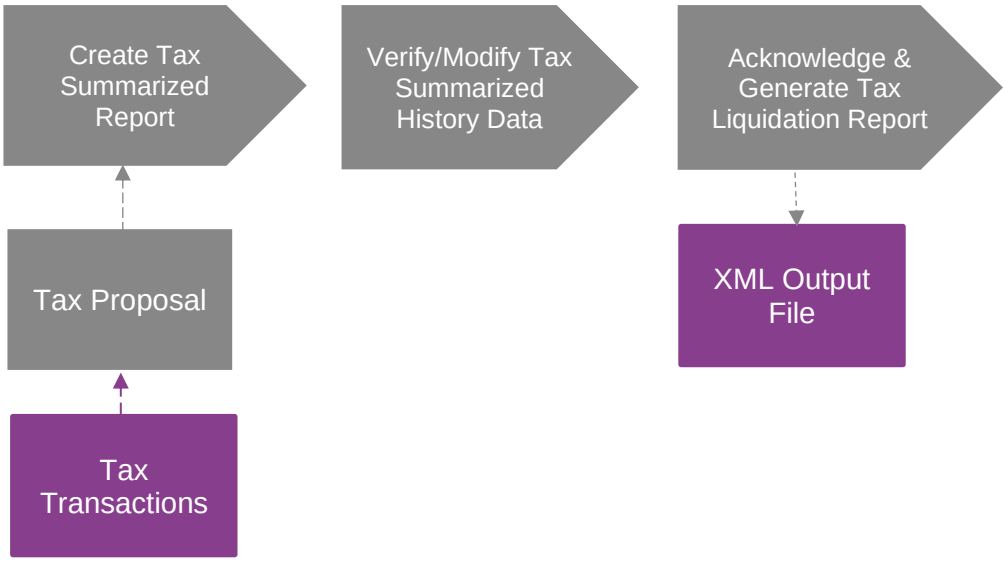
- This functionality is not applied to Tax Books Structures.
- This functionality is only supported when accounting periods are the same as calendar periods or accounting periods are shifted, that is, one accounting period corresponds to exactly one calendar periods. Functionality is not supported in other scenarios, in particular, when accounting periods are defined as 4 and 5 weeks periods.

12.2 Quarterly Tax Liquidation

12.2.1 OVERVIEW LEGAL REQUIREMENT

Starting from January 2017, Italian companies are obliged to report VAT information on a quarterly basis to the tax authorities in .xml format. The report is called VAT Quarterly Liquidation.

12.2.2 PROCESS OVERVIEW



12.2.3 PREREQUISITES

The company must be set-up to use Italian localization, see the Company Set up chapter and the 'Italian Tax Reports' parameter must be enabled.

To prepare required data, manually enter a data for the previous months of the current period/periods in the *Tax Summarized History* page to create an opening balance for the quarterly VAT Liquidation report (or automatically by printing the definitive tax summarized report with existing data). Read more on tax summarized report in the “Italian Tax Reports” chapter.
Example: if you start to generate quarterly tax liquidation report for the first time in the year and for transactions done in 6 period (second quarter), enter manually records for 4 and 5 periods belonging to the second quarter or even earlier data, since you can enter more than one record.

12.2.4 VERIFY TAX SUMMARIZED HISTORY DATA

The Quarterly Tax Liquidation Report is based on the summarized information in the “Tax Summarized History” page. It is therefore required to run the Italian Tax Reports for the periods to ensure that the “Tax Summarized History” page is updated.

In the *Tax Summarized History* page check the records for the quarter you want to report and add, if needed, values to editable fields:

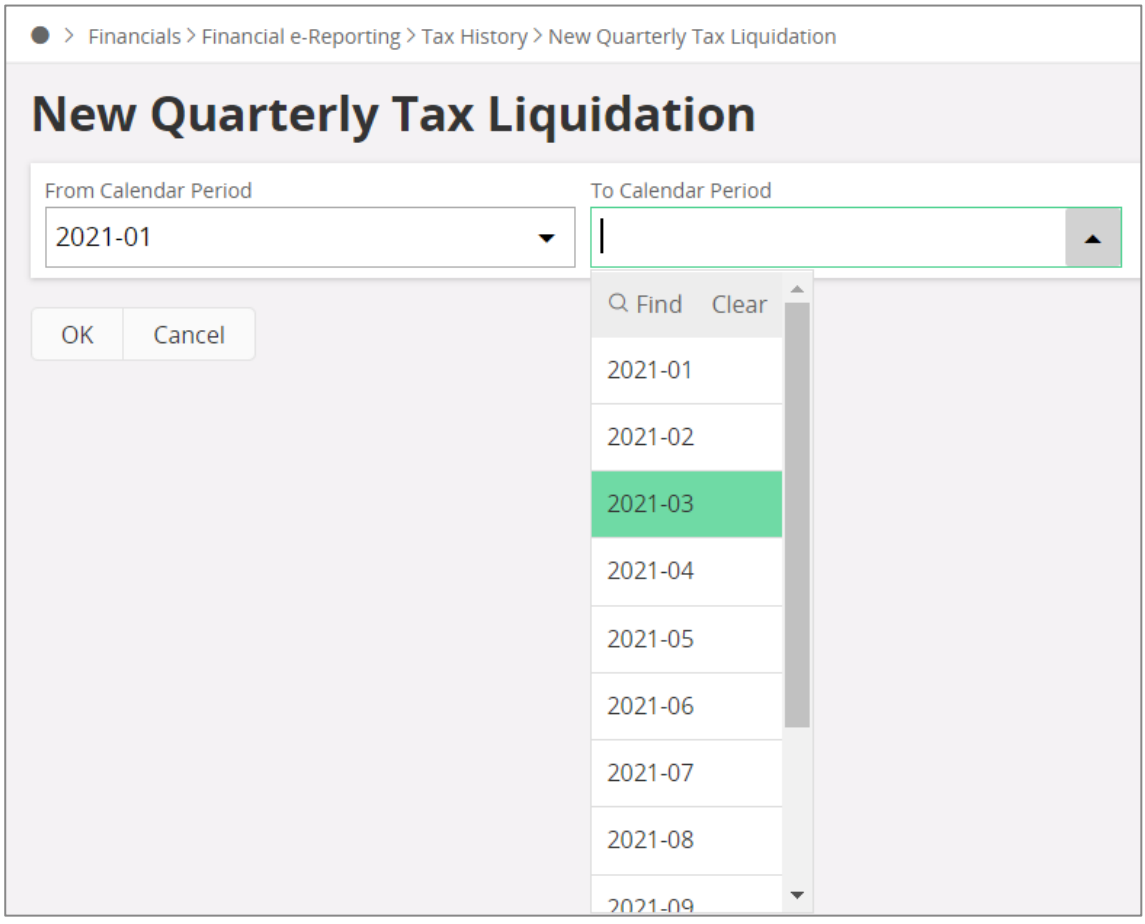
- Tax Credit from Previous Year
- VAT from Sales of Cards bought in EU
- Additional Amount of Tax Received.

From Calendar Year	From Calendar Period	To Calendar Year	To Calendar Period	Total Net Amount Sales	Total Tax Amount Sales	Total Net Amount Purchase	Total Tax Amount Purchase	Total Purchase Tax Amount Deductible	Total Intra EEC Sales	Total Intra EEC Purchase	Total Tax Amount in Acc Curr	Original Total Tax Amount in Acc Curr	Tax Credit from Previous Year	Tax from Sales of Cars bought in EU	Additional Amount of Tax Received	Prepayment Amount
2021	1	2021	1	-1,000.00	-250.00	10,000.00	2,500.00	2,500.00	0.00	0.00	2,001.01	200,101.00				0.00
2021	2	2021	2	-1,000.00	-250.00	10,000.00	2,500.00	2,500.00	0.00	0.00	2,001.02	4,251.01				0.00
2021	3	2021	3	-1,000.00	-250.00	0.00	0.00	0.00	0.00	0.00	1,751.02					0.00

When the *Tax Summarized History* page is validated and updated, you can continue and generate the quarterly tax liquidation report.

12.2.5 GENERATE NEW QUARTERLY TAX LIQUIDATION - XML FILE

Open the *New Quarterly Tax Liquidation* page in the navigator and select the periods that you want to report from in the drop-down lists.



Click **OK** to generate the report. For each calendar period selected in the range, a separate section with all respective data for each period will be created in XML. You can create XML report for unlimited times for the same periods. XML file will be saved on the server catalog defined by a system administrator.
This is the example of the Quarterly VAT Liquidation report.

```
<iv:Fornitura xmlns:iv="urn:www.agenziaentrate.gov.it:specificheTecniche:sco:ivp"
"urn:ifsworld-com:schemas:tax_xml_handler_send_tax_xml_file_request">CRLF
<iv:Intestazione>CRLF
<iv:CodiceFornitura>IVP17</iv:CodiceFornitura>CRLF
<iv:CodiceFiscaleDichiarante>13188440153</iv:CodiceFiscaleDichiarante>CRLF
<iv:CodiceCarica>1</iv:CodiceCarica>CRLF
</iv:Intestazione>CRLF
<iv:Comunicazione identificativo="00001">CRLF
<iv:Frontespizio>CRLF
<iv:CodiceFiscale>1388440153</iv:CodiceFiscale>CRLF
<iv:AnnoImposta>2017</iv:AnnoImposta>CRLF
<iv:PartitaIVA>TRTRO100R00C9011</iv:PartitaIVA>CRLF
<iv:CFDichiarante>13188440153</iv:CFDichiarante>CRLF
<iv:CodiceCaricaDichiarante>1</iv:CodiceCaricaDichiarante>CRLF
<iv:FirmaDichiarazione>1</iv:FirmaDichiarazione>CRLF
<iv:CFIntermediario>11188440145</iv:CFIntermediario>CRLF
<iv:ImpegnoPresentazione>1</iv:ImpegnoPresentazione>CRLF
<iv:DataImpegno>31052017</iv:DataImpegno>CRLF
<iv:FirmaIntermediario>1</iv:FirmaIntermediario>CRLF
<iv:IdentificativoProdSoftware>31788440135</iv:IdentificativoProdSoftware>CRLF
</iv:Frontespizio>CRLF
<iv:DatiContabili>CRLF
<iv:Modulo>CRLF
<iv:Mese>4</iv:Mese>CRLF
<iv:TotaleOperazioniAttive>100,00</iv:TotaleOperazioniAttive>CRLF
<iv:TotaleOperazioniPassive>150,00</iv:TotaleOperazioniPassive>CRLF
<iv:IvaEsigibile>23,00</iv:IvaEsigibile>CRLF
<iv:IvaDetratta>27,00</iv:IvaDetratta>CRLF
<iv:IvaCredito>4,00</iv:IvaCredito>CRLF
<iv:CreditoAnnoPrecedente>50,00</iv:CreditoAnnoPrecedente>CRLF
```

Note that in Italy it's a legal obligation to present reports in Italian language, so names of the XML report tags are in Italian.

12.2.6 DELIMITATIONS

System does not validate a number of periods included in a single Quarterly VAT Liquidation report.

To meet the legal requirements, a data entered should reflect one quarter, which means three months. You select the respective period threshold manually when ordering a report.

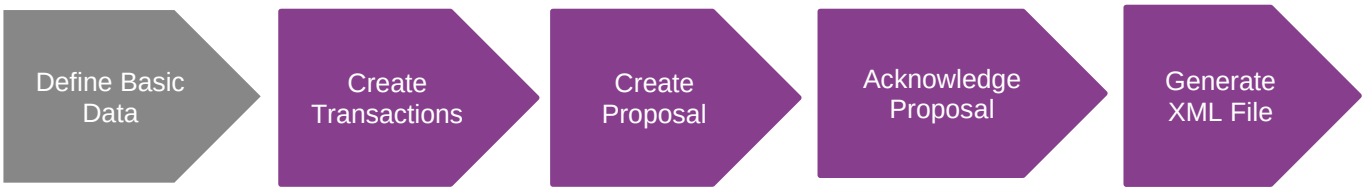
12.3 Spesometro Declaration

12.3.1 OVERVIEW LEGAL REQUIREMENTS

The Italian government introduced a legal requirement from Article. 4, paragraph 1 of Decree Law n. 193/2016 on the 27th of March 2017 n. 58793 for the communication of the invoices issues and received which amends ang Article. 21 of D.L. n. 78/2010 and substitutes the Annual Declaration of Spesometro.

Starting from 01.01.2019 the Spesometro report should only include foreign supplier invoices and the customer invoices which were not sent to SDI exchange system in electronic format. The report should be reported monthly and not quarterly.

12.3.2 PROCESS OVERVIEW



12.3.3 PREREQUISITES

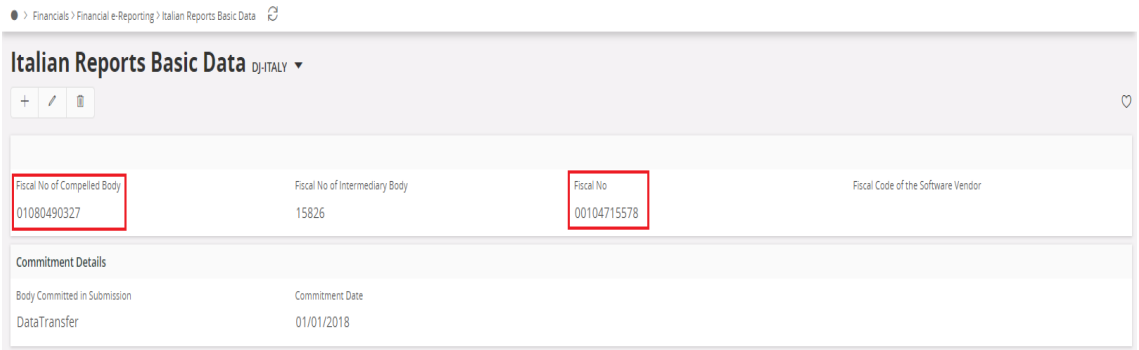
The company must be set-up to use Italian localization, see the Company Set up chapter and the 'Italian VAT Reports' parameter must be enabled.

- In *Tax Ledger Parameters* page, the **Delete Tax Transactions with status False** toggle should not be enabled.

12.3.4 BASIC DATA

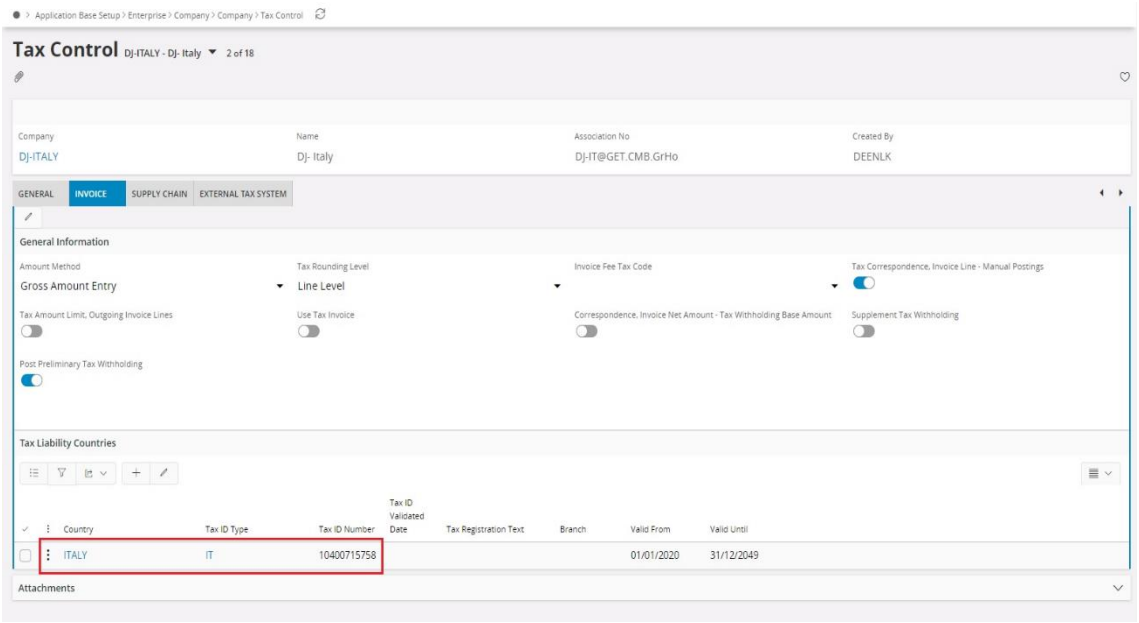
12.3.4.1 Define Fiscal Number For Company

Go to *Financials/Financial e-Reporting/Italian Reports Basic Data* and define the company fiscal number and fiscal number of compelled body.



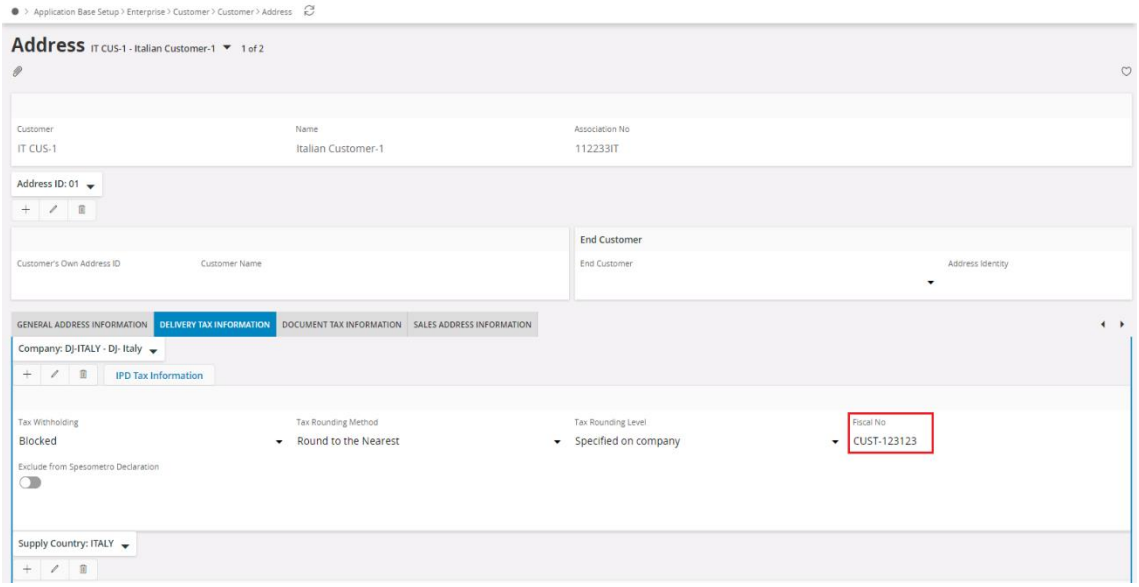
12.3.4.2 Define Company Tax ID Number

Go to the *Company/Tax Control/Invoice* tab and define the company tax ID number.



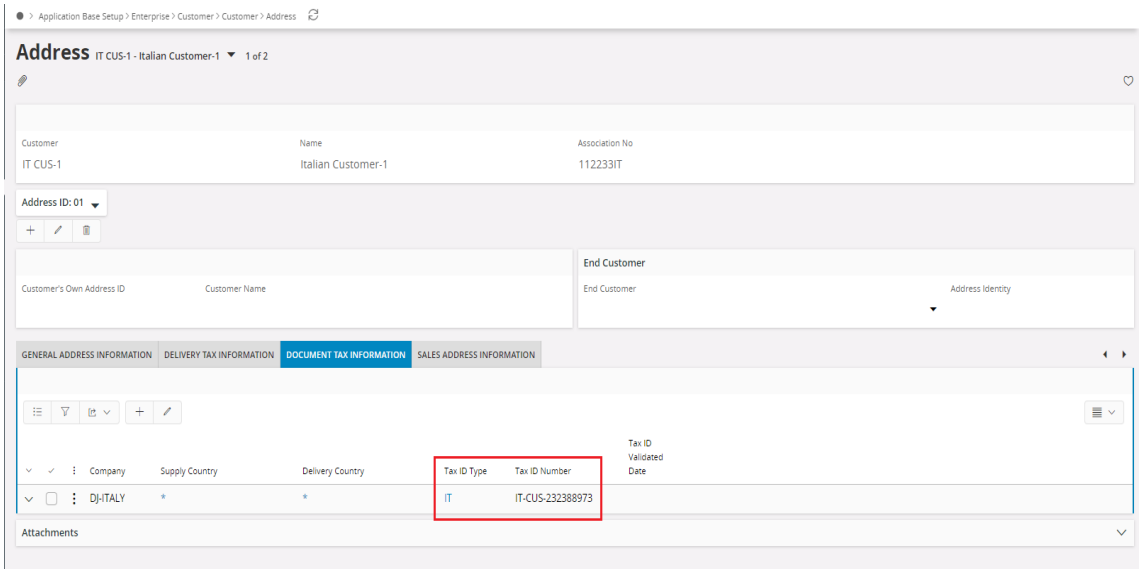
12.3.4.3 Define Customer Fiscal Number

Go to the *Customer/Address/Delivery Tax Information* tab and define the customer fiscal number.



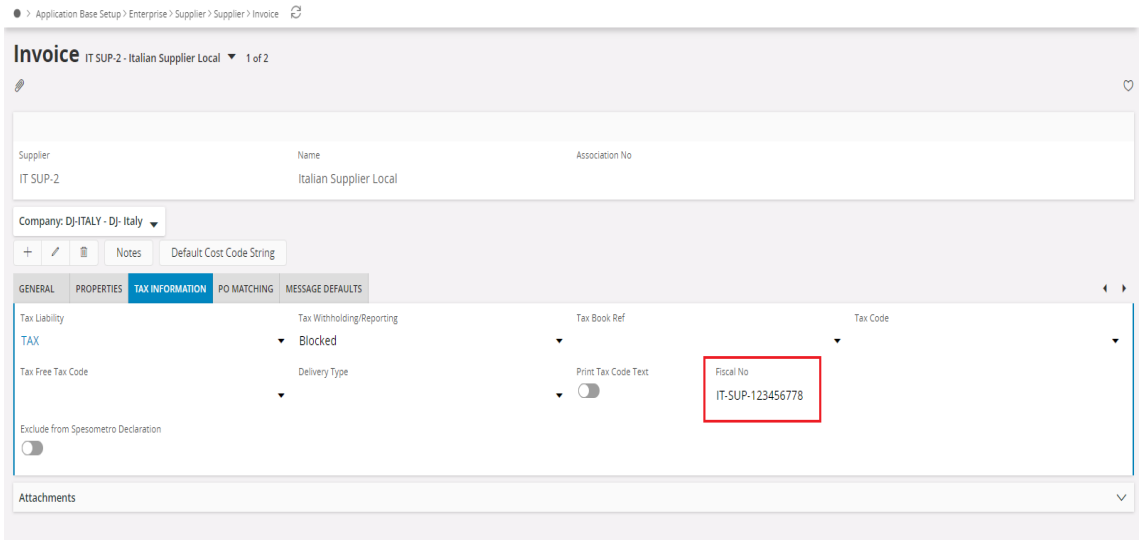
12.3.4.4 Define Customer Tax ID Number

Go to the *Customer/Address/Document Tax Information* tab and define the customer tax ID number.



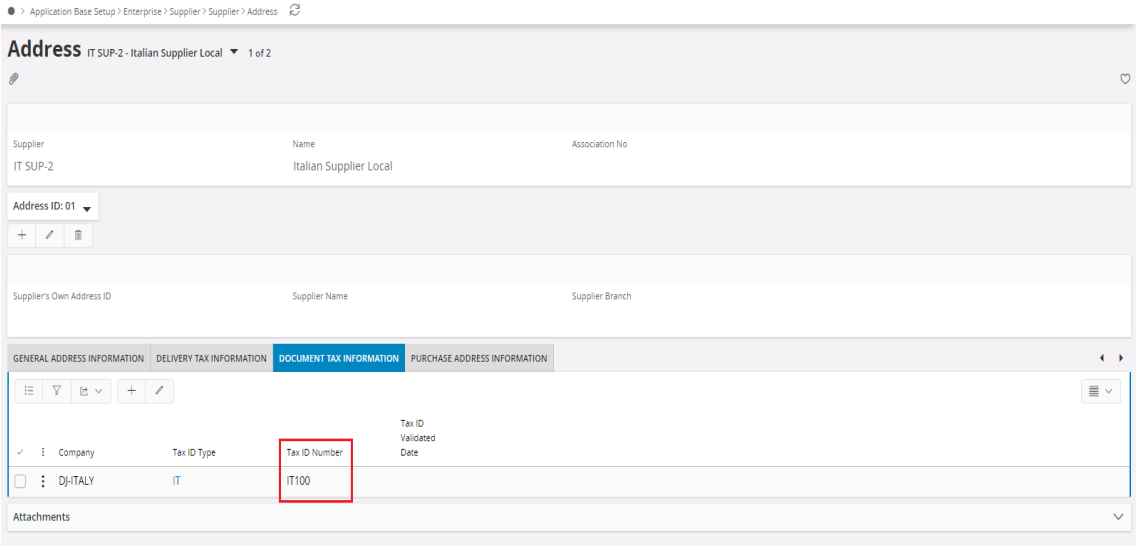
12.3.4.5 Define Supplier Fiscal Number

Go to the *Supplier/Invoice/Tax Information* tab and define supplier fiscal number.



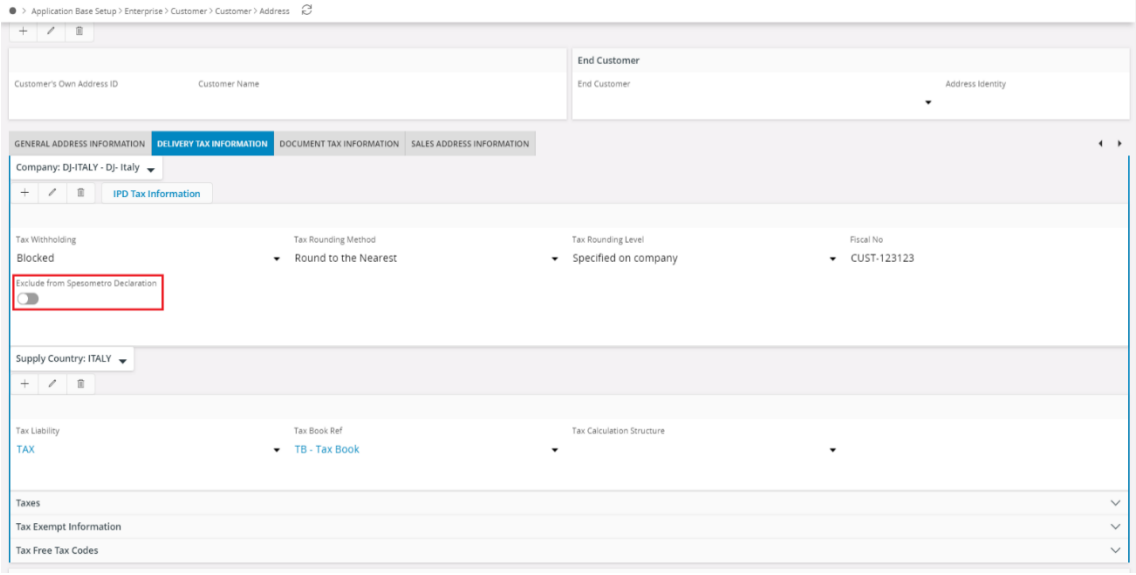
12.3.4.6 Define Supplier Tax ID Number

Go to the *Supplier/Address/Document Tax Information* and define tax ID number for supplier.



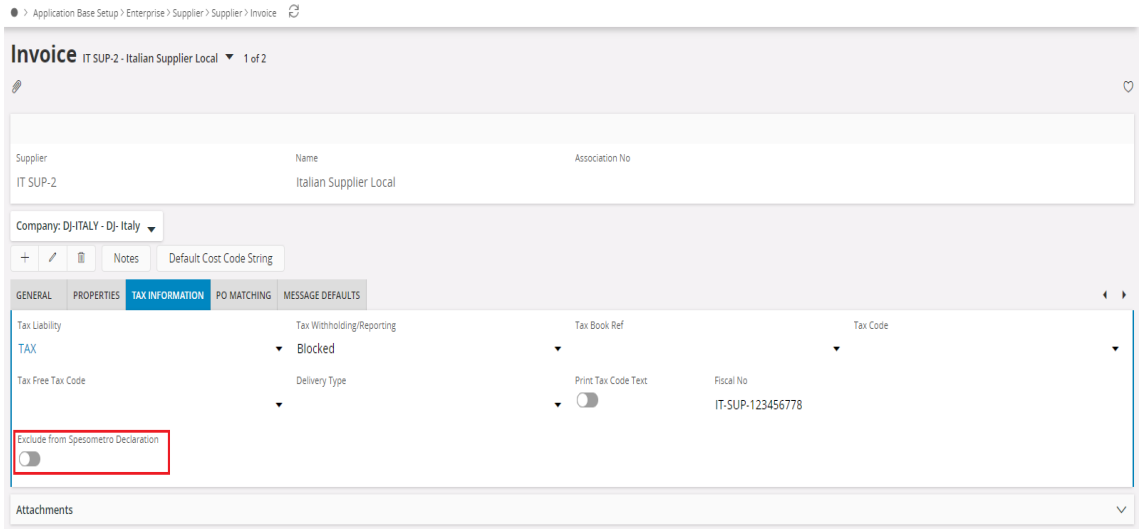
12.3.4.7 Exclude Customers from Spesometro Declaration

On the *Customer/Address/Delivery Tax Information* tab, a new, **Exclude from Spesometro Declaration** check box is added. Once this is selected, transactions created for this customer are excluded from the Spesometro Declaration.



12.3.4.8 Exclude Suppliers from Spesometro Declaration

On the *Supplier/Invoice/Tax Information* tab the **Exclude from Spesometro Declaration** toggle is added. Once this is toggled to the ON position, transactions created for this supplier are excluded from the Spesometro Declaration. As per the directives issued by the Italian tax authorities, invoices for fuel and electronic invoices should not be included to the Spesometro Declaration. This check box is used to for suppliers from which we receive such invoices.

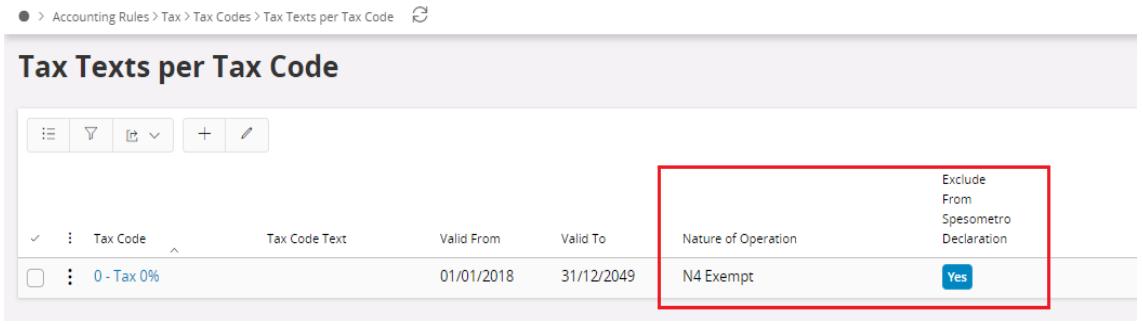


12.3.4.9 Settings on tax code

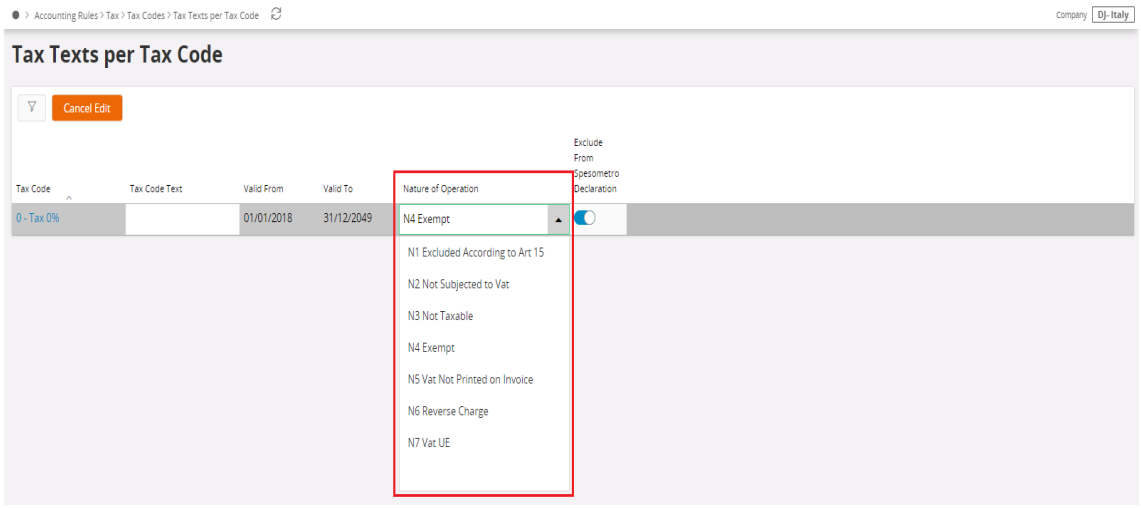
Go to *Tax Codes* page, select the tax code and click on the command button **Tax Texts per Tax Code**.

In the *Tax Texts per Tax Code* page, a new **Exclude from Spesometro Declaration** toggle is added.
Once this is toggle is turned ON, transactions which has used this tax code are excluded from the Spesometro Declaration.

In the *Tax Texts per Tax Code* page, a new **Nature of Operation** column is added.



Use dropdown list and select the suitable nature operation for the tax code. This is the full list of the tax transactions types provided by the Italian tax authorities:

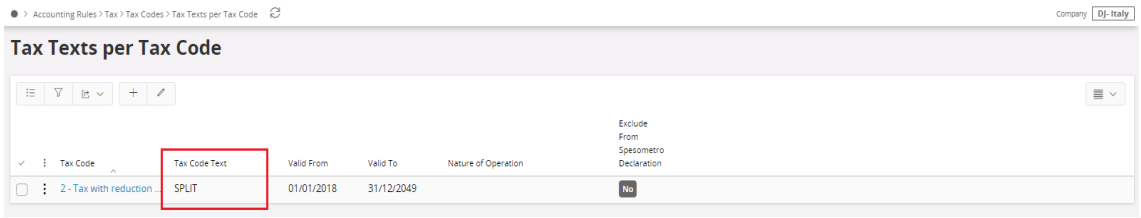


12.3.4.10 VAT Recoverability

In Italy SPLIT payment of tax is a mechanism used by public customers and for some specific category of private customers. When a customer invoice is printed with, for example a net amount 1,000 at normal tax rate of 22% and VAT amounting to 220; then total amount is not paid by the customer to the company as in ordinary cases (paying the gross amount of 1,220), but the tax amount is paid directly to the tax authorities instead of the company.

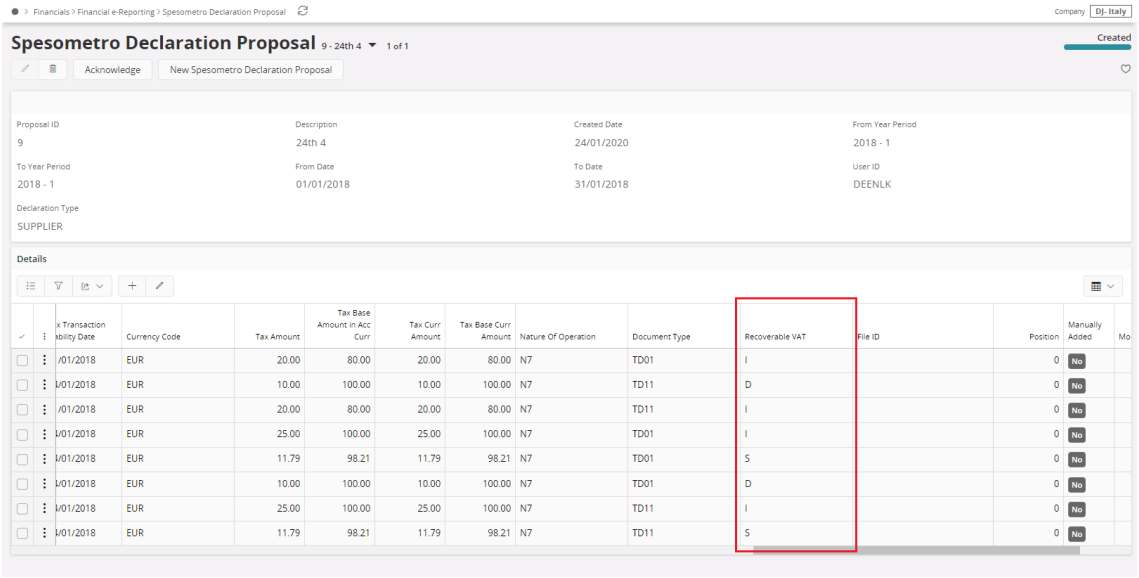
Following needs to be setup to facilitate SPLIT payment of tax via Spesometro Declaration:

- Go to the *Tax Codes* page, select the respective tax code and select the command button **Tax Texts per Tax Code**. Enter “SPLIT” in the **Tax Code Text** field.



- Go to Details section in the *Spesometro Declaration p*age accessible under the *Spesometro Declaration* folder and observe the **Recoverable VAT** column:
  - Split tax invoices are marked with “S” in the **Recoverable VAT** column.
  - For tax of payment type tax will be realized when the payment for the invoice is done. To reflect this, the tax transaction created with the invoice with tax type payment, will have the **Recoverable VAT** field set to “D”.

Once the invoice is paid, tax is realized and reflected in Spesometro with “I” type.



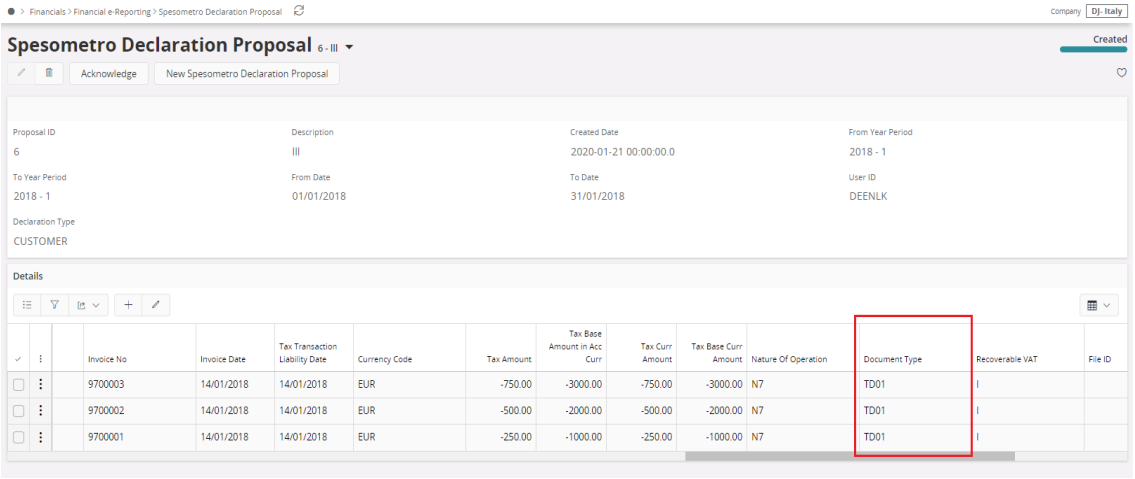
For all other VAT transactions, **Recoverable VAT** field is set as “I” since the tax is paid at time of posting the invoice.

12.3.4.11 Document Type

As per the directives issue by the government, invoices issued and received must be categorized according the government’s issued categorization. This categorization is referred as document type.

Document types are assigned to the invoices automatically when the Spesometro Declaration is created. These are predefined values and you cannot edit them once assigned to a given invoice. Following logic is used to assign the document type to invoice:

- All customer invoices should have document type “TD01” for invoices with positive values and “TD04” for invoices with negative values.
- For supplier invoice with positive amount, a document type is “TD01” if the Country of the document address of the supplier is Italy or not a EU member.
- For supplier invoice with positive amount, a document type is “TD10” if the Country of the document address of the supplier is EU member (Excluding Italy) and the **EU Operation** check box on the *Tax Codes* page is selected.
- For supplier invoice with positive amount, a document type is “TD11” if the Country of the document address of the Supplier is EU member (Excluding Italy) and in the *Tax Codes* page the **EU Operation** check box is NOT selected.
- For supplier invoices with negative amount the document type is always “TD04”.

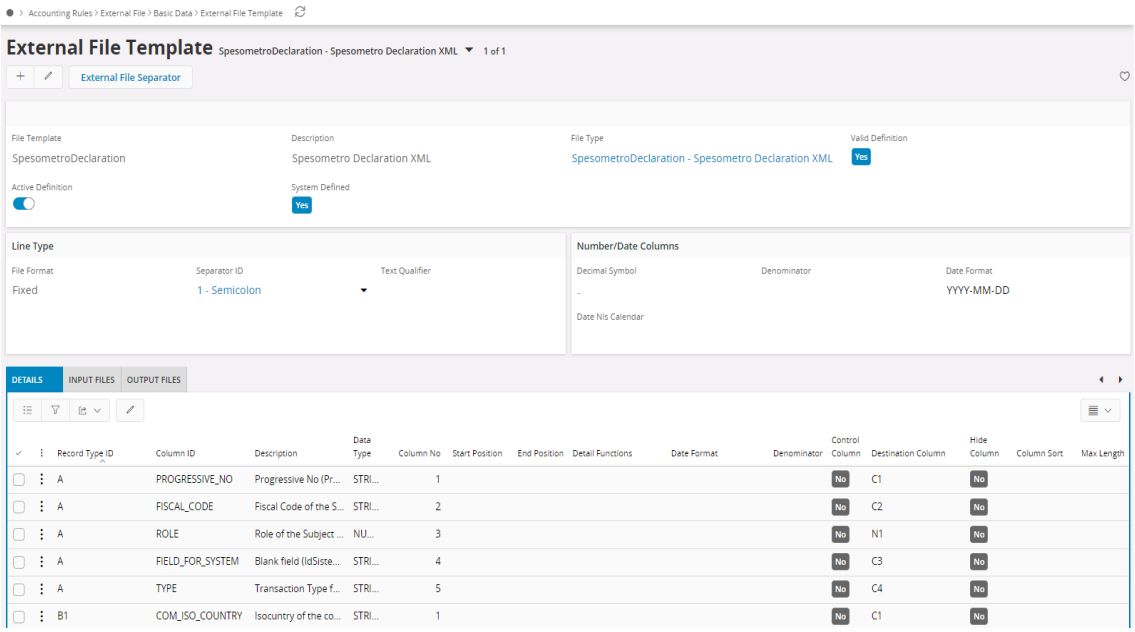


Document type is visible in the *Spesometro Declaration Details* page and in the XML file created to be sent to the tax authorities.

```
</DatiFatturaBodyDTE>
<DatiFatturaBodyDTE>
<DatiGenerali>
<TipoDocumento>TD01</TipoDocumento>
<Data>2018-01-14</Data>
<Numero>II9700002</Numero>
</DatiGenerali>
<DatiRiepilogo>
<ImponibileImporto>2000.00</ImponibileImporto>
<DatiIVA>
```

12.3.4.12 External File Template

A new external file template, SpesometroDeclaration, is added to create the required xml file.



12.3.5 CREATE TRANSACTIONS

Use standard functionality to create customer invoices and supplier invoices. Update the vouchers to the General Ledger and update tax ledger. Read more in the IFS Cloud documentation.

12.3.6 CREATE SPESOMETRO DECLARATION

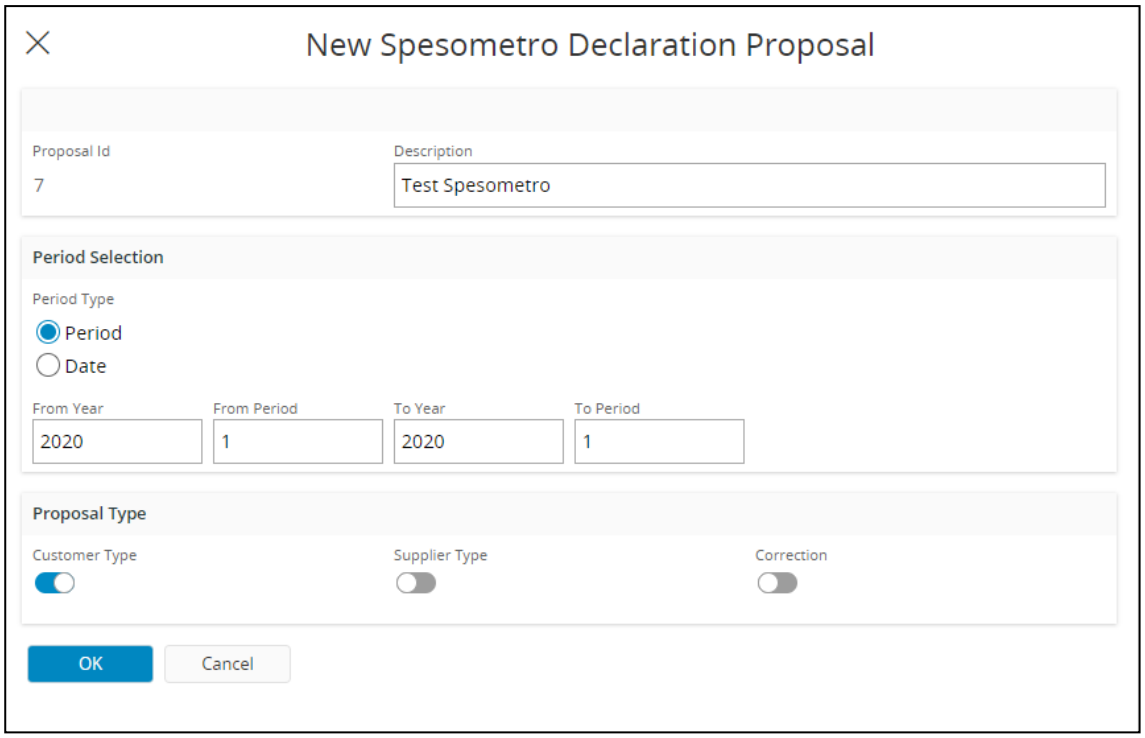
Open the *Financials/Financial e-Reporting/Spesometro Declaration Proposal* page. Click on the command button **New Spesometro Declaration.**

- Enter proposal description;
- Define period range;
- Specify the proposal type you want from one of the following to create the report for and click OK

  CUSTOMER: Tax transaction from customer invoices will be included in the Declaration.
  SUPPLIER: Tax transaction from supplier invoices will be included in the Declaration.
  CORRECTION: Create a correction declaration.

Note:
When **To Period** is earlier than 01.01.2019 then tax transactions for all customer/supplier invoices are selected to the proposal.

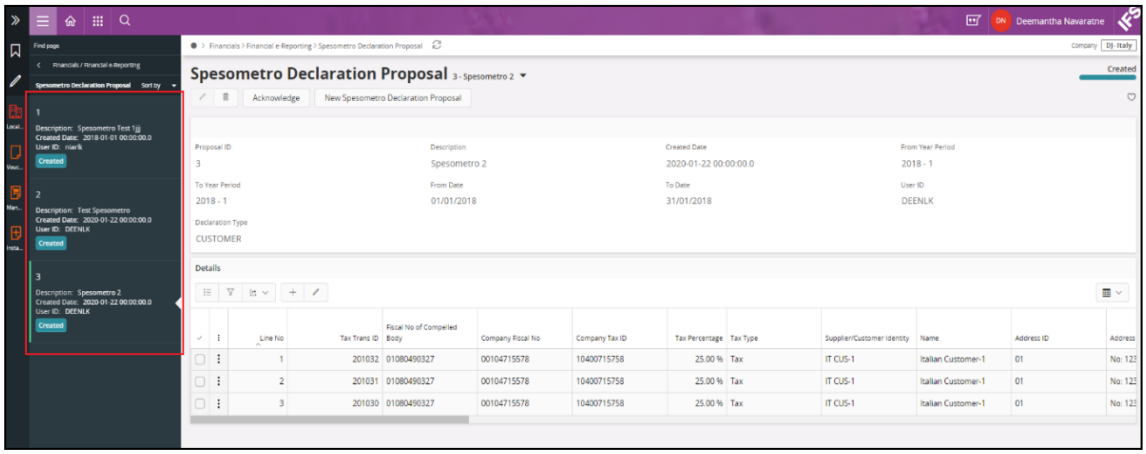
When **To Period** is 01.01.2019 or later then only foreign supplier invoices and customer invoices which have **Response Status** not equal to “Accepted” are selected (i.e. customer invoices not reported to SDI system. See chapter describing e-invoices in FatturaPA format).



12.3.6.1 View transactions in proposal

The created proposals are visible in the *Spesometro Declaration Proposal* page.

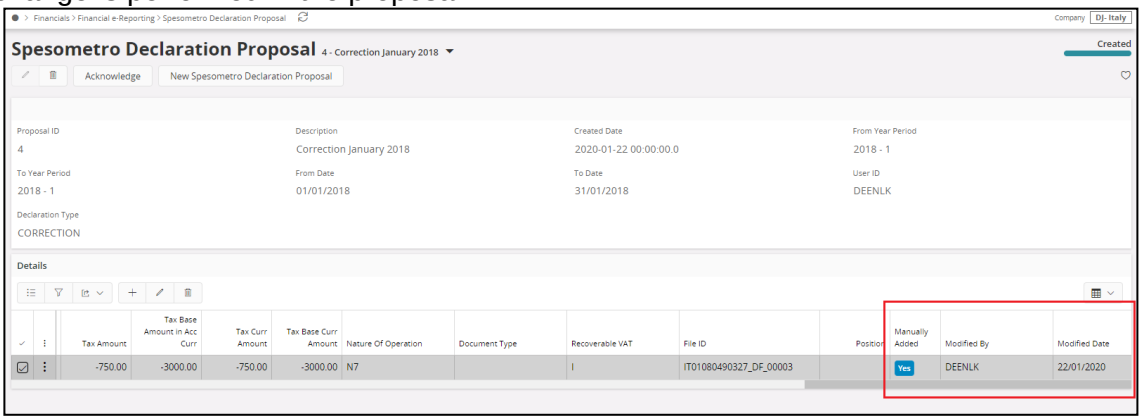
Select the proposal you want to view**.** The details of the proposal will be dispalyed in the *Details* pane.



Nature of Operation, **Document Type** and **VAT Recoverability** are set according to the basic data setup and visible from the proposal details.

12.3.6.2 Modify data in Spesometro Declaration

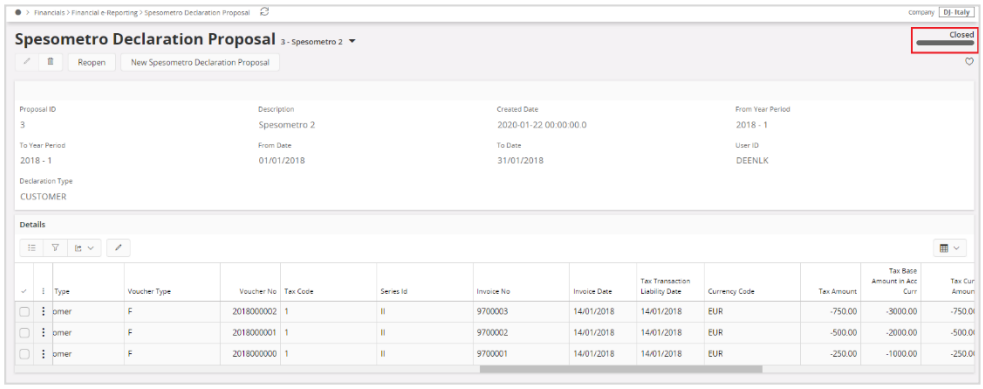
Transactions included in the proposal can be modified in the *Spesometro Declaration Proposal* page. The **Manually Added, Modified By** and **Modified Date** columns are updated when a change is performed in the proposal.



Once the transactions are verified, select the **Acknowledge** command button to acknowledge the proposal.

Once the proposal is acknowledged, click on the **Generate XML File** command button to generate the XML file.

The status of the proposal will then change to Closed.

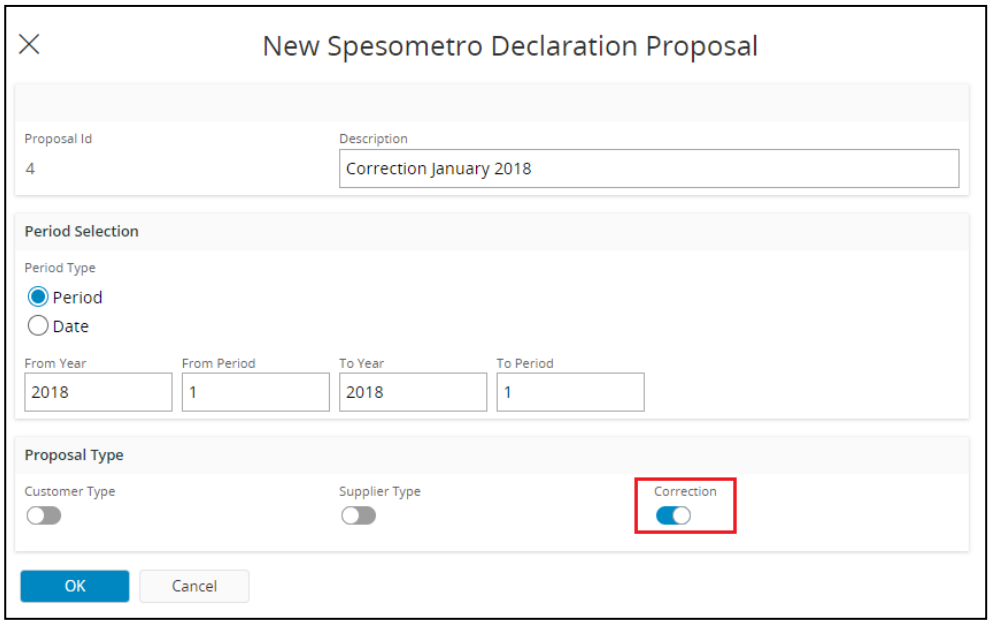


The XML file is saved in output folder of the IFS Cloud server. The files look like as below.

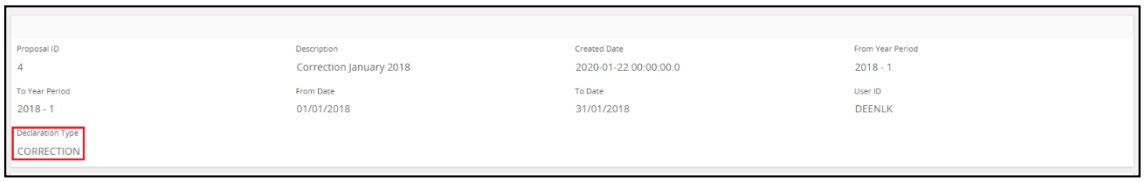
12.3.7 CREATE CORRECTION SPESOMETRO DECLARATION

When you have to communicate a cancellation of a declaration to the tax authorities, you have to create a correction proposal.

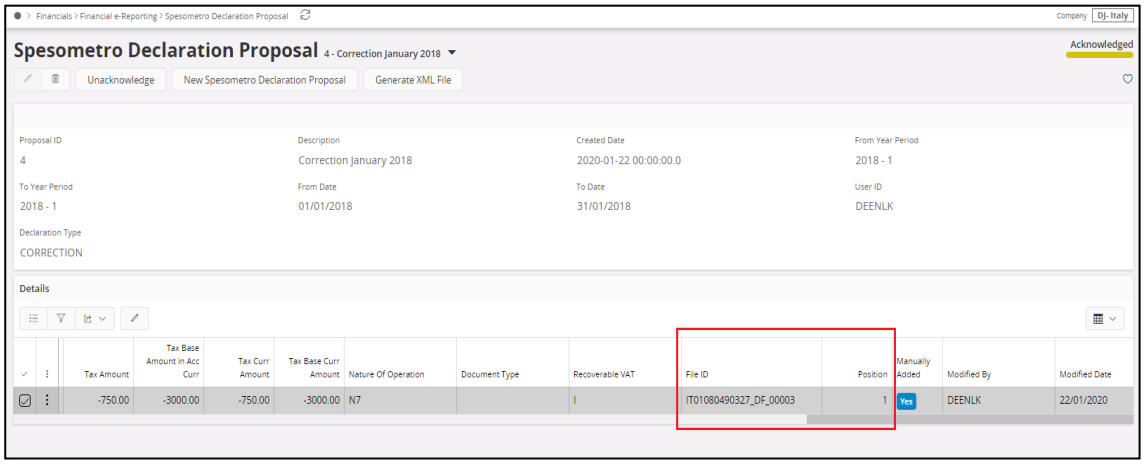
- Go to *Financials/Financial e-Reporting/Spesometro Declaration Proposal*
- Click on the **New Spesometro Declaration Proposal** command button
- The *New Spesometro Declaration Proposal* dialog box is opened;
- Enter a value in the **Proposal Description** field;
- Define dates for **To Period** and **From Period** fields;
- Switch on the **Correction** switch in **Proposal** type and click **OK.**



Correction proposal is created.



- Select the created Correction type proposal and in the **Details** pane create a new record
- Enter value for **File ID** field for the declaration that is going to be corrected and add the number for the **Position** field. This is the xml position in the previously generated xml file of the invoice you are going to correct.
- Save the information.



- Acknowledge the proposal and generate XML file.
- The XML file for correction declaration looks like below:

```
<?xml version="1.0" encoding="UTF-8" ?>
<ns2:DatiFattura versione="DAT20" xmlns:ns2="http://iva
- <DatiFatturaHeader>
    <ProgressivoInvio>00020</ProgressivoInvio>
  - <Dichiarante>
      <CodiceFiscale>01080490327</CodiceFiscale>
      <Carica>1</Carica>
    </Dichiarante>
  </DatiFatturaHeader>
- <ANN>
    <IdFile>IT01080490327_DF_00019</IdFile>
    <Posizione>5</Posizione>
  </ANN>
</ns2:DatiFattura>
```

12.3.8 DELIMITATIONS

None.

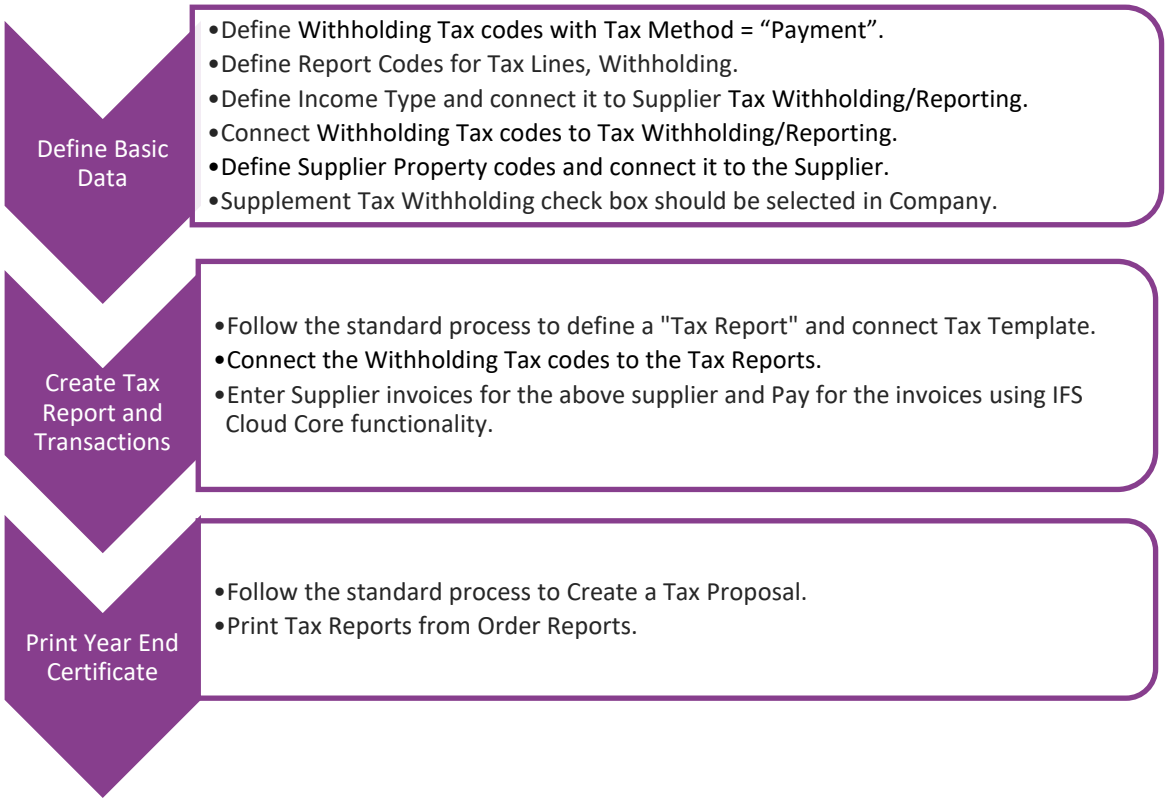
13 Year End Certificate

13.1 Overview Legal Requirements

Year End Certificate is a report created by companies and sent to their suppliers. It is also called Consultant Card Report. The company declares to the supplier (consultant) the tax amount which has been paid on behalf of them. This report is created annually covering the transactions from January to December.

13.2 Process overview

Below are the steps to follow to create the Year End Certificate tax report:



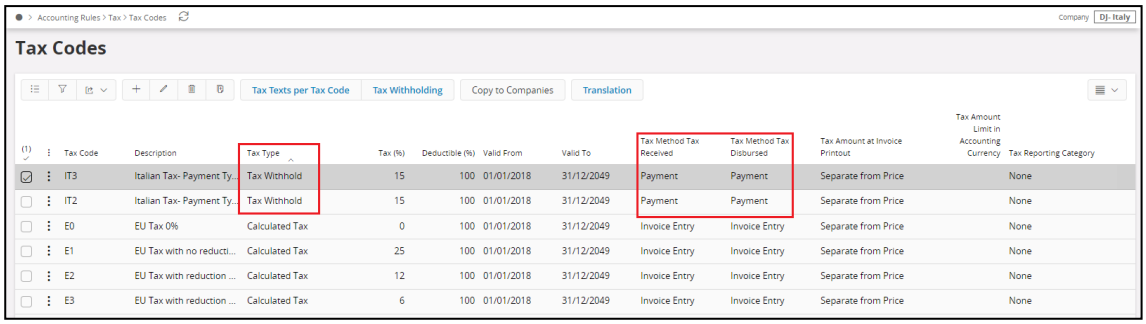
13.3 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter and the “Year End Certificate” localization parameter must be enabled.

13.4 Basic data

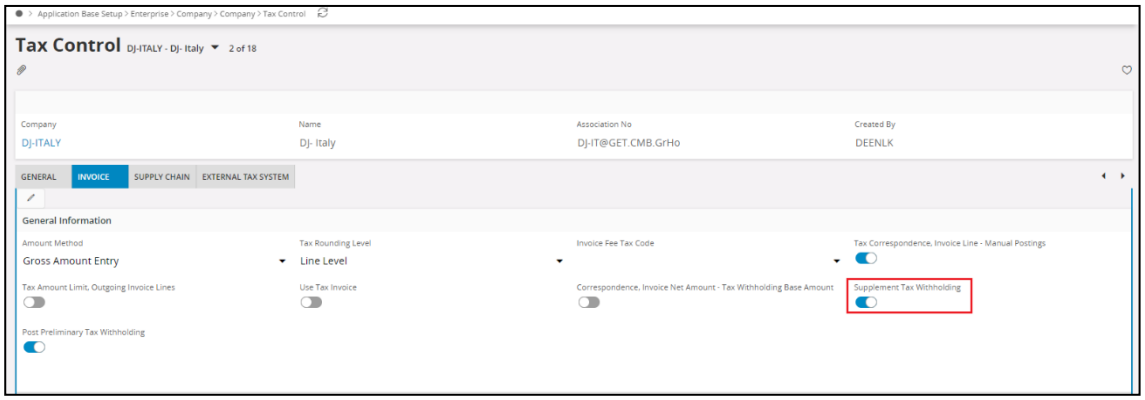
13.4.1 DEFINE TAX CODE

Using standard functionality create withholding tax codes in the *Accounting Rules/Tax/Tax Codes* page with tax method set as “Payment”. At least two codes one for income tax and one for insurance paid on behalf of suppliers.



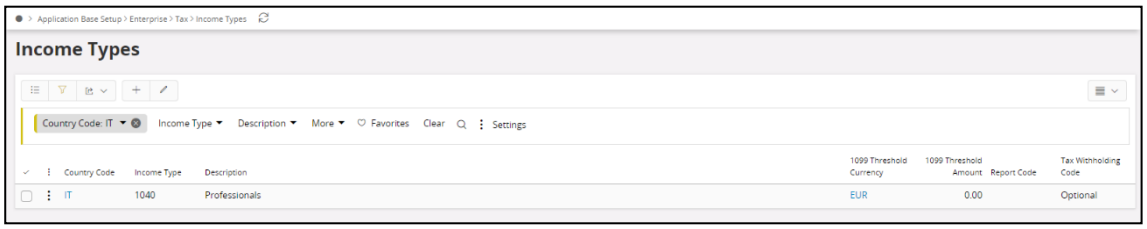
13.4.2 DEFINE SUPPLEMENT TAX WITHHOLDING

Go to *Company/Tax Control/Invoice* tab and set the **Supplement Tax Withholding** toggle to ON position.

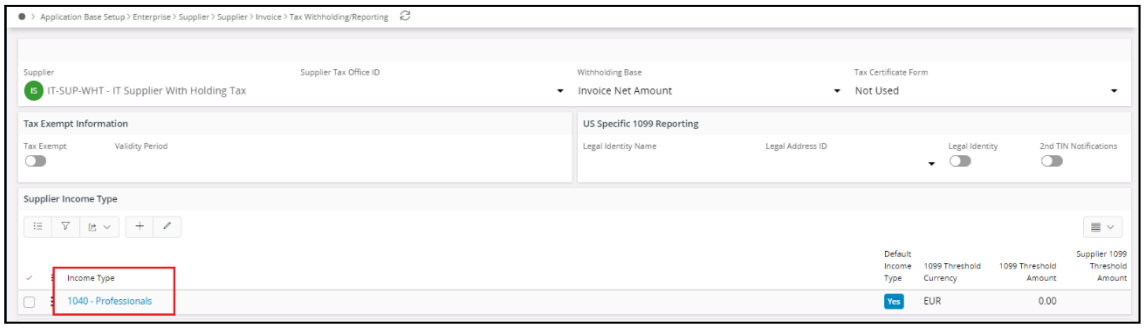


13.4.3 DEFINE INCOME TYPE FOR THE SUPPLIER

Go to *Enterprise/Tax/Income Types* page and define a new Income type for the country IT.

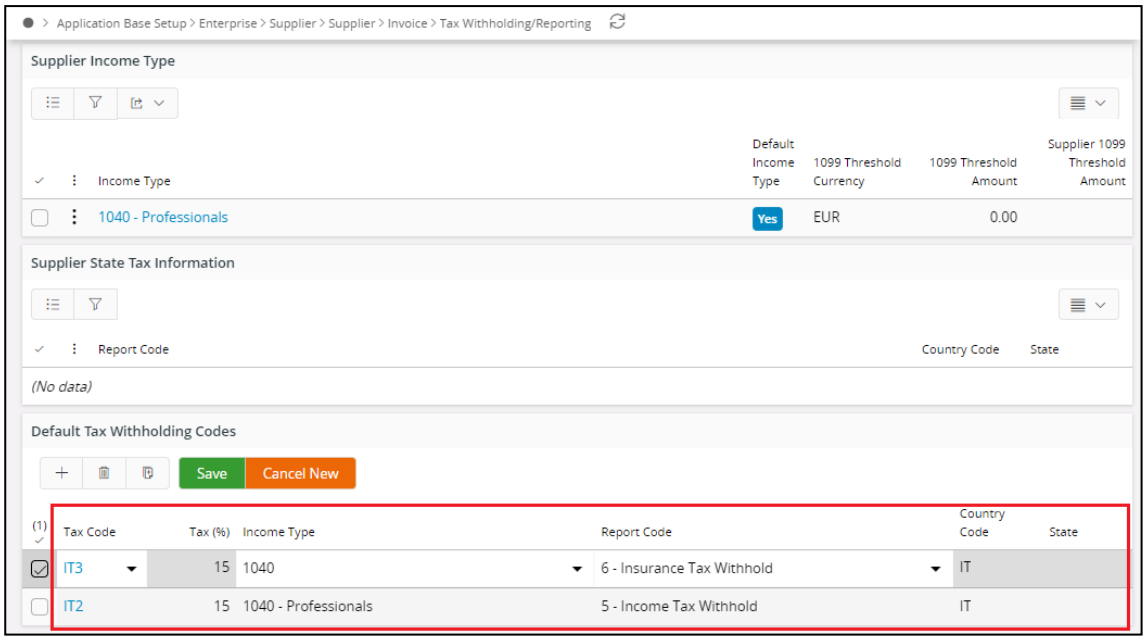


Go to *Supplier/Invoice/Tax Information* page and make sure that **Tax Withholding/Reporting** is setup as “Report Income/ Withhold Tax” via the drop-down list. This will enable the command button **Tax Withholding/Reporting** on the *Supplier/Invoice/Tax Information* page, click on the that command button to connect the income type and default withholding tax codes.



13.4.4 CONNECT WITHHOLDING TAX CODE TO TAX WITHHOLDING/REPORTING

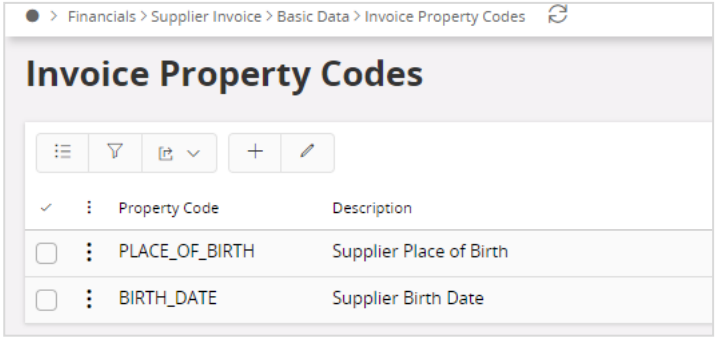
Add the relevant withholding type tax codes connecting income types and report codes (codes 5 or 6) on the *Default Tax Withholding Codes* section in the *Tax Withholding/Reporting* page.



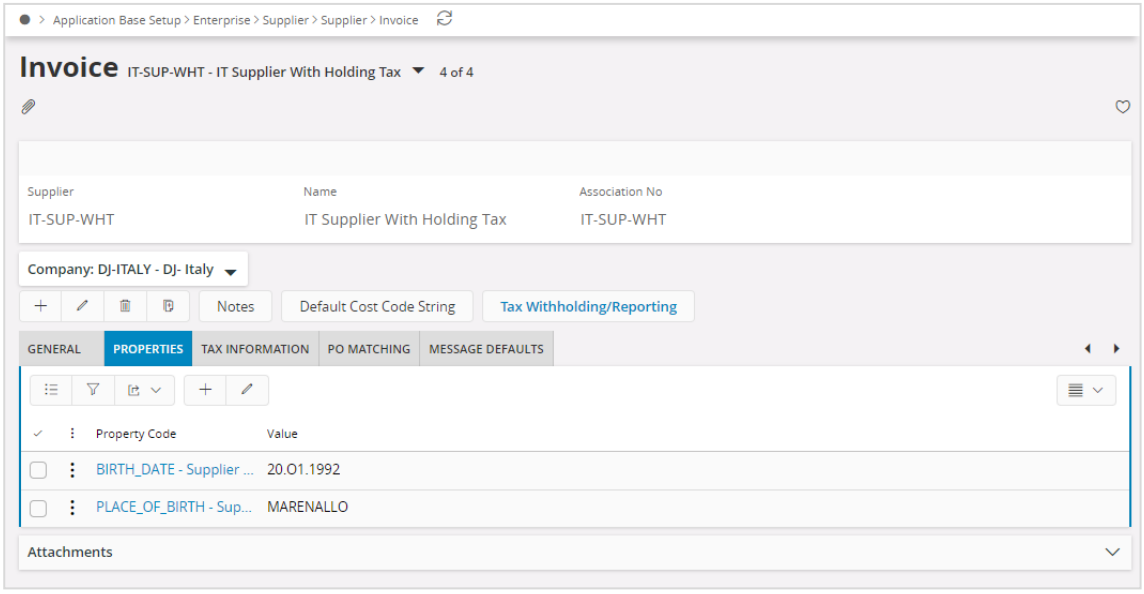
Withholding tax amounts connected to a tax code with report code 5 and report code 6 will be shown in the **Income Tax Amount** column and the **Contribution Amount** column of the Year End Certificate report respectively.

13.4.5 DEFINE SUPPLIER PROPERTY CODE

Go to *Financials/ Supplier Invoice/Basic Data/Invoice Property Codes* and define property codes.



Connect the above property codes to the supplier from *Supplier/Invoice/Properties* tab.



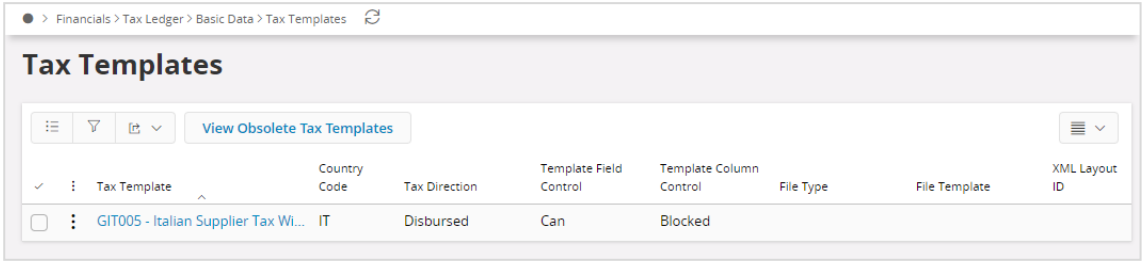
Note:

Due to General Data Protection Regulation (GDPR), whenever property code values of "BIRTH_DATE" or "PLACE_OF_BIRTH" are entered or modified on *Supplier/Invoice/Properties* tab an information message will pop up informing that this information is subject to GDPR and that it is the user's responsibility to use personal data with the natural person's consent only.

13.5 Define tax reports

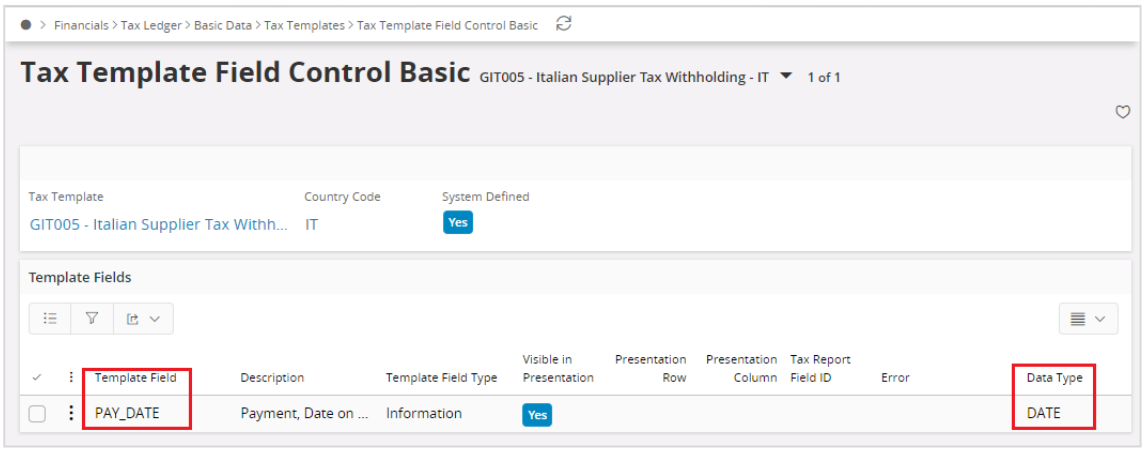
13.5.1 TAX TEMPLATE

Tax template - GIT005 is added to fetch tax transaction and to create the Year End Certificate report.



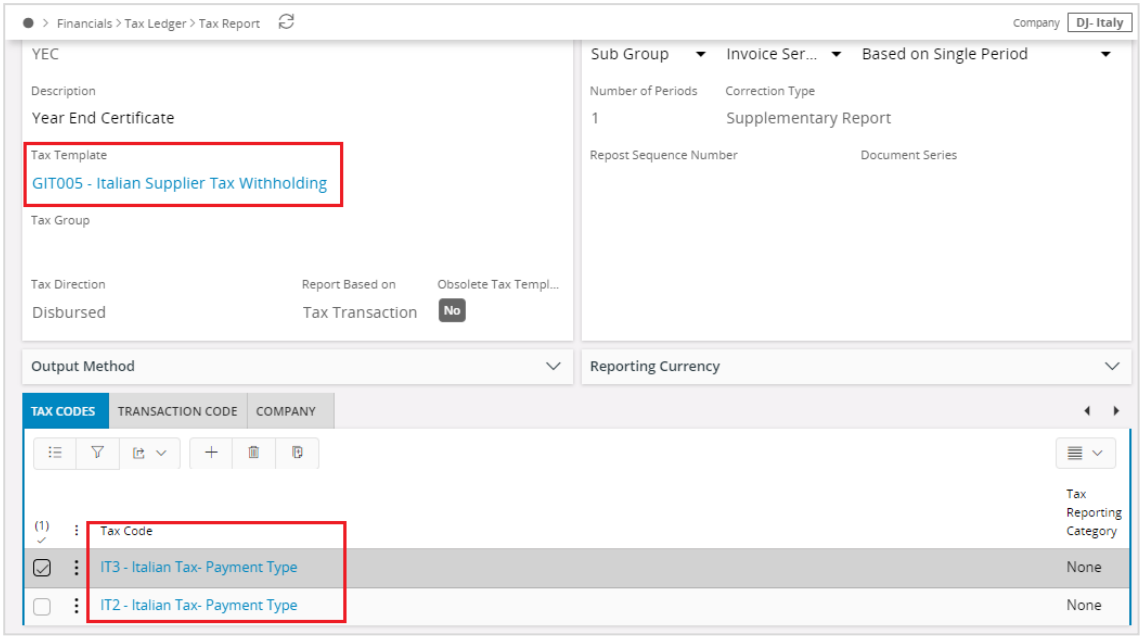
13.5.2 TAX TEMPLATE FIELD CONTROL

Search and select tax template GIT005 from Tax Templates page and click on the command button **Field Control Basic**. In the *Tax Template Field Control Basic* page, a new field of **Data Type- Date** is added to control payment date. During tax proposal creation, you must enter payment date to print the Year End Certificate report.



13.5.3 DEFINE TAX REPORT

Using standard functionality define the Year End Certificate tax report using the GIT005 tax template. Connect the withholding tax codes to the report. Read more about this in the IFS Cloud Documentation.



13.5.4 REGISTER TRANSACTIONS

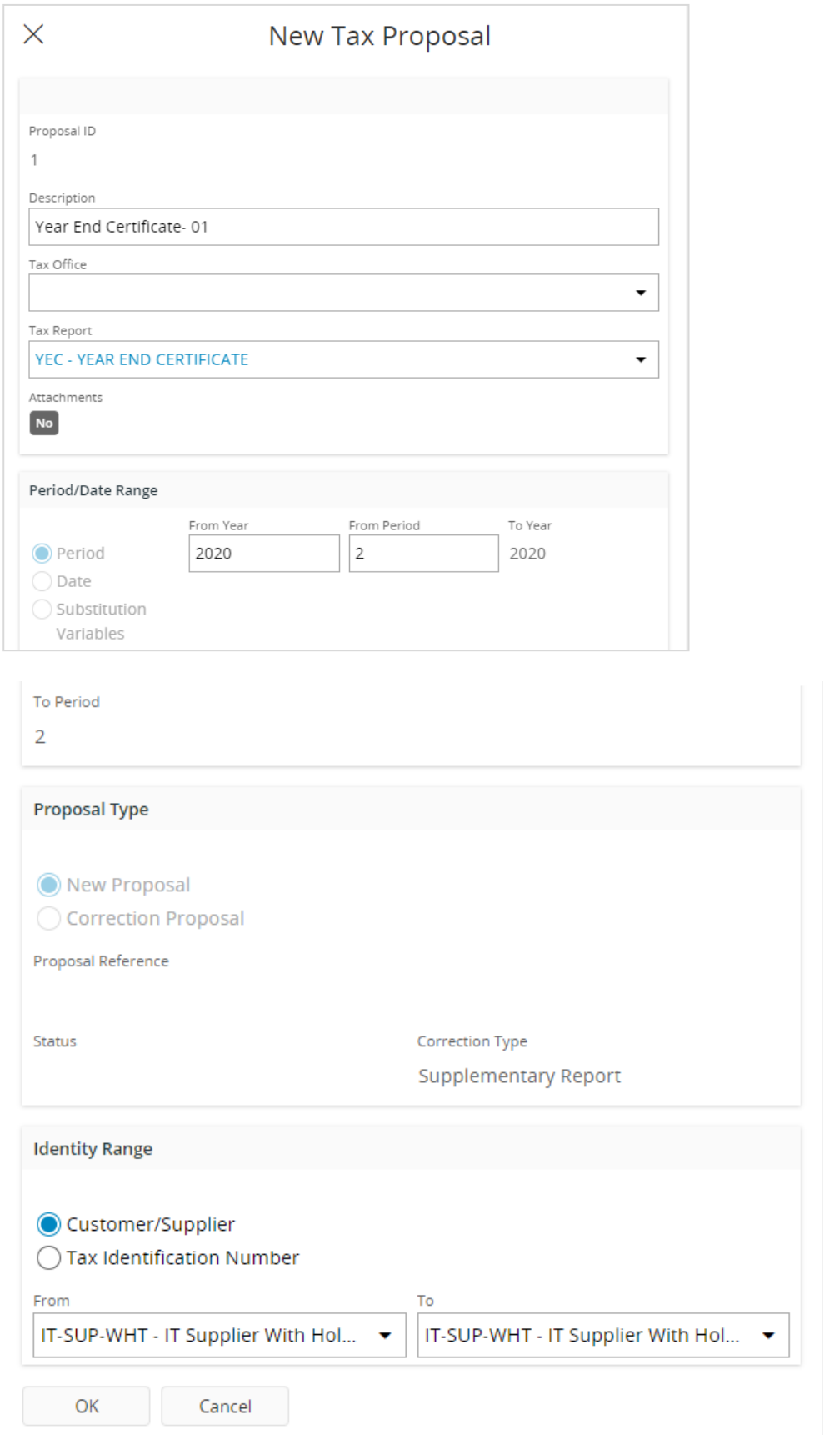
Create transactions using standard functionality for handling supplier invoices and paying supplier invoices.

Update the vouchers to the General Ledger and update Tax Ledger. Read more in IFS Cloud Documentation.

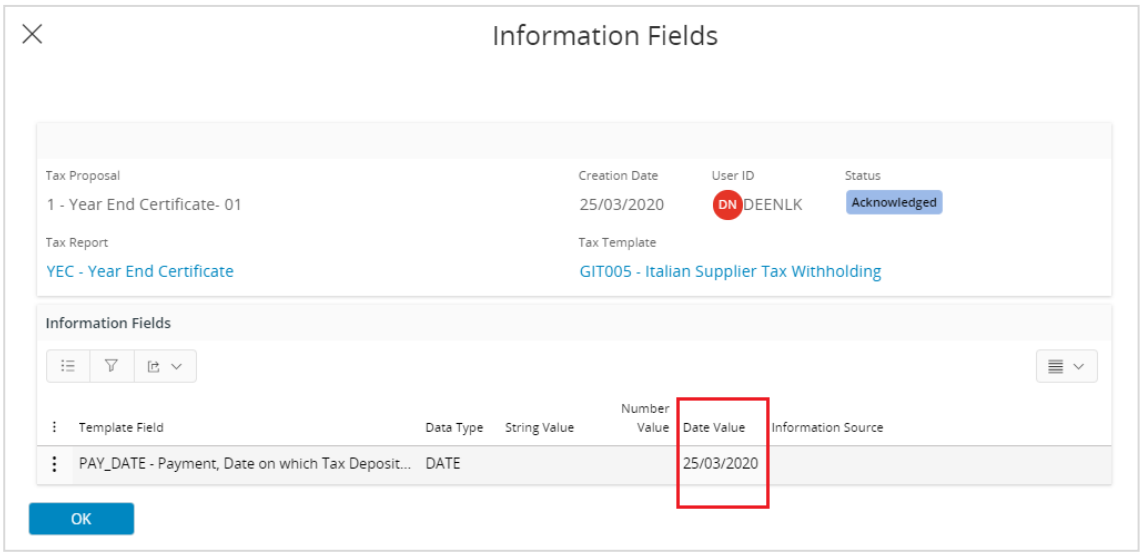
13.6 Print year end certificate

13.6.1 CREATE TAX PROPOSAL

Create a tax proposal using standard functionality. Use the tax report defined above and specify the relevant date/ period range as well as the identity range.

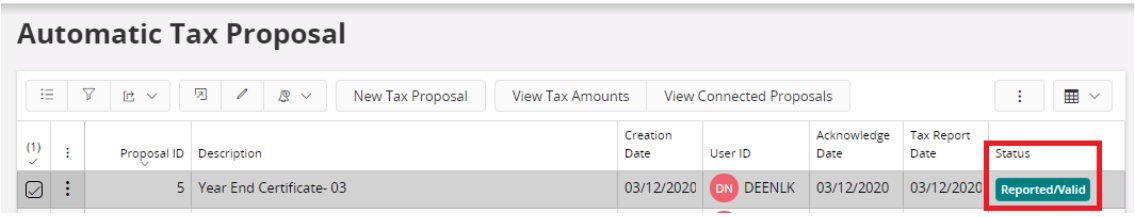


Select the relevant tax proposal and click on the command button **Show Information Fields**. In the modal dialogue that appears, enter payment date in the **Date Value** column.



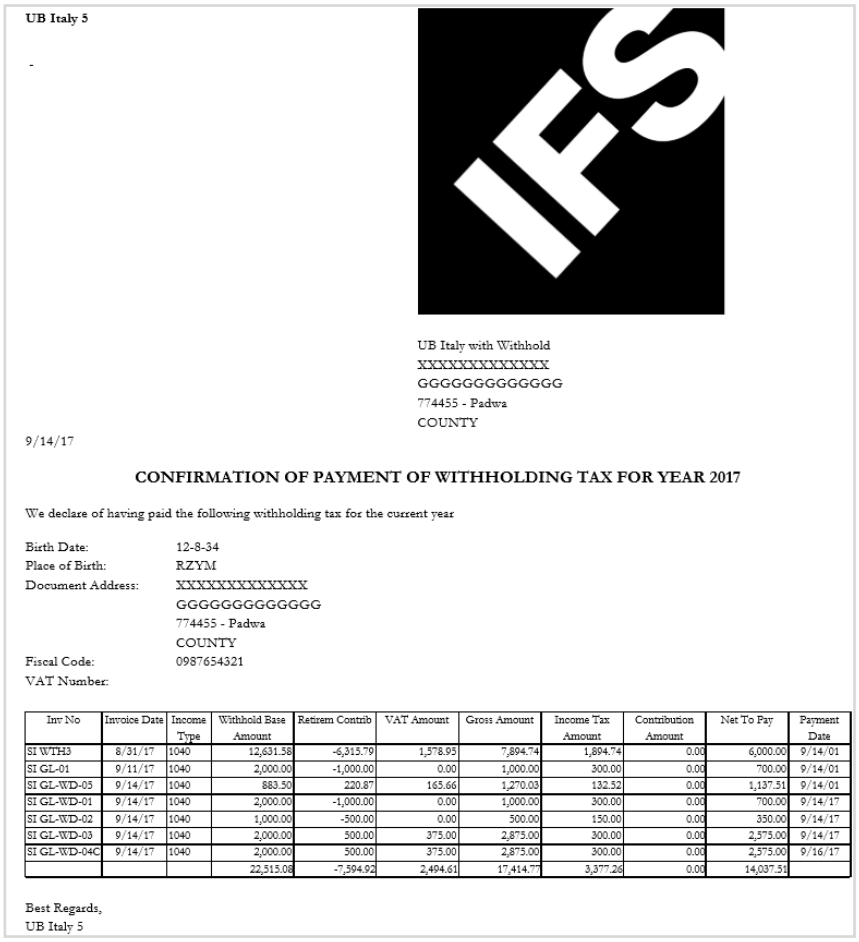
Process the created tax proposal until it gets to the Reported/Valid status by acknowledging and printing the Definitive Report.

Note: Printing the Preliminary Report and the Definitive Report would generate a Year End Certificate Report containing information relevant to the connected tax transactions of the selected tax proposal.



13.6.2 PRINT YEAR END CERTIFICATE

Navigate to *Order Report* page and select *Year End Certificate (Italy)* report. Fill in the selection criteria and press **Finish**.



UB Italy 5

-

UB Italy with Withhold
XXXXXXXXXXXXX
GGGGGGGGGGGGG
774455 - Padwa
COUNTY

9/14/17

CONFIRMATION OF PAYMENT OF WITHHOLDING TAX FOR YEAR 2017

We declare of having paid the following withholding tax for the current year

Birth Date: 12-8-34
Place of Birth: RZYM
Document Address: XXXXXXXXXXXXX
GGGGGGGGGGGGG
774455 - Padwa
COUNTY
Fiscal Code: 0987654321
VAT Number:

Inv No	Invoice Date	Income Type	Withhold Base Amount	Retirem Contrib	VAT Amount	Gross Amount	Income Tax Amount	Contribution Amount	Net To Pay	Payment Date
SI WTH3	8/31/17	1040	12,631.58	-6,315.79	1,578.95	7,894.74	1,894.74	0.00	6,000.00	9/14/01
SI GL-01	9/11/17	1040	2,000.00	-1,000.00	0.00	1,000.00	300.00	0.00	700.00	9/14/01
SI GL-WD-05	9/14/17	1040	883.50	220.87	165.66	1,270.03	132.52	0.00	1,137.51	9/14/01
SI GL-WD-01	9/14/17	1040	2,000.00	-1,000.00	0.00	1,000.00	300.00	0.00	700.00	9/14/17
SI GL-WD-02	9/14/17	1040	1,000.00	-500.00	0.00	500.00	150.00	0.00	350.00	9/14/17
SI GL-WD-03	9/14/17	1040	2,000.00	500.00	375.00	2,875.00	300.00	0.00	2,575.00	9/14/17
SI GL-WD-04C	9/14/17	1040	2,000.00	500.00	375.00	2,875.00	300.00	0.00	2,575.00	9/16/17
			22,515.08	-7,594.92	2,494.61	17,414.77	3,377.26	0.00	14,037.51	

Best Regards,
UB Italy 5

13.6.3 CALCULATION BASIS

- Withholding Base Amount:

Sum of column Tax Base Amount from Tax Transactions lines with transaction code PP49 and withheld Tax Code 5.

- Gross Amount

Sum of payments to the Invoice = A

- Percentage of Payment

$$X = [\frac{A}{(A-C)}]$$

A: Gross Amount (Sum of payment to the Invoice)
C: Withholding Tax Amount

- Vat Amount:

$$Y = \left(\frac{A}{(A-C)*D}\right) * X$$

A: Gross Amount (Sum of payment to the Invoice)
C= Withholding Tax Amount
D=Vat amount in Invoice
X= Percentage of Payment

- Retirement Contribution:

$$Z = [(A - B - Y) * X]$$

A= Gross Amount (Sum of payment to the Invoice)
B= Withholding Base Amount
Y= Vat Amount
X= Percentage of Payment

- Income Tax Amount: (E)

Tax Amount from Tax Transactions lines with transaction code PP49 and withheld Tax Code 5

- Contribution Amount: (F)

Tax Amount from Tax Transactions lines with transaction code PP49 and withheld Tax Code 6

- Net to Pay:

$$P = (A - E - F)$$

A: Gross Amount (Sum of payment to the Invoice)
E: Income Tax Amount
F: Contribution Amount

13.7 **Delimitations**

None.

14 Intrastat Reporting

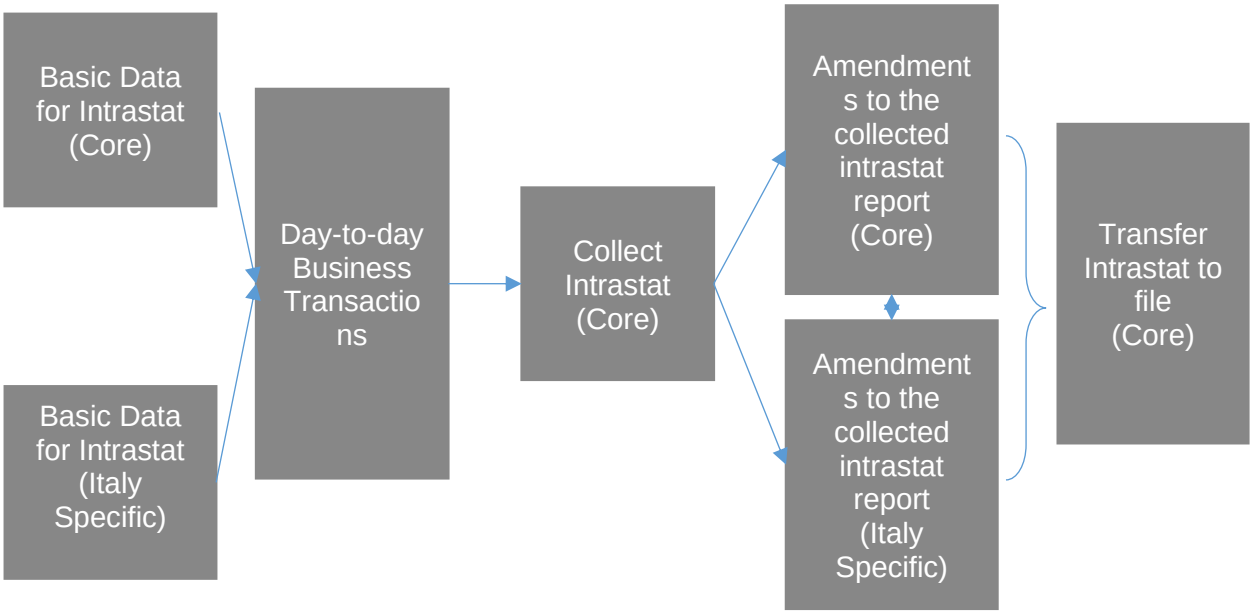
14.1 Overview Legal Requirement

Intrastat is the system for collecting information and producing statistics on the goods trade between countries of the European Union (EU). It began operation on 1 January 1993, when it replaced customs declarations as the source of trade statistics within the EU. The requirements of Intrastat are similar in all member states of the EU, although there are important exceptions. Italian companies are obliged to report Intrastat for the imports and exports of goods and of services with different frequencies dependent on the imported and exported amount. Following additional information need to be included in the Italian Intrastat report.

- Summary of Sales of Goods
- Detailed Sales of goods
- Correction on previously reported Sales of goods
- Summary of Purchase of Goods and Service
- Detailed Purchases of goods
- Correction on previously reported Purchases of goods
- Detailed Purchases of Services
- Correction on previously reported Purchases of Services
- Inclusion of advance invoices
- Adjustments to previous Intrastat declarations of goods and services

14.2 Process

Following steps needs to be followed to generate the Intrastat file:



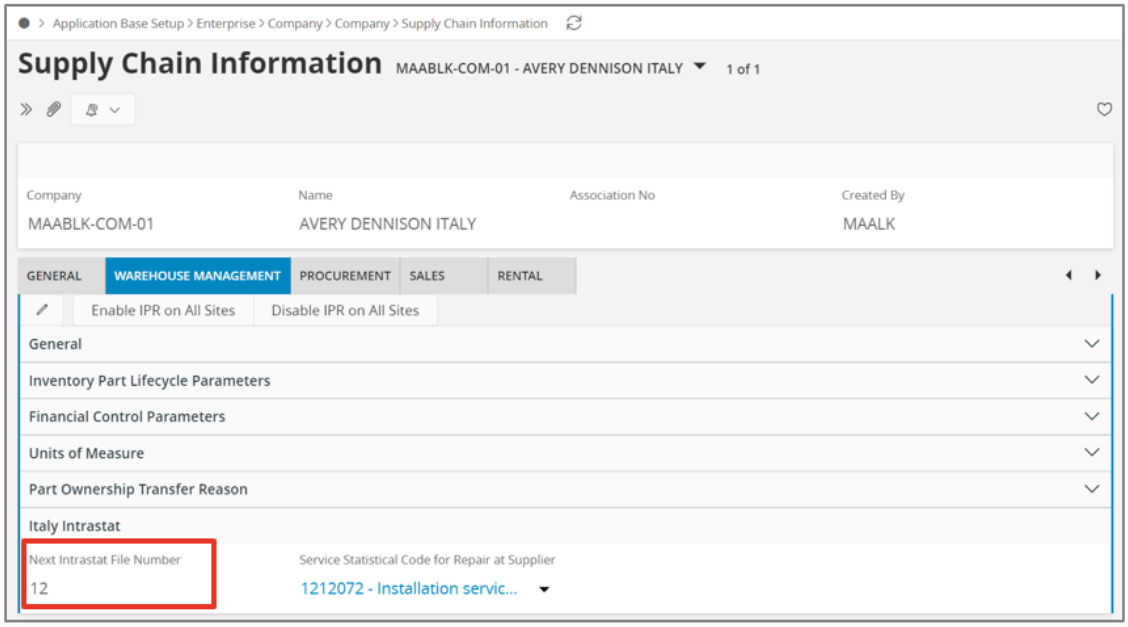
14.3 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter. The “Additional information in Italy Intrastat” localization functionality must be enabled.

Basic data for IFS Cloud Intrastat functionality must be defined.

14.3.1 DEFINE NEXT INTRASTAT FILE NUMBER

New **Next Intrastat File Number** field is added to the *Company/Supply Chain Information/Warehouse Management* tab. Enter the next Intrastat file number in this filed. Value in this field is incremented automatically when a new Intrastat file is generated.



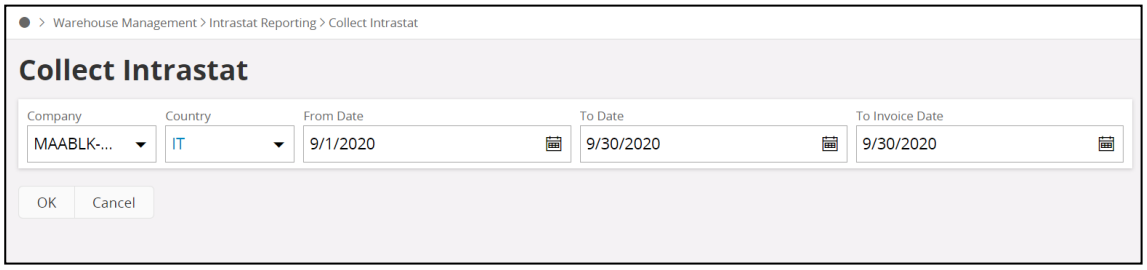
This number is used when the Intrastat file is created from the Intrastat page.

14.4 Create transactions for intrastat reporting

Using standard functionality, create customer and supplier invoices. Make payments for the invoices created using the payment methods available.

14.5 Collect intrastat

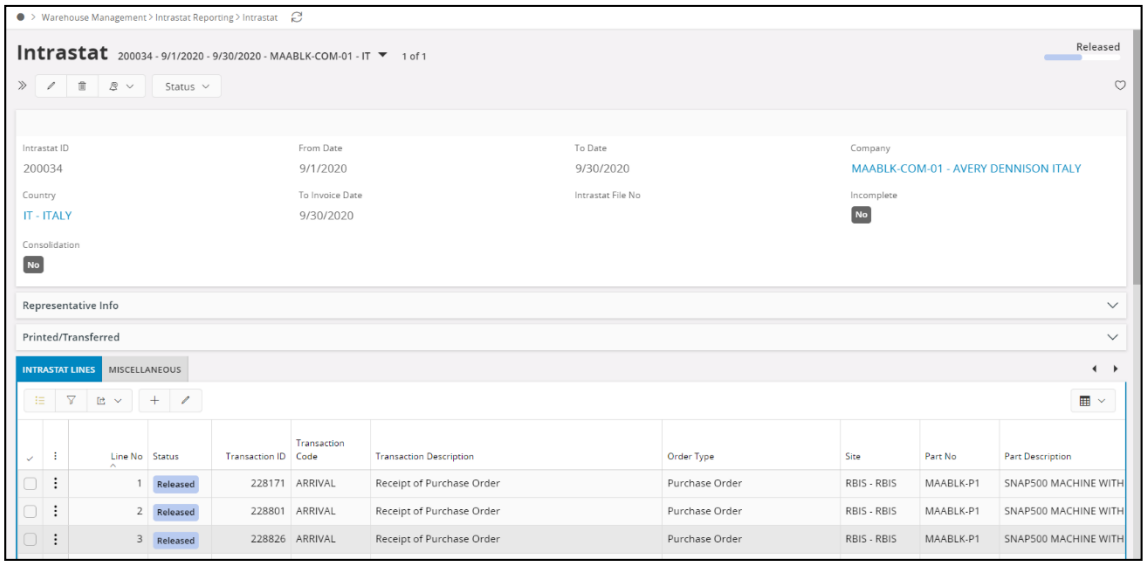
Open the *Collect Intrastat* assistant to collect Intrastat transactions. Enter the selection criteria and press **OK** button.



This is standard functionality. Refer to IFS Cloud Documentation for more information.

14.6 View collected intrastat transactions

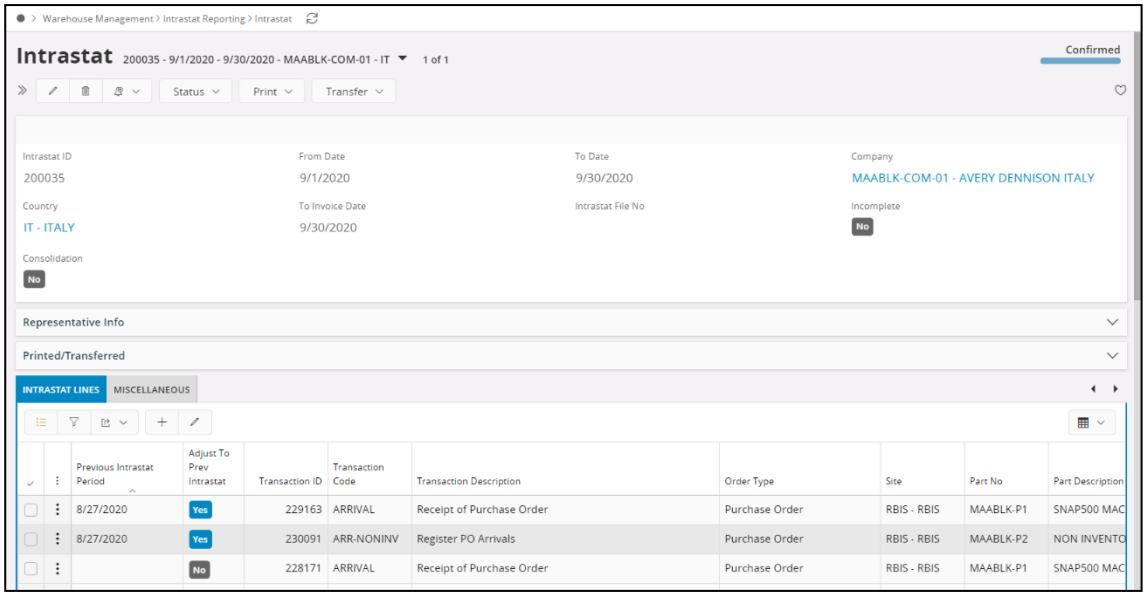
Go to the *Intrastat* page and search for the Intrastat report collected. This is standard functionality. Refer IFS Cloud Documentation for more information.



14.7 Italian intrastat

14.7.1 INVOICING BEFORE ARRIVAL OF PURCHASE ORDERS

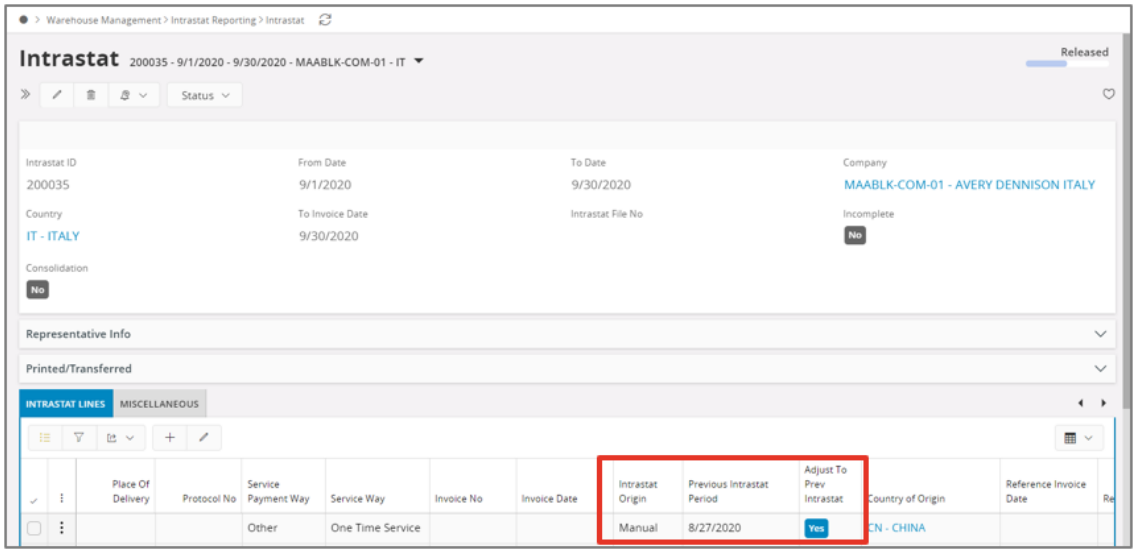
When a supplier invoice is created before the actual arrival is done (in a later period), when collecting Intrastat for the Italian company, voucher date of the supplier invoice is set as the **Previous Intrastat Period** in the *Intrastat* page.



Search for those rows in the Intrastat page and analyze if the line with a value in the **Previous Intrastat Period** column to be included in the earlier period. New **Adjust to Previous Intrastat Period** option is added to indicate such adjusted lines.

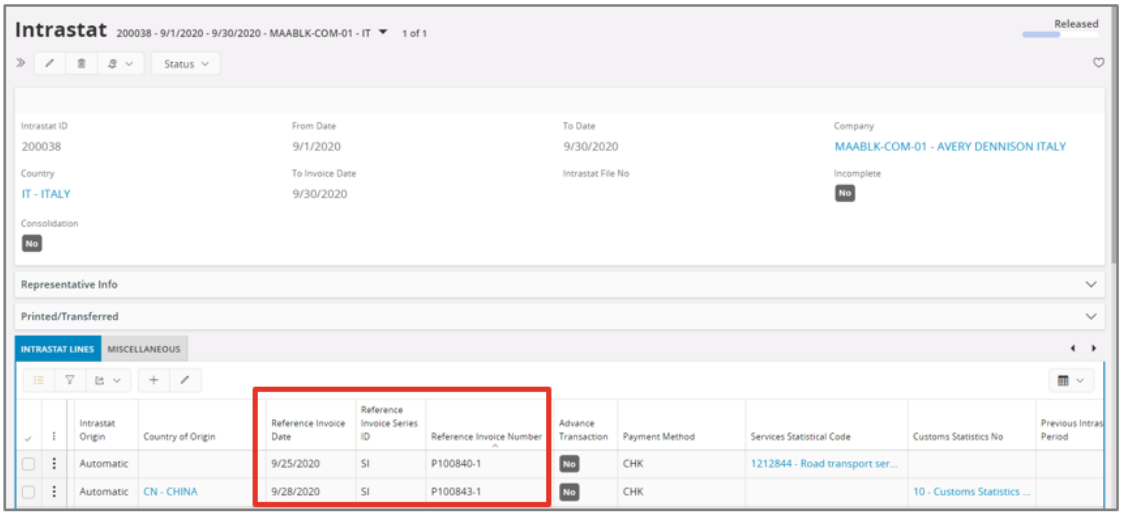
14.7.2 ADJUSTMENT IN INTRASTAT

In Italy intrastat it is possible to add earlier missed transactions to an Intrastat report. Therefore, in Italy intrastat report manual adjustments, add or remove Intrastat lines are allowed.
The **Previous Intrastat Period** field is used if this row needs be added in the section of Intrastat file.
The **Adjust to Previous Intrastat Period** option will be enabled automatically when an adjustment is done to an Intrastat line. For manually entered Intrastat lines the **Intrastat Origin** field is set to "Manual".



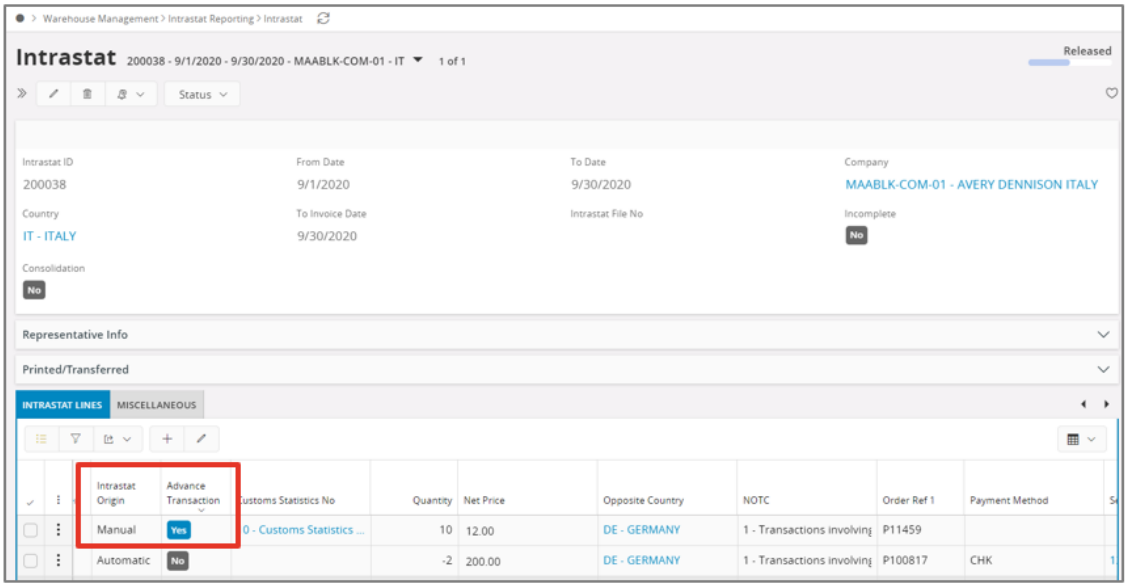
14.7.3 REFERENCE INVOICE IN INTRASTAT

New **Reference Invoice Series ID, Reference Invoice Number** and **Reference Invoice Date** fields are added to Intrastat line. When two invoices are matched with a receipt, last invoice series, number and date are placed in the **Series ID, Invoice No** and **Invoice Date** fields. The attributes of the other invoice will be added to the new **Reference Series ID, Reference Invoice Number** and **Reference Invoice Date** fields.



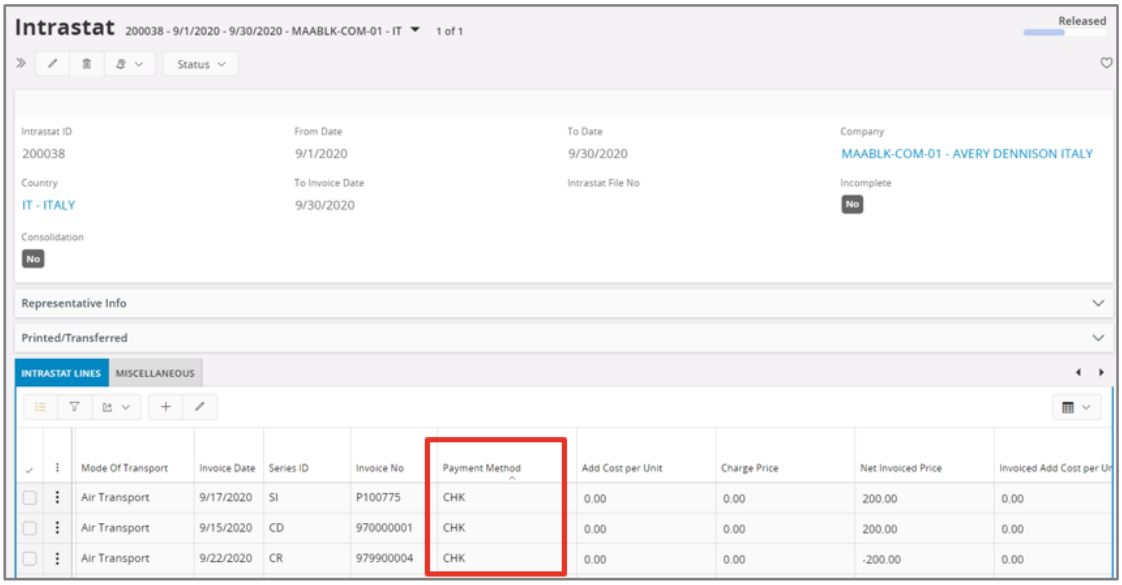
14.7.4 ENTER ADVANCE TRANSACTION

On the Intrastat Lines tab enable the **Advance Transaction** option to enter an advance transaction. After it is selected, enter a value for the **Order Ref** field.



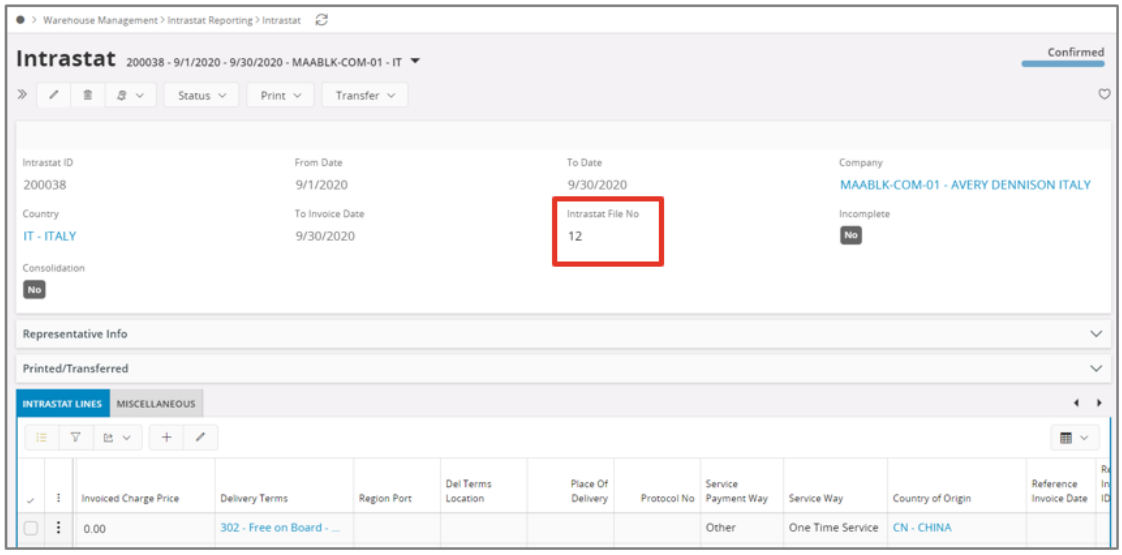
14.7.5 PAYMENT METHOD

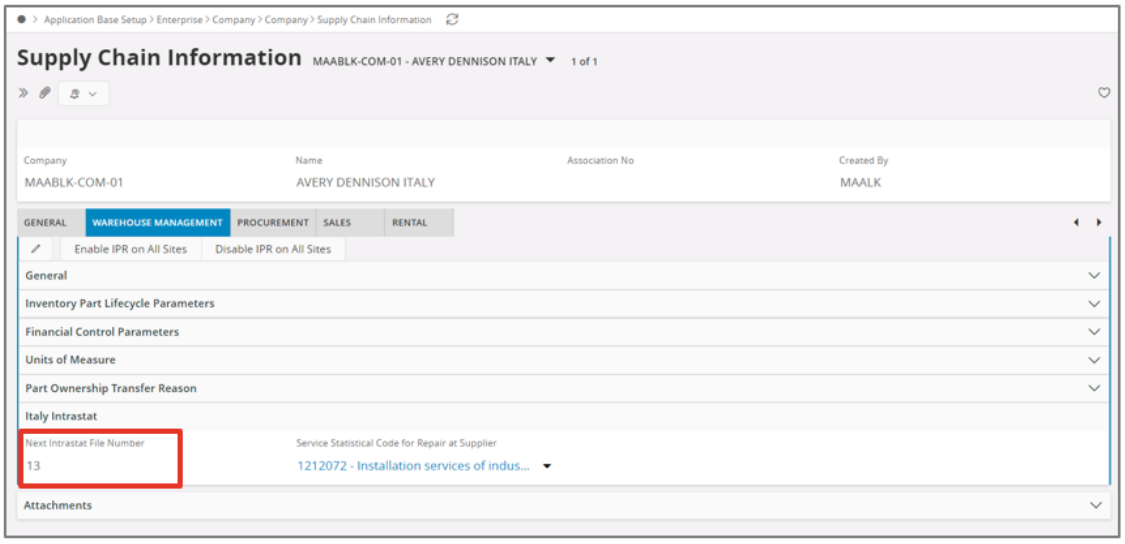
The **Payment Method** field indicates the payment method applied for the supplier/customer invoice payment. This value is automatically fetched when collecting Intrastat.



14.8 **Import/ Export file**

Use the standard functionality to transfer Intrastat to file. Once the Intrastat file is generated, the **Intrastat File Number** in the *Intrastat* page is filled automatically. At the same time, the **Next Intrastat Number** field will be updated on the *Company*/*Supply Chain Information/Warehouse Management* tab.





14.9 **Intrastat file**

The Intrastat file will look as follows

EUROX	000012000000A20M09	00000000000000000000000000000000
EUROX	000012300001DE	00000000040000000000000000121284IXIT
EUROA	000012100001DE	00000000020000000000000000100000010000000010000000000000000000002000X4DECN
EUROA	000012100002DE	00000000064000000000000000100000010000000032000000000000000000006400X4DECN

14.10 **Delimitations**

None.

15 Warehouse Journal Data

15.1 Overview Legal Requirement

In Italy, it is a legal requirement to provide an annual warehouse journal printout on a specific paper format. The warehouse journal is provided on a monthly basis. The printing must be done on paper within 3 months following the presentation of the tax return for the corresponding period.

The warehouse journal report must present a summary of physical inventory transactions in chronological order, sorted by physical transaction date or by warehouse. It must contain the start balance in a period (the quantity in stock at the beginning of a period), all stock movements made in a specific location and the end balance (quantity in stock) on that period; specifying the reason of each movement and a reference to the paper document (e.g. a delivery note).

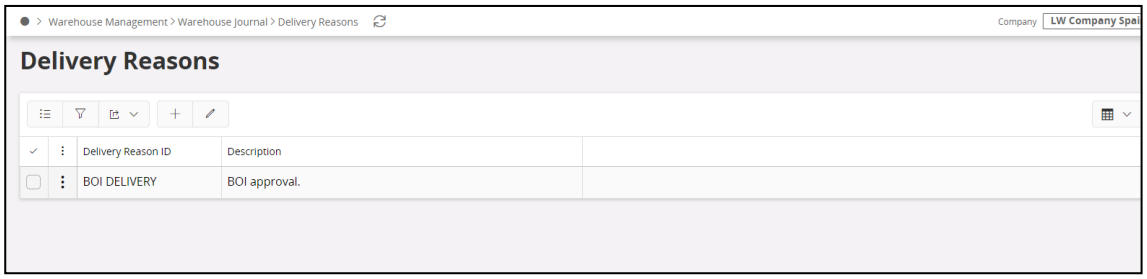
15.2 Prerequisites

The company must be set-up to use Italian localization, see the Company Set up chapter. And the:

- “Warehouse journal report data” localization functionality must be enabled.
- “Alternative delivery note number in chronological order” localization functionality must be enabled.
- “Automatic update of date applied on inventory transactions” localization functionality must be enabled.
- “Transport delivery note” localization functionality must be enabled.

15.3 Define Delivery Reasons

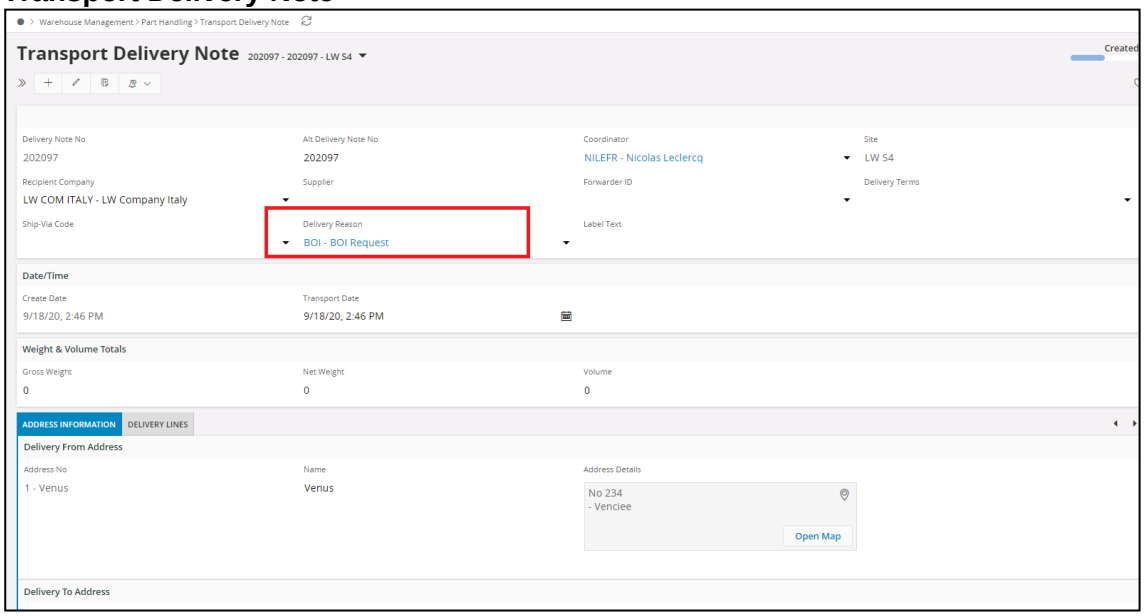
Define delivery reasons to be presented in the updated warehouse journal. Delivery reasons are connected to the inventory movements. Define delivery reasons in the *Delivery Reasons* page.



15.4 Connect Delivery Reason

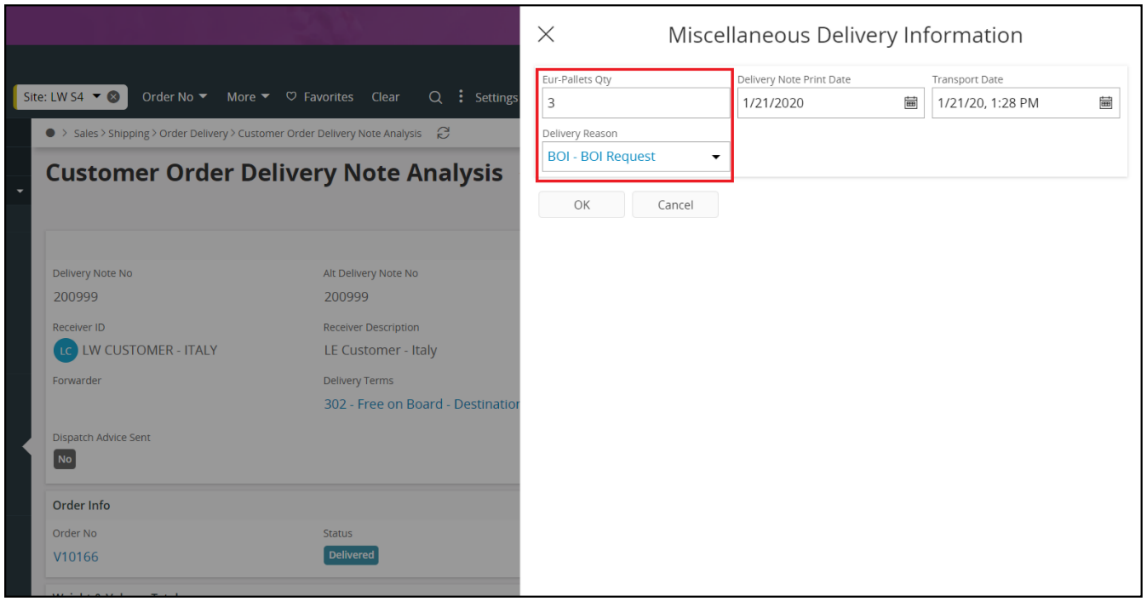
Connect the delivery reason to the delivery note and the transport delivery note in the *Delivery Note Analysis* and *Transport Delivery Note* pages.

Transport Delivery Note



Customer Order / Shipment Delivery Note Analysis

New editable fields **Eur-Pallets Qty**, **Delivery Reason** are added to *CO/ Shipment Delivery Note Analysis, Misc Delivery Info* button.

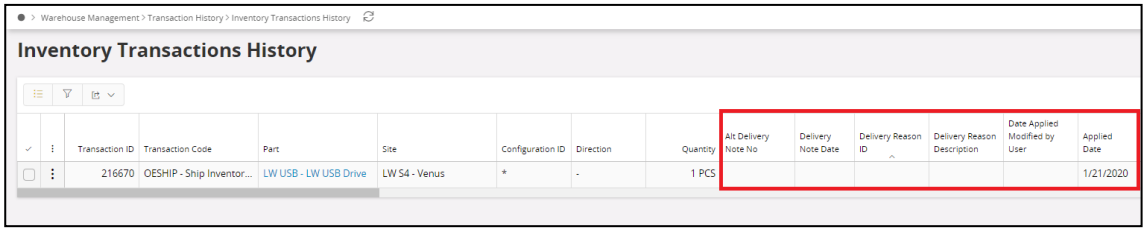


15.5 Print Customer Order/Shipment Delivery Note and Transport Delivery Note

- Print the delivery note using standard functionality, customer order creation releases the delivery note to be printed.
- Create the transport delivery note for the inventory movement transactions.
- Print the transport delivery note using the **Print** Button option in the *Transport Delivery Note* page. When printing additional information is fetched to the *Inventory Transactions History* page.

Following fields are added to the warehouse journal report and added to the *Inventory Transactions History* page.

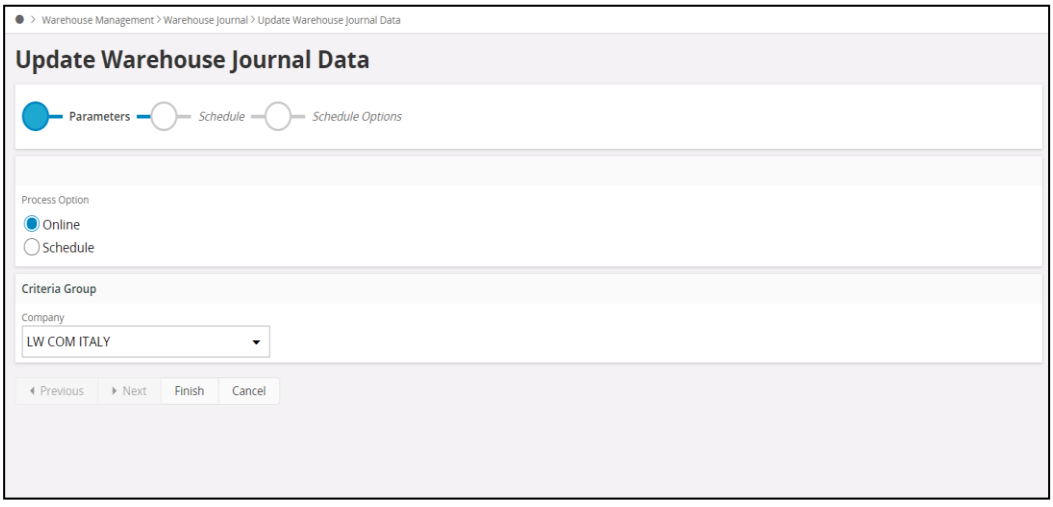
- *Delivery Reason*
- *Delivery Reason Description*
- *Delivery Note Date*
- *Alternative Delivery Note Number*



15.6 Update Warehouse Journal Data

- Select the *Update Warehouse Journal Data* assistant to update the warehouse journal data.
- Select the company to be updated and all warehouse journal data for that company will be fetched and presented in the *Warehouse Journal Data* page.

The update will run the calculations for all the previous accounting periods. It's recommended to schedule the update as background job once per accounting period.



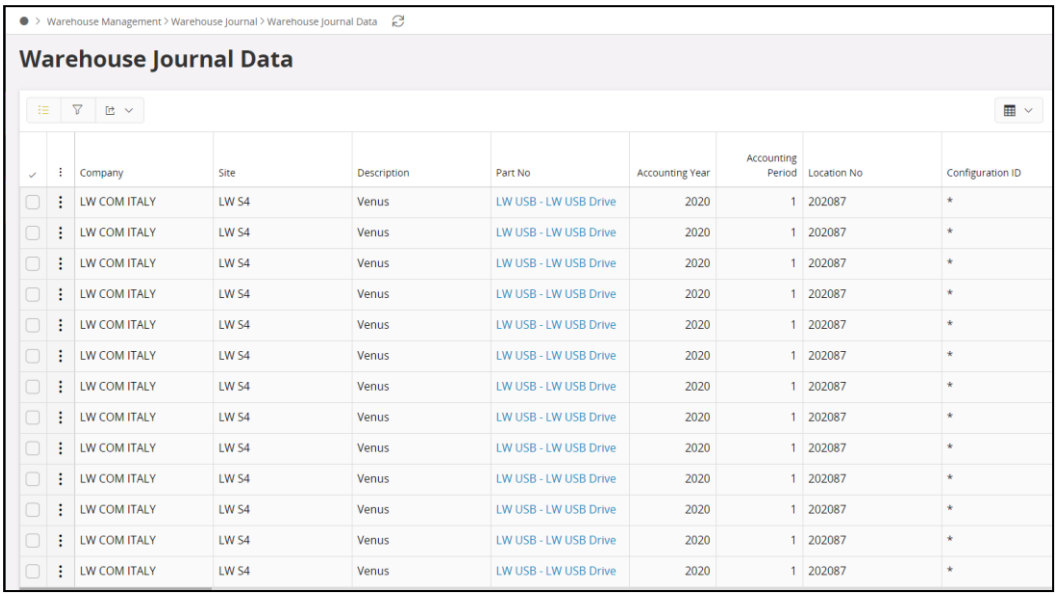
15.7 Warehouse Journal Data

The *Warehouse Journal Data* assistance is added to view the warehouse journal data. Closing balance per location for the period is calculated based on the inventory part, configuration ID, location and condition code.

In addition to information from inventory transaction history, the warehouse journal includes:

- Company

- Accounting period
- Opening balance
- Closing balance
- Delivery reason
- Condition code
- Delivery note date
- Alternative delivery note number



Company	Site	Description	Part No	Accounting Year	Accounting Period	Location No	Configuration ID
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*
LW COM ITALY	LW S4	Venus	LW USB - LW USB Drive	2020	1	202087	*

Use the Export Records functionality in to output information to Excel, from which data may be modified/formatted and the report can be printed.

15.8 **Delimitations**

None.

16 Appendix

Technical Specification FatturaP/