



# Country Solution Brazil

IFS Cloud 22 R2

## Table of Contents

<b>1</b>	Company Set-up .....	2
<b>2</b>	Business Operation.....	4
<b>3</b>	Acquisition Origin .....	6
<b>4</b>	Goods/Services Statistical Codes definition per company.....	9
<b>5</b>	Goods/Services Statistical Codes set-up .....	10
<b>6</b>	Brazilian specific fiscal attributes.....	13
<b>7</b>	Company and Customer basic data for tax calculation and Fiscal Note .....	18
<b>8</b>	Address specific tax registration numbers.....	21
<b>9</b>	Automatic generation of official invoice number .....	25
<b>10</b>	Extended Tax Codes and Tax Calculation Structures set-up.....	34
<b>11</b>	Tax Determination via Integration to Brazilian External Tax System .....	43
<b>12</b>	Outgoing Fiscal Notes .....	58
<b>13</b>	Supplier Returns- Credit Supplier Invoice with Outgoing Nota Fiscal.....	86
<b>14</b>	Gross Revenue Accounting.....	106
<b>15</b>	Fiscal Note issue date as applied date on inventory transactions for goods issue .....	111
<b>16</b>	Cancel PostedAuth Customer Order Invoices .....	113
<b>17</b>	Taxes in intracompany goods movement .....	114
<b>18</b>	Incoming Nota Fiscal.....	118
<b>19</b>	Boleto – Bank Collection Bill.....	129
<b>20</b>	Appendix .....	135

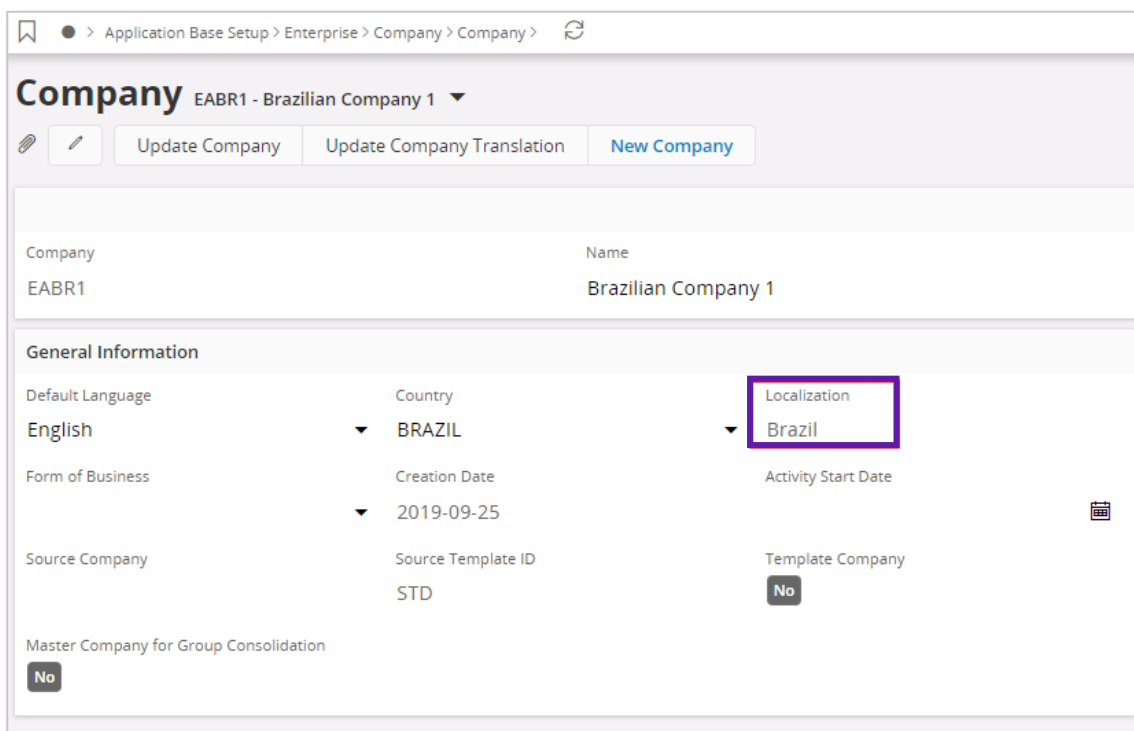
# 1 Company Set-up

## 1.1 Overview

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

## 1.2 Define Localization

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



The screenshot shows the 'Company' setup page for 'EABR1 - Brazilian Company 1'. The page includes a breadcrumb trail: 'Application Base Setup > Enterprise > Company > Company'. Below the breadcrumb, there are three buttons: 'Update Company', 'Update Company Translation', and 'New Company'. The main content area displays the company details in a table:

Company	Name
EABR1	Brazilian Company 1

Below the table is the 'General Information' section, which contains several fields:

- Default Language: English
- Country: BRAZIL
- Localization: Brazil (highlighted with a red box)
- Form of Business: [dropdown]
- Creation Date: 2019-09-25
- Activity Start Date: [calendar icon]
- Source Company: [dropdown]
- Source Template ID: STD
- Template Company: No
- Master Company for Group Consolidation: No

### 1.3 Select Localization functionality

Specify which functionality to use.

- Open *Localization Control Center* sub-menu in the *Company* page.
- The localization selected in previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionality available for Brazil 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.

**Localization Control Center** EABRSYSTEST - Brazilian Company System Test - Brazil 1 of 1

Company: EABRSYSTEST    Name: Brazilian Company System Test    Association No:    Created By: ERARSE

Functionality	Description	Mandatory	Enabled
Acquisition Origin	Enables functionality for defining acquisition origin for parts, needed for legal reporting.	Yes	Yes
Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal repo	Yes	Yes
Use Automatic Generation of Official Invoice Number	Enables the use of components to be combined with a sequence number per branch to create an official customer invoice num	Yes	Yes
Boleto - Bank Collection Bill	Enables the generation of Remittance Information and print out of Brazilian Boleto automatically when Customer Order Invoice	No	Yes
Brazilian Specific Attributes	Enables additional attributes specific for Brazil on Sales Part, Purchase Part and Master Part registration.	Yes	Yes
Business Operation	Enables functionality to define if a specific operation is taxable or not, needed for legal reporting.	Yes	Yes
Fiscal Note issue date applied on inventory transactions f	Enables functionality ensuring the Fiscal Note issue date is applied on inventory transactions for goods issue to fulfill accountin	Yes	Yes
Extended Tax Codes and Tax Calculation Structures set-up	Enables functionality for calculation of taxes and reporting by make use of extended tax codes and tax calculation structures.	Yes	Yes
Goods/Services Statistical Codes Definition per Company	Enables the identification/classification of goods and services for operational and statutory reporting purposes.	Yes	Yes
Goods/Services Statistical Codes Set-Up	Enables the set-up of statistical codes on sales parts, non-inventory sales parts, sales charges, sales objects, project report code	Yes	Yes
Gross Revenue Accounting	Enables functionality for gross-up revenue by adding tax amount.	Yes	Yes
Incoming Fiscal Notes	Enables functionality for handling inbound Brazilian e-invoices (Fiscal Notes).	Yes	Yes
Outgoing Fiscal Notes	Enables functionality for handling outbound Brazilian e-invoices (Fiscal Notes).	Yes	Yes

Attachments

## 2 Business Operation

### 2.1 Overview Legal Requirement

The Business Operation (Brazilian CFOP code) is a code specified by the Brazilian tax system and determined by the federal government. It can be used to define if a specific operation is taxable or not and is mandatory information for the NF-e XML (electronic version of the Fiscal Note).

### 2.2 Process Overview



### 2.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Business Operation” parameter must be enabled.

### 2.4 Define basic data

Enter the CFOP codes for your company in the *Application Base Setup/General Data/Business Operation* page.



Business Operation	Description	Validity
<input type="checkbox"/> 5.100	Sales of own production or by third party (within state)	Active
<input type="checkbox"/> 5.250	Sales of electric energy (within state)	Active
<input type="checkbox"/> 6.100	Sales of own production or by third party (outside the state)	Active

### 2.5 Enter Customer Order

Enter and process a customer order using standard functionality.

### 2.6 Create Customer Order Invoice

Create a preliminary Customer Order Invoice and enter a business operation value for each invoice line in column **Business Operation**.

Customer Invoice BRCUST1 - Brazilian Customer 1 - 201716 - CUSTORDDEB - P10486 Preliminary

Share Cancel Preliminary Invoice Posting Installment Plan and Discounts Notes Send Electronic Fiscal Note

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BRCUST1	Brazilian Customer 1	PR	201716	EABR1	BR1	2019-11-04	2019-11-04

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	2880,00	2304,00	576,00	1	1

Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price Qty	Price UoM	Sales Price/Curr	Sales Price Incl Tax/Curr	Acquisition Origin	Business Operation	Charge (%)	Charge (%) Basis/Curr	Dis
1	165	Remote control, Radio	2	pcs	2	pcs	1200,00	1500,00	1 - Foreign, direct import	5.250			

## 2.7 CFOP with the AVALARA Integration

From IFS Cloud 21R2 release onwards the Business Operation (CFOP) is associated with integration to 3<sup>rd</sup> party tax calculation engine, hence this value will be received from the tax calculation engine for each Customer Invoice Line. The user can manually edit the Business Operation value in the Invoice line if the Customer Order Invoice is in Preliminary status but it will be overridden with the CFOP value coming from tax calculation engine, if the tax is fetched again by changing quantity or Brazil specific attributes like Acquisition Origin and Goods/Services Statistical Code.

## 2.8 Generate NF-e XML file

The Business Operation value (CFOP) will be included in the NF-e XML file for each item. See further information in the *Outgoing Fiscal Notes* chapter and in the *Appendix* for the mapping between IFS and XML file.

## 2.9 Delimitations

No known delimitations.

## 3 Acquisition Origin

### 3.1 Overview Legal Requirement

The Brazilian tax authority provides a list of numeric codes to be used to indicate the acquisition origin for a part. The information is used for tracking if a company is applying the proper tax rates. The acquisition origin of a sold part is mandatory information in the NF-e XML file.

### 3.2 Process Overview

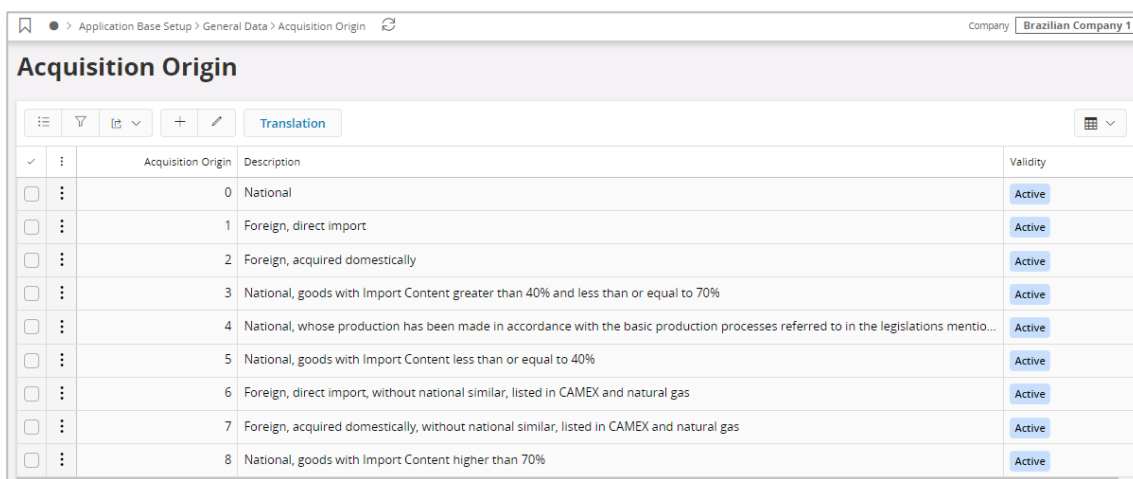


### 3.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Acquisition Origin” parameter must be enabled.

### 3.4 Define basic data

Enter Acquisition Origin basic data for your company in the *Application Base Setup/General Data/Acquisition Origin* page.



Acquisition Origin	Description	Validity
0	National	Active
1	Foreign, direct import	Active
2	Foreign, acquired domestically	Active
3	National, goods with Import Content greater than 40% and less than or equal to 70%	Active
4	National, whose production has been made in accordance with the basic production processes referred to in the legislations mentio...	Active
5	National, goods with Import Content less than or equal to 40%	Active
6	Foreign, direct import, without national similar, listed in CAMEX and natural gas	Active
7	Foreign, acquired domestically, without national similar, listed in CAMEX and natural gas	Active
8	National, goods with Import Content higher than 70%	Active

Enter the default acquisition origin value for each sales part in the *Sales/Part/Sales Part* page.

Sales Part 181 - Garage door handle, Belucci design - BR1

Inventory Part Availability Planning Complementary Parts Substitute Sales Part Inventory Part Document Text Customer Warranty

Sales Part No: 181 Part Description In Use: Garage door handle, Belucci design Site: BR1 Sales Type: Sales Only Active:

**GENERAL** DESCRIPTIONS CHARACTERISTICS CHARGES MAINTENANCE PART SPECIFIC OVERHEADS

Inventory Part				Sourcing	
Part No	Description	Configurable	DOP	Sourcing Option	Sourcing Rule
181	Garage door handle, Belucci design	No	No	Inventory Order	

Unit Of Measure				Grouping	
Inventory UoM	Inventory Conversion Factor	Price UoM	Price Conversion Factor	Sales Price Group	Sales Group
pcs	1	pcs	1	G1 - Basis	61 - Basic
Sales UoM	Inverted Conversion Factor	Catch UoM		Rebate Group	
pcs	1				

Pricing			Tax	
Price	Price Including Tax	Expected Average Price	Tax Code	Tax Class
200,00 BRL	200,00 BRL		0 - Tax 0%	
Rental Price	Rental Price Including Tax		Acquisition Origin	
0,00 BRL	0,00 BRL		3 - National, goods with Import...	

### 3.5 Enter Customer Order

Enter a customer order header with lines in the *Sales/Order/Customer Order* page. The default value for Acquisition Origin per each order line will be fetched from the Sales Part but can be manually changed.

Customer Order P10490

Share Operations Invoice RMA Related Pages Copy Order Order History Sales Promotions Commissions Project Access Document

Order No: P10490 Customer: BRCUST1 - Brazilian Customer 1 Site: BR1 Order Type: NO Wanted Delivery Date/Time: 2019-11-04 00:00

Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
1152,00 BRL	352,00 BRL	30,56	384,00 USD	96,00 USD	480,00 USD

**LINES** RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES

Line No	Del No	Sales Part No	Description	Sales Qty	Sales UoM	Status	Price/Curr	Price Incl Tax/Curr	Price UoM	Acquisition Origin
1	1	165	Remote control, Radio	1	pcs	Invoiced/Closed	400,00	500,00	pcs	1 - Foreign, direct import

### 3.6 Create Customer Order Invoice

Create a preliminary Customer Order Invoice. The Acquisition Origin value for each invoice item is automatically fetched from the customer order but can be manually changed as long as the invoice is in "Preliminary" status.



**Customer Invoice** BRCUST1 - Brazilian Customer 1 - 970000005 - CUSTORDDEB - P10490

Share | Credit/Correction Invoice | Posting | Installation Plan and Discounts | Notes

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Cr
BRCUST1	Brazilian Customer 1	CD	970000005	EABR1	BR1	2019-11

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
USD	480,00	384,00	96,00	3	3

**LINES** | GENERAL | HISTORY

Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price Qty	Price UoM	Sales Price/Curr	Sales Price Inc Tax/Curr	Acquisition Origin
1	165	Remote control, Radio	1	pcs	1	pcs	400,00	500,00	1 - Foreign, direct import

### 3.7 Generate NF-e XML file

Acquisition Origin will be included in the NF-e XML file for each item. See further information in the *Outgoing Fiscal Notes* chapter and in the *Appendix* for the mapping between IFS and XML file.

### 3.8 Delimitations

No known delimitations.

## 4 Goods/Services Statistical Codes definition per company

### 4.1 Overview Legal Requirement

NCM is the Brazilian classification system of goods which determines the import duties and taxes need to pay for a product. The codes are based on the international Harmonized System (HS) for classifying imported and exported products, but with 2 additional digits in the codes. NCM code is mandatory information in the NF-e XML file.

### 4.2 Process Overview

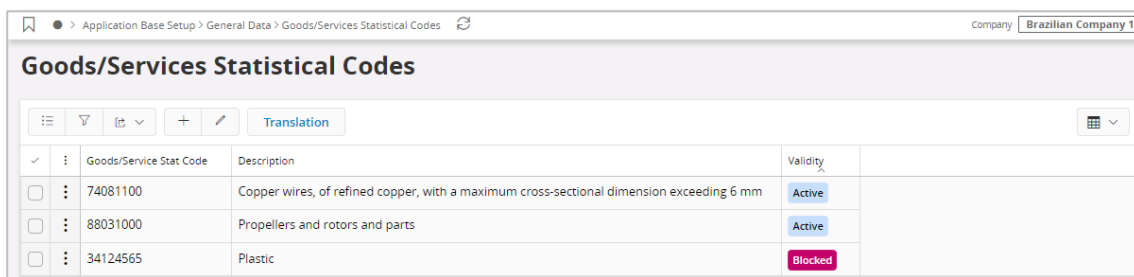


### 4.3 Prerequisites

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

### 4.4 Enter basic data

Enter the NCM codes for your company in the *Application Base Setup/General Data/Goods/Services Statistical Codes* page.



Goods/Service Stat Code	Description	Validity
74081100	Copper wires, of refined copper, with a maximum cross-sectional dimension exceeding 6 mm	Active
88031000	Propellers and rotors and parts	Active
34124565	Plastic	Blocked

### 4.5 Delimitations

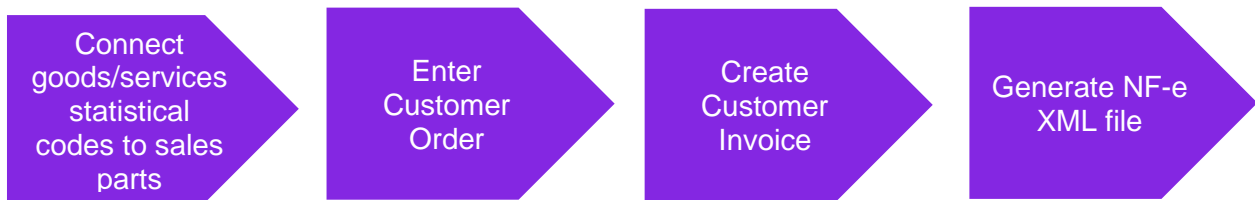
Note that this chapter only describes the functionality to define the codes per Company. Parameter “Goods/Services Statistical Codes Set-Up” enables the set-up of statistical codes on sales parts, non-inventory sales parts, sales charges, sales objects, project report codes, package parts and purchase parts.

## 5 Goods/Services Statistical Codes set-up

### 5.1 Overview Legal Requirement

NCM is the Brazilian classification system of goods and determine for example import duties and taxes needed to be paid. The codes are based on the international Harmonized System (HS) for classifying imported and exported products, but with 2 additional digits in the codes. NCM code is mandatory information in the NF-e XML file.

### 5.2 Process Overview

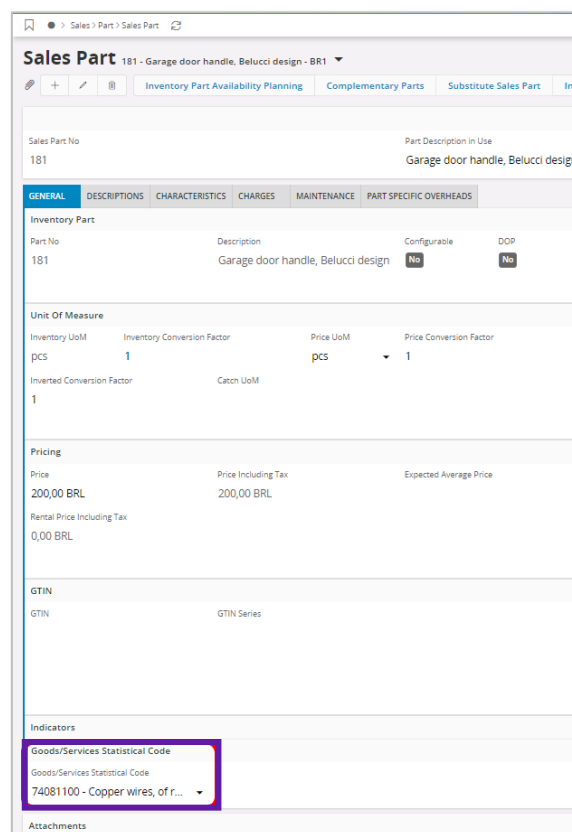


### 5.3 Prerequisites

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

### 5.4 Connect Goods/Services statistical codes to sales part

Connect the goods/service statistical code to sales parts in the *Sales/Part/Sales Part* page.



The screenshot shows the 'Sales Part' configuration page for '181 - Garage door handle, Belucci design - BR1'. The 'Inventory Part' section is expanded, showing the 'Goods/Services Statistical Code' field. The code '74081100 - Copper wires, of r...' is selected and highlighted with a red box.

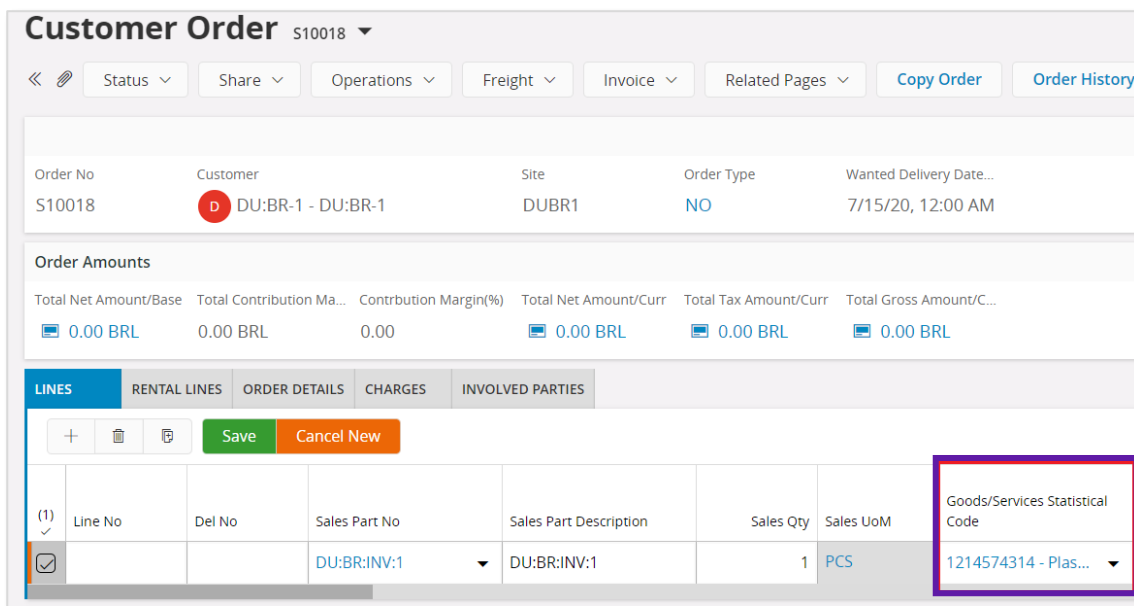
Inventory Part			
Part No	Description	Configurable	DOP
181	Garage door handle, Belucci design	No	No
Unit Of Measure			
Inventory UoM	Inventory Conversion Factor	Price UoM	Price Conversion Factor
PCS	1	pcs	1
Inverted Conversion Factor	Catch UoM		
1			
Pricing			
Price	Price Including Tax	Expected Average Price	
200,00 BRL	200,00 BRL		
Rental Price Including Tax			
0,00 BRL			
GTIN			
GTIN	GTIN Series		
Indicators			
Goods/Services Statistical Code			
Goods/Services Statistical Code			
74081100 - Copper wires, of r...			
Attachments			

## 5.5 Enter Customer Order

Enter a customer order header with lines in the *Sales/Order/Customer Order* page (standard functionality). Then enter a customer order line and select the above Sales Part with the “Goods/Services Statistical Codes” connected.


When the Sales Part is entered to the Customer Order line, newly introduced column, Goods/Services Statistical Code will automatically be filled with the Goods/Services Statistical Code connected to the Sales Part.

User can edit the Customer Order line and manually change the Goods/Services Statistical Code.







**Customer Order** S10018

[Status](#) [Share](#) [Operations](#) [Freight](#) [Invoice](#) [Related Pages](#) [Copy Order](#) [Order History](#)

Order No	Customer	Site	Order Type	Wanted Delivery Date...
S10018	 DU:BR-1 - DU:BR-1	DUBR1	NO	7/15/20, 12:00 AM

**Order Amounts**

Total Net Amount/Base	Total Contribution Ma...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/C...
 0.00 BRL	0.00 BRL	0.00	 0.00 BRL	 0.00 BRL	 0.00 BRL

[LINES](#) [RENTAL LINES](#) [ORDER DETAILS](#) [CHARGES](#) [INVOLVED PARTIES](#)

[+](#) [-](#) [🗑️](#) [Save](#) [Cancel New](#)

(1) <input checked="" type="checkbox"/>	Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Goods/Services Statistical Code
<input checked="" type="checkbox"/>			DU:BR:INV:1	DU:BR:INV:1	1	PCS	1214574314 - Plas...

## 5.6 Create Customer Order Invoice

Process the Customer Order and create a preliminary Customer Invoice. The Goods/Services Statistical Code value for each invoice line is automatically fetched from the Customer Order. User can edit the invoice line and manually change the Goods/Services Statistical Code as long as the invoice is in “Preliminary” status.

**Customer Invoice** DU:BR-1 - DU:BR-1 - 205011 - CUSTORDDEB - S10018 1 of 1

Cancel Preliminary Invoice   Posting   Installation Plan and Discounts   Notes   Send Electronic Fiscal Note

Customer No	Customer Address Na...	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
DU:BR-1	DU:BR-1	PR	205011	DU:BRAZIL-01	DUBR1	7/15/2020	7/15/2020

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	136.11	100.00	36.11	1	1

**LINES**   GENERAL   NF-E INFORMATION   HISTORY

Line	Type	Tax Code	Tax Calculation Structure	Business Operation	Acquisition Origin	Goods/Services Statistical Code	Tax (%)	Multiple Tax Lines
1			BRTS-1			DU:ST:C:0001 - DU:ST:...		Yes

## 5.7 Generate NF-e XML file

In the final step of the process, NF-e xml should be created from the Preliminary Customer Invoice and send to the tax authority. The Goods/Services Statistical Code (NCM) connected to the Customer Invoice line is a part of the information to be included in the NF-e xml.

See further information in the *Outgoing Fiscal Notes* chapter and in the *Appendix* for the mapping between IFS and XML file.

## 5.8 Connection of Goods/Services statistical codes to other parts and objects

Description to be added in coming versions.

## 5.9 Delimitations

Connection of goods/services statistical codes is limited to Sales Parts in this version.

## 6 Brazilian specific fiscal attributes

### 6.1 Overview Legal Requirement

The **Business Transaction Code** is required in 3<sup>rd</sup> party tax calculation engine in order to properly identify the business scenario details performed and return calculated tax amounts, as well as other relevant tax related information in accordance.

The **Product Type** is the tax classification of goods. This is a methodology used in Brazil to standardize the goods in groups, providing the possibility to classify the groups and assign them the taxes and regulations. Product Type is required in 3<sup>rd</sup> party tax calculation engine to properly identify the group in which the good is framed into and return calculated tax amounts as well as other relevant tax related information. This classification is also needed when submitting the Taxes Reporting to Brazilian Tax Authority per period.

The **CEST** is the Tax Substitution Specifier Code that identifies products framed in Tax Substitution protocols. This is used by the 3<sup>rd</sup> party tax calculation engine as one of possible ways to find the set of taxes for a good (with EAN and Harmonized Codes - NCM).

This code is also needed in the xml files for Fiscal Notes as well as when submitting the Taxes Reporting to Brazilian Tax Authority per period.

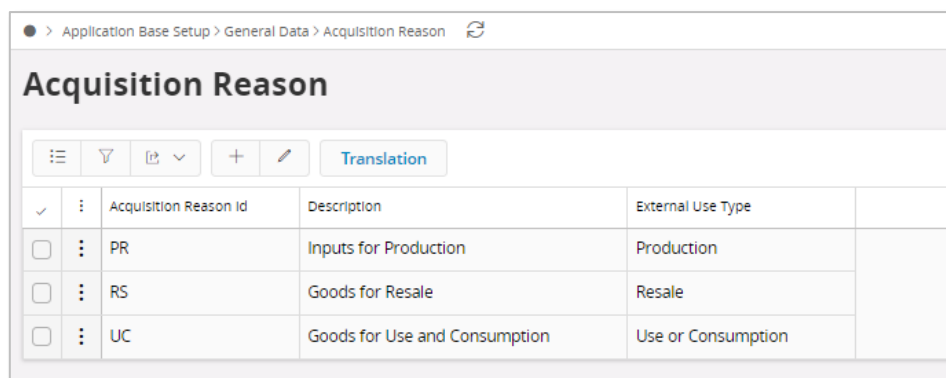
The **Acquisition Reason** is used by the customers and recipients of Fiscal Note when applying for given a good. This is required for 3<sup>rd</sup> party tax calculation engine in order to properly identify the business scenario details performed and return calculated tax amounts, with other relevant tax related information accordingly.

### 6.2 Process Overview



### 6.3 Enter basic data

Navigate to Acquisition Reason page available in Application Base Setup/General Data/Acquisition Reason. Enter the Acquisition Reason ID, description and choose External Use Type from the dropdown list.



The screenshot shows the 'Acquisition Reason' configuration page. The breadcrumb trail is 'Application Base Setup > General Data > Acquisition Reason'. The page title is 'Acquisition Reason'. Below the title, there are several icons (list, filter, refresh, add, edit) and a 'Translation' button. The main content is a table with the following data:

✓	:	Acquisition Reason Id	Description	External Use Type
<input type="checkbox"/>	:	PR	Inputs for Production	Production
<input type="checkbox"/>	:	RS	Goods for Resale	Resale
<input type="checkbox"/>	:	UC	Goods for Use and Consumption	Use or Consumption

Navigate to Business Transaction Codes page available in *Application Base Setup/General Data/Business Transaction Code*. Enter Business Transaction ID, description, and direction (Inbound/Outbound). Choose Presence Type from dropdown list and Acquisition Reason from list of values and enter the reference string in the field External Tax System Reference.

Application Base Setup > General Data > Business Transaction Code Company: BLUE NOTE GL

### Business Transaction Codes

Business Transaction Id	Description	Direction	Presence Type	Acquisition Reason Id	External Tax System Reference
100	Standard Sales	Outbound	Presence-Onsite	UC	standardSales
101	Domestic Sales	Outbound	Presence-Onsite	RS	standardSales
200	Transfer of Goods - Intersite	Outbound	Presence-Offsite	RS	itemTransferShippingOutbound
500	Domestic Purchases	Inbound	Phone		
600	Receipt of Goods - Intersite	Inbound	Internet		

Business Transaction Code is introduced as a new Control Type for IP4, M28, M295, M296, M30 and M31 Posting Types.

Accounting Rules > Posting Rules > Posting Control

### Posting Control

Control Type: C128

Posting Type	Code Part Name	Control Type
IP4 - Tax Disbursed, Invoice	Account	C128 - Business Transaction Code
M28 - Taxable Sales	Account	C128 - Business Transaction Code
M295 - Tax in Sales Revenue	Account	C128 - Business Transaction Code
M296 - Tax Deduct from Gross Revenue	Account	C128 - Business Transaction Code

Accounting Rules > Posting Rules > Posting Control > Posting Control Details

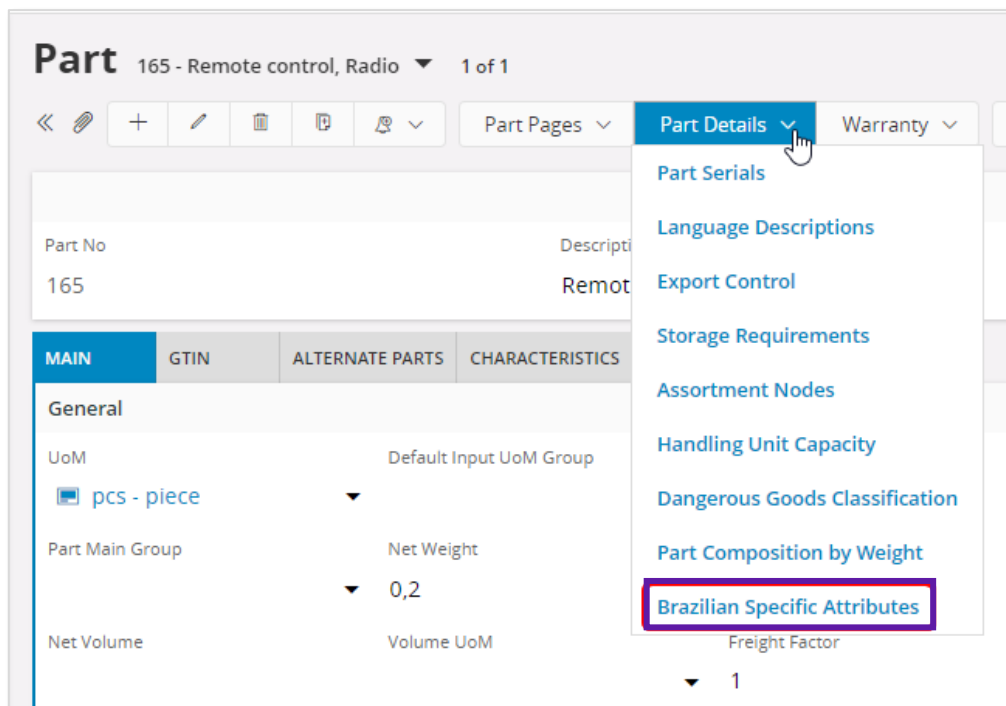
### Posting Control Details

IP4 - Account - C128

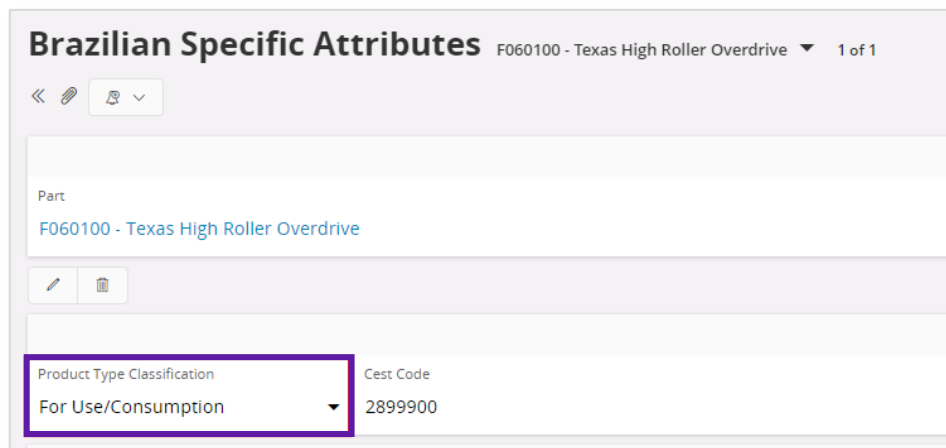
Posting Type	Code Part Name	Control Type
IP4	Account	C128
Default Value No CT Value	Valid From	10/2/2021

Business Transaction Code	Description	Account
100	Standard Sales	2610 - Output VAT, not reduced
120	Exportation	2611 - Output VAT on sales in Sweden, not reduced

To enter Product Type Classification and CEST for the parts, select “Brazilian Specific Attributes” in the *Part Master Data/Master Part/part* page, command group *Part Details*.



Select Product Type Classification value from the dropdown list.



Enter the 7-digit code that fits the part number from the official CEST list (provided by Brazilian Government) in the field **Cest Code** and save the record.



**Brazilian Specific Attributes** F060100 - Texas High Roller Overdrive 1 of 1

Part  
F060100 - Texas High Roller Overdrive

Product Type Classification For Use/Consumption

Cest Code  
2899900

The Acquisition Reason can also be defined in part level. Select it from list of values in the field **Acquisition Reason Id** in Sales Part.

Sales Part F060100 - Texas High Roller Overdrive - SP01 1 of 5

Inventory Part Availability Planning Complementary Parts Substitute Sales Part Inventory Part Document Text

GENERAL	DESCRIPTIONS	CHARACTERISTICS	CHARGES	MAINTENANCE	PART SPECIFIC OVERHEADS
Inventory Part					Sourcing
Unit Of Measure					Grouping
Pricing					Tax
GTIN					Miscellaneous
Indicators					Replacement Part
Goods/Services Statistical Code					Acquisition Reason
					Acquisition Reason Id
					RS - Goods for Resale

## 6.4 Enter Customer Order

Follow standard functionality to enter a Customer Order. Select an option for Business Transaction ID in the corresponding field in Customer Order/Order Details tab, group Brazilian Specific Attributes.

**Customer Order** P10739 1 of 15 Released

← + ✎ 🗑️ 🔍 Status Share Operations Freight ⋮ 🔖

Order Amounts

LINES RENTAL LINES **ORDER DETAILS** CHARGES INVOLVED PARTIES

Delivery Address  
 Delivery Settings  
 Delivery Confirmation  
 Document Address  
 Invoice  
 Order Picking  
 Shipment  
 Brazilian Specific Attributes  
 Business Transaction Id  
 100 - RCA BUSINESS TRANSACTION TEST

## 6.5 Enter Customer Order Line

Enter the Customer Order lines. The Acquisition Reason is automatically fetched into the field **Acquisition Reason Id** when line is saved. The fetching of Acquisition Reason Id to the Customer Order line is done in two ways.

1<sup>st</sup> – Acquisition Reason Id value is inherited from the Sales Part

2<sup>nd</sup> – If Acquisition Reason Id is not set in the Sales Part, then the value is retrieved from Business Transaction Id defined for the Customer Order.

The Acquisition Reason Id can also be entered/modified manually if the Customer Order is not Invoiced/Closed.

✓	:	✎	Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Price/Curr	Acquisition Reason Id	Price Incl Tax/Curr
<input type="checkbox"/>	:	✎	1	1	F060100	Texas High Roller Overdr	1	pcs	250,00	RS - Goods for Resale	250,00
<input type="checkbox"/>	:	✎	2	1	F060200	Smoking Blues Reverb	1	pcs	180,00	RS - Goods for Resale	180,00
<input type="checkbox"/>	:	✎	3	1	F060300	Killing Floor Fuzz	1	pcs	210,00	RS - Goods for Resale	210,00
<input type="checkbox"/>	:	✎	4	1	F060400	Dirty Blues Chorus	1	pcs	275,00	RS - Goods for Resale	275,00
<input type="checkbox"/>	:	✎	5	1	F060500	Whammy Bar Simulator	1	pcs	320,00	RS - Goods for Resale	320,00

## 6.6 Delimitations

Support for additional Brazilian specific attributes will be developed in coming releases.

## 7 Company and Customer basic data for tax calculation and Fiscal Note

### 7.1 Overview Legal Requirement

“Tax Regime” and “Entity Type” are legally required to determine the Brazilian tax calculation and tax reporting in Fiscal Note.

- Tax Regime is determined according to the company's profit. Most important tax regimes are Real Profit, Estimated Profit and Simplified.
- “Entity Type” refers the type of administration

### 7.2 Solution overview

To support this requirement, IFS Application core functionalities were slightly enhanced to define the required basic data.

- New page, **Classification of Business** is introduced with system defined values. User can manually define “*External Tax System Reference*”.
- Brazilian specific **Forms of Business** added

### 7.3 Process overview



### 7.4 Prerequisites

IFS Application core generic functionalities are used to define these basic data, hence not controlled by Brazilian specific Localization Control Center parameters.

### 7.5 Enter Basic data

#### **Classification of Business**

Go to the page, *Application Base Setup/Enterprise/Company/Basic Data/Classification of Business*. From this page, query, Country as “*BR-Brazil*” and find the system defined Brazilian specific *Classification of Business* records.

In the **External Tax System Reference** column, user can manually define the *External Tax System References* according to the value and format given by the 3<sup>rd</sup> party tax calculation integrator. In example below, you can see the *External Tax System References* mapped according to the AVALARA requirements.

### Classification of Business

✓	:	Country	Classification of Business	Description	External Tax System Reference
<input type="checkbox"/>	:	BR - BRAZIL	1	Lucro Real	realProfit
<input type="checkbox"/>	:	BR - BRAZIL	2	Lucro Presumido	estimatedProfit
<input type="checkbox"/>	:	BR - BRAZIL	3	Simplificado	simplified
<input type="checkbox"/>	:	BR - BRAZIL	4	Simplificado Sobre o Limite Bruto	simplifiedOverGrossthreshold
<input type="checkbox"/>	:	BR - BRAZIL	5	Empreendedor Simplificado	simplifiedEntrepreneur
<input type="checkbox"/>	:	BR - BRAZIL	6	Individual	individual
<input type="checkbox"/>	:	BR - BRAZIL	7	Não Aplicável	notApplicable

### Forms of Business

Go to the page *Application Base Setup/Enterprise/Company/Basic Data/Forms of Business* page. where entity types for country Brazil were added. From this page, query, Country as “BR-Brazil” and find the system defined Brazilian specific *Forms of Business* records.

### Forms of Business

✓	:	Country	Form of Business	Description
<input type="checkbox"/>	:	BR - BRAZIL	1	Empresa
<input type="checkbox"/>	:	BR - BRAZIL	2	Individual
<input type="checkbox"/>	:	BR - BRAZIL	3	Governo Federal
<input type="checkbox"/>	:	BR - BRAZIL	4	Governo Estadual
<input type="checkbox"/>	:	BR - BRAZIL	5	Prefeitura Municipal
<input type="checkbox"/>	:	BR - BRAZIL	6	Estrangeiro

### Company: Form of Business and Classification of Business

Go to the page *Company* and the *General Information* tab where user can select the "Form of Business" and "Classification of Business" from the drop-down lists.

**Company** EABR1 - Brazilian Company 1 1 of 1

Update Company Update Company Translation New Company

Company	Name
EABR1	Brazilian Company 1

**General Information**

Default Language	Country	Localization
English	BRAZIL	Brazil (Preview)
Form of Business	Classification of Business	Creation Date
2 - Individual	1 - Lucro Real	2021-03-16
Activity Start Date	Source Company	Source Template ID
		STD
Template Company	Master Company for Group Consolid...	
No	No	

### Customer: Form of Business and Classification of Business

Go to the page *Customer* and the *General Information* tab where user can select the "Form of Business" and "Classification of Business" for the customer from the drop-down lists.

**Customer** BRCUST1 - Brazilian Customer 1 1 of 1

Copy Customer View End Customer Connections

Customer	Name	Association No
BRCUST1	Brazilian Customer 1	
One-Time Customer	B2B Customer	
<input type="checkbox"/>	<input type="checkbox"/>	

**General Information**

Default Language	Country
English	BRAZIL
Form of Business	Classification of Business
4 - Governo Estadual	6 - Individual
Customer Tax Usage Type	

The field **Form of Business** must be 6 for foreign customers, that indicates this is an international customer. The description must be "Foreign" ("Estrangeiro").

The field **Classification of Business** must be 7 for foreign customer, that indicates this is an international customer. The description must be "Not Applicable" ("Não Aplicável").

## 8 Address specific tax registration numbers

### 8.1 Overview Legal Requirement

In Brazil, all entities are required to obtain the tax registration number **CNPJ** before they can commence business activities. The CNPJ must be detailed on all invoices and receipts issued by a company. CNPJ is specified per physical address.

The **State Registration** is a tax registration number given by the Brazilian State Tax authorities. This number is also specified per physical address.

**CNAE** is the acronym for National Classification of Economic Activities. It consists of a code composed of 7 digits that will identify the economic activity carried out by a business.

**SUFRAMA** is the name of the agency that manages the Manaus Free Trade Zone. Companies that have the SUFRAMA code may have tax benefits.

The above tax registration numbers are mandatory information for both NF-e issuer and receiver in the NF-e XML.

### 8.2 Process Overview



### 8.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Address Specific Tax Registration Numbers” parameter must be enabled.

### 8.4 Enter basic data for tax id types

Ensure the Tax ID Types “CNPJ”, “STATE\_REG”, “CNAE” and “SUFRAMA” are defined for Country Code “BR” in the *Application Base Setup/Enterprise/Tax/Tax ID Types* page (standard functionality)

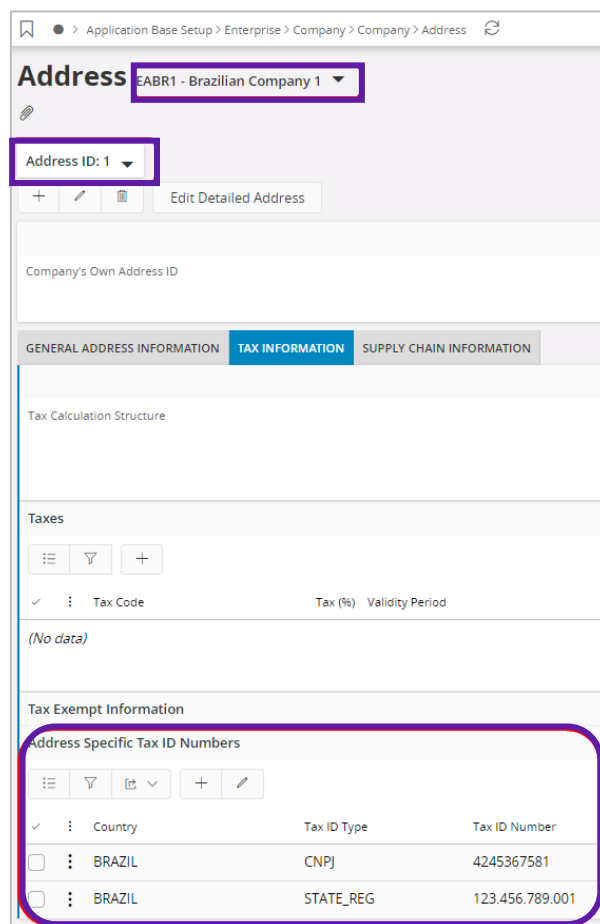
### Tax ID Types

✓	:	Tax ID Type	Country Code	Report Code	Description
<input type="checkbox"/>	:	CNPJ	BR	1	
<input type="checkbox"/>	:	STATE_REG	BR	1	
<input type="checkbox"/>	:	SUFRAMA	BR	1	
<input type="checkbox"/>	:	CNAE	BR	1	

## 8.5 Enter address specific tax id numbers

### 8.5.1 Company

Enter address specific tax ID numbers for your company in the *Application Base Setup/Enterprise/Company/Address* page.



Application Base Setup > Enterprise > Company > Company > Address

Address EABR1 - Brazilian Company 1

Address ID: 1

Company's Own Address ID

GENERAL ADDRESS INFORMATION | **TAX INFORMATION** | SUPPLY CHAIN INFORMATION

Tax Calculation Structure

Taxes

✓	:	Tax Code	Tax (%)	Validity Period
(No data)				

Tax Exempt Information

Address Specific Tax ID Numbers

✓	:	Country	Tax ID Type	Tax ID Number
<input type="checkbox"/>	:	BRAZIL	CNPJ	4245367581
<input type="checkbox"/>	:	BRAZIL	STATE_REG	123.456.789.001

### 8.5.2 Customer

Enter address specific tax ID numbers for your customer on tab *Document Tax Information* in the *Application Base Setup/Enterprise/Customer/Customer/Address* page, in the nested list below your Brazilian company.

**Address** BRCUST1 - Brazilian Customer 1 1 of 1

Customer: BRCUST1 Name: Brazilian Customer 1 Association: 1

Address ID: 1

Customer's Own Address ID: Customer Name: End Customer: End Customer:

GENERAL ADDRESS INFORMATION DELIVERY TAX INFORMATION **DOCUMENT TAX INFORMATION** SALES ADDRESS INFORMATION

Company	Supply Country	Delivery Country	Tax ID Type	Tax ID
✓ (1) EABRSYSTEST	BRAZIL	BRAZIL		
<b>ADDRESS SPECIFIC TAX ID NUMBERS</b>				
✓	Tax ID Type	Tax ID Number		
<input type="checkbox"/>	CNAE	41414141		
<input type="checkbox"/>	CNPJ	9874.1254.1		
<input type="checkbox"/>	STATE_REG	ISENTO		
<input type="checkbox"/>	SUFRAMA	313131245		

Note that tax ID numbers can not be entered on the upper level if address specific tax ID numbers are already entered in the nested list. This is to ensure no duplicate records are entered.

### 8.5.3 Supplier

Enter address specific tax ID numbers for your supplier on tab *Document Tax Information* in the *Application Base Setup/Enterprise/Supplier/Supplier/Address* page, in the nested list below your Brazilian company.



**Address** BRSUP1 - Brazilian Supplier 1 ▾ 1 of 1

Supplier: BRSUP1      Name: Brazilian Supplier 1

Address ID: 1 ▾

Supplier's Own Address ID      Supplier Name

GENERAL ADDRESS INFORMATION   DELIVERY TAX INFORMATION   **DOCUMENT TAX INFORMATION**   PURCHASE AD

Company	Tax ID Type	Tax ID Number	Tax ID Validated Date
Company			
EABR1			
ADDRESS SPECIFIC TAX ID NUMBERS			
Tax ID Type	Tax ID Number		
<input type="checkbox"/> STATE_REG	1478		
<input type="checkbox"/> CNPJ	12457		

Note that tax ID numbers cannot be entered on the upper level if address specific tax ID numbers are already entered in the nested list. This is to ensure no duplicate records are entered.

## 8.6 Delimitations

Address specific tax registration numbers for Forwarder is not supported in this version, unless the forwarder is defined as a supplier.

## 9 Automatic generation of official invoice number

### 9.1 Overview Legal Requirement

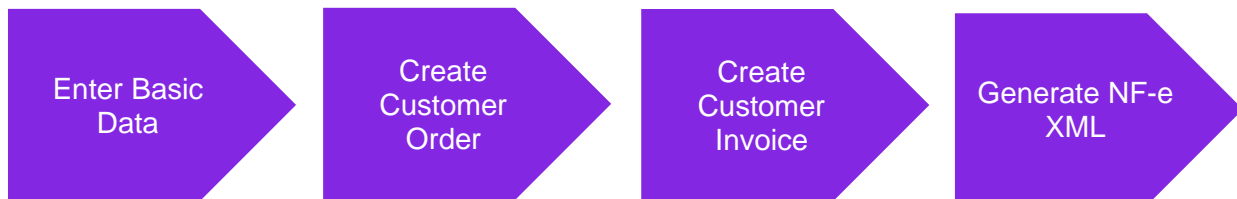
In Brazil, Fiscal Note series are needed to segregate and control the fiscal note numbering. Fiscal Note number intervals are assigned to companies by the tax authority and there is a legal requirement to use the assigned numbers for the issued Fiscal Notes. Each series has its own Fiscal Note number interval. When the last number in the interval has been used, a new series must be started.

The Brazilian law admits a branch of the company to have a separate series, which is a commonly used business practice. The Fiscal Note series are separating goods and services.

Fiscal Note number and series is mandatory information in the NF-e XML file sent to the tax authority before goods delivery.

### 9.2 Process Overview

The “Automatic Generation of official invoice number” functionality is a generic solution to support generation of official invoice numbers and is used in several IFS countries. It can be configured to support the requirements in Brazil, following the below process:



### 9.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Use Automatic Generation of Official Invoice Number” parameter must be enabled.

### 9.4 Enter basic data

The basic data described in below chapters must be entered to support the fiscal note numbering.

#### 9.4.1 Define Official Invoice Components per Company

The official invoice components are defined in two steps:

1. Specify names and descriptions for each component
2. Define the values of the components

Open the *Application Base Setup/Enterprise/Company/Company/Invoice* page for the relevant company and select “Official Invoice Number Components”.

**Invoice** EABR1 - Brazilian Company 1 ▾ 1 of 1

Company: EABR1      Name: Brazilian Company 1      Association No:

**GENERAL**    DEFAULT INVOICE TYPES    PO MATCHING    DOCUMENT MANAGEMENT

**Official Invoice Number Components**

**Posting Parameters**

Create Posting at Invoice Entry:       Same No Preliminary and Final Supplier Invoice:       Same Date Preliminary and Final Supplier Invoice:

Accepted Invoice Voucher Difference in Accounting Currency:      Accepted Invoice Rounding Difference in Invoice Currency:

Miscellaneous Parameters

Specify names and descriptions as per below on the “Components” tab;

- Component A: Series
- Sequence Number: Fiscal Note Number

The “Generate Official Invoice Number” parameter should be set to “At Preliminary Invoice”.

**Official Invoice Number Components**

**COMPONENTS**    SERIES    COMPONENT B    COMPONENT C    BRANCHES

☰    🔍    🗑️ ▾    ✎

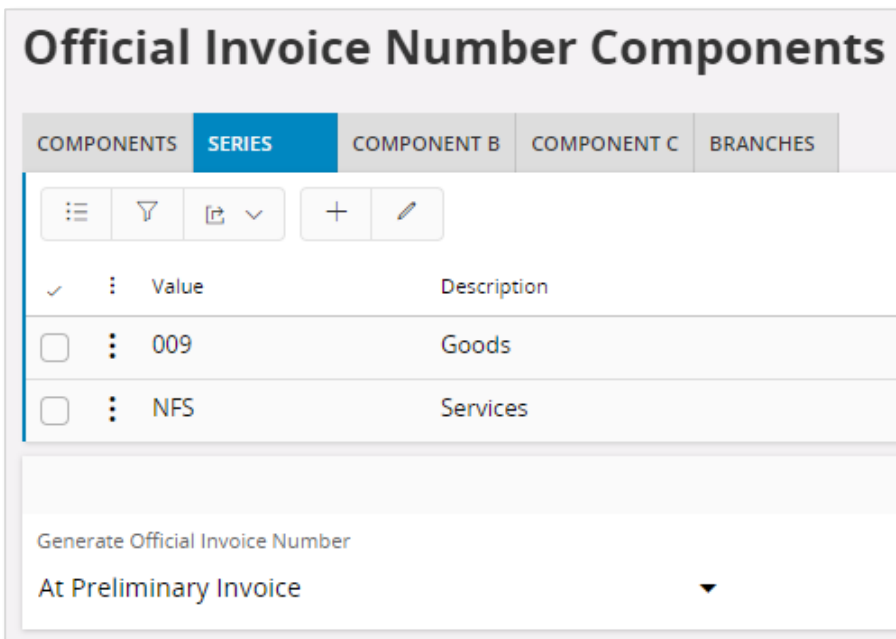
✓	☰	Component	Name	Description
<input type="checkbox"/>	☰	Component A	Series	Series
<input type="checkbox"/>	☰	Component B		
<input type="checkbox"/>	☰	Component C		
<input type="checkbox"/>	☰	Sequence Number	Fiscal Note Number	Fiscal Note Number

Generate Official Invoice Number  
At Preliminary Invoice ▾

After saving, the “Component A” tab will be renamed to “Series”. As a result, these components will be used when generating the official invoice number for Customer (Order) Invoices.

### 9.4.2 Define fiscal note series

In the “Series” tab (Component A) the fiscal note series to be used for goods and to be used for services in the company can be defined.



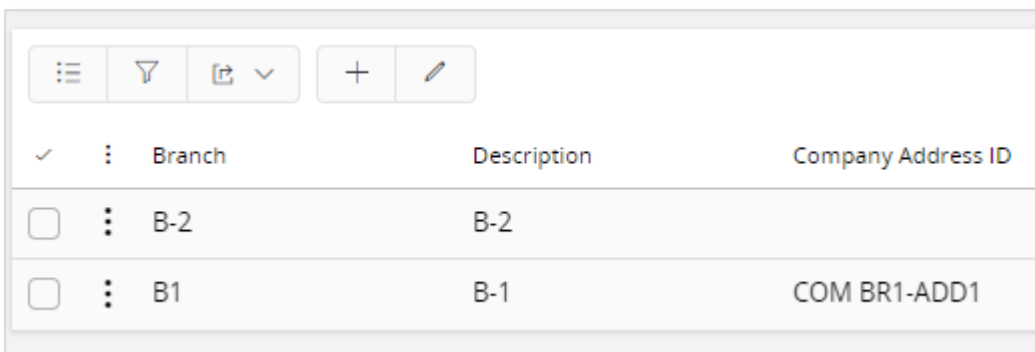
Official Invoice Number Components				
COMPONENTS	SERIES	COMPONENT B	COMPONENT C	BRANCHES
<input checked="" type="checkbox"/>	Value			Description
<input type="checkbox"/>	009			Goods
<input type="checkbox"/>	NFS			Services

Generate Official Invoice Number

At Preliminary Invoice ▼

### 9.4.3 Define Fiscal Note number series per branch

Define company branches in the *Application Base Setup/Enterprise/Company/Basic Data/Branches* page.



<input checked="" type="checkbox"/>	Branch	Description	Company Address ID
<input type="checkbox"/>	B-2	B-2	
<input type="checkbox"/>	B1	B-1	COM BR1-ADD1

Open the “Branches” tab in *Official Invoice Number Components* page and enter the company Branch ID:s that need fiscal note numbers to be generated.

### Official Invoice Number Components

COMPONENTS SERIES COMPONENT B COMPONENT C BRANCHES

Branch  
 B1 - Branch 1  
 B2 - Branch 2

Series	Valid From	Component B	Component C	Start Value	End Value	Next Value	Length	Default Series
<input type="checkbox"/> 009 - Goods	2020-10-06			10001	10999	10026	9	Yes
<input type="checkbox"/> NFS - Services	2020-10-06			20001	20999	20001	9	No

Select a Branch in the Financials/Customer Invoice/Basic Data/Official Invoice Number Components page, tab “Branches”. Use the drop-down list to connect Fiscal Note Series and enter the Fiscal Note number interval (start and end value) for the series. The length of the fiscal note series can also be entered here. A default series to represent the company’s main business can be entered for the specific branch. The default series will be applied on the customer orders created for that branch but can be manually changed by the user.

#### 9.4.4 Connect branch to site

Connect Sites to company branches in the *Application Base Setup/Enterprise/Site/Site/Sales and Procurement* tab (IFS standard functionality).

### Sales and Procurement

DUBR1 - DU:BR:S1 - DU:BRAZIL-01 1 of 1

Company Site Group

Site	Site Description	Company
DUBR1	DU:BR:S1	DU:BRAZIL-01 - DU:BRAZIL-01

Document Address

COM BR1-ADD1

SALES | PROCUREMENT

General

Branch: **B1**

Print Pick Report: Detailed

Order Type: [Dropdown]

Priority: [Dropdown]

Forwarder ID: [Dropdown]

Replicate Doc Text: [Dropdown]

Reserve from Transport Task: [Dropdown]

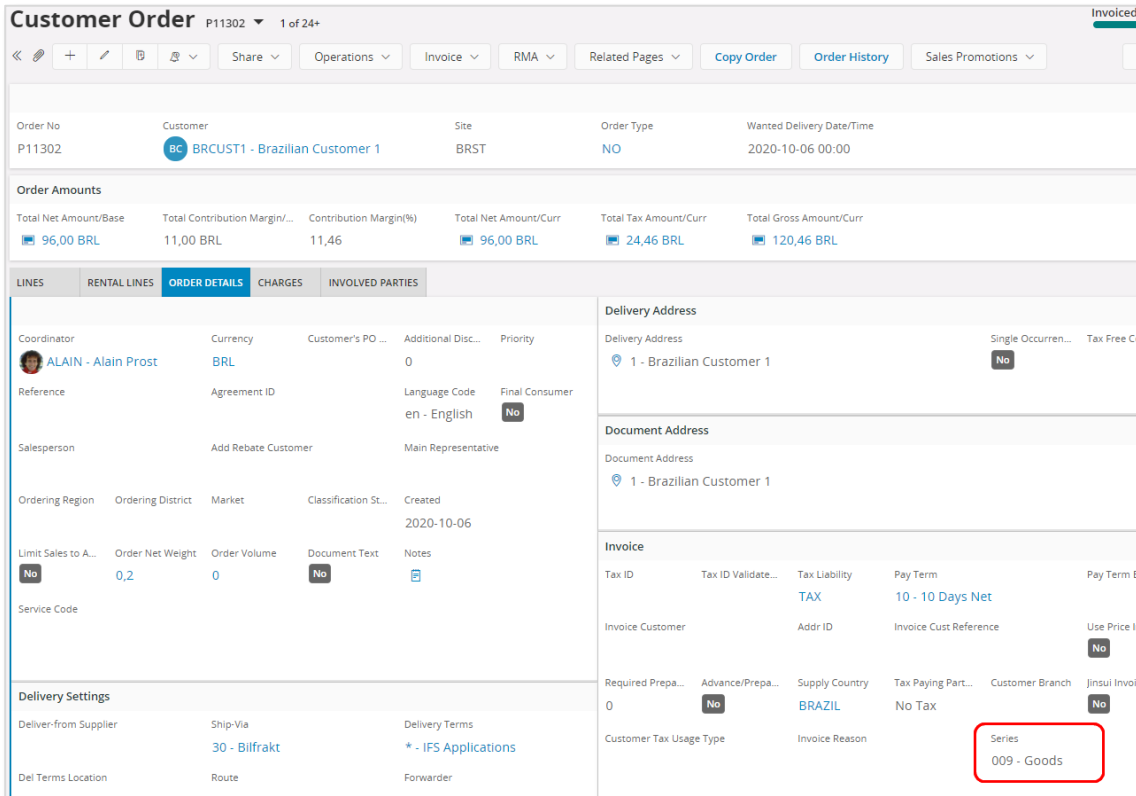
Use Inventory Default:

Create CO in Released Status:

Use Part Catalog Description for Sales Part:

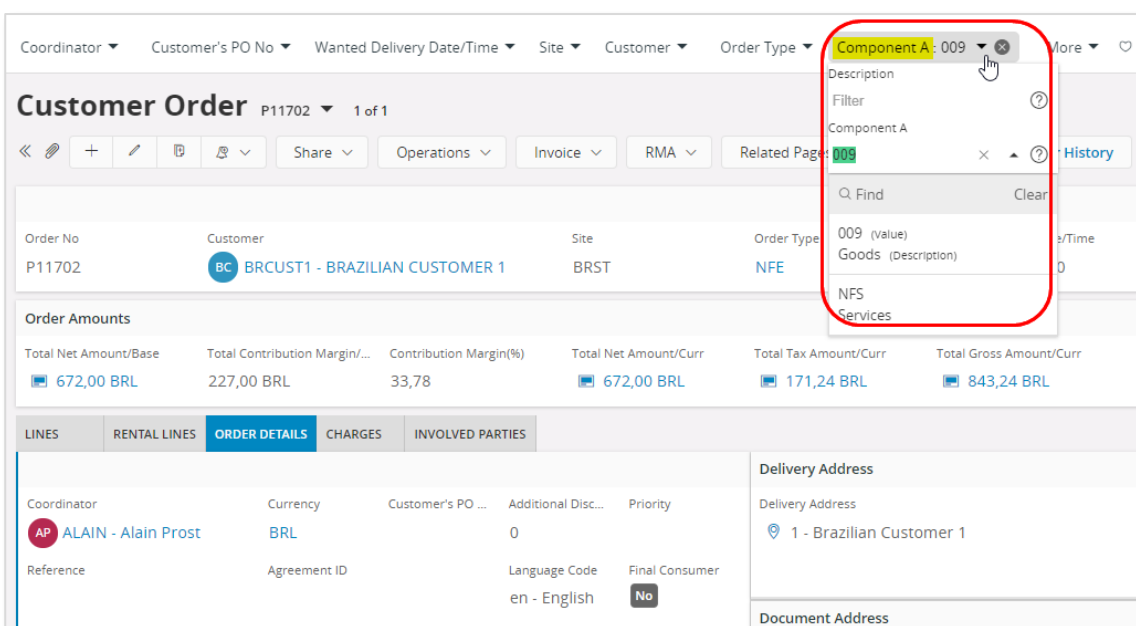
## 9.5 Create customer order

When the Customer Order is created, the default fiscal note series defined for the branch (connected to the Customer Order site) is shown in the *Sales/Order/Customer Order/Order Details* tab. This value can be manually changed by the user.



The screenshot shows the 'Customer Order' form for order P11302. The 'ORDER DETAILS' tab is active. In the 'Invoice' section, the 'Series' field is highlighted with a red box and contains the value '009 - Goods'. Other visible fields include 'Delivery Address' (1 - Brazilian Customer 1), 'Document Address' (1 - Brazilian Customer 1), and 'Invoice' details like 'Tax ID' (TAX) and 'Pay Term' (10 - 10 Days Net).

Please note that “Component A” is the field to use in the Search panel when searching for Customer Orders with a specific fiscal note series.



The screenshot shows the 'Customer Order' form for order P11702. A search dropdown menu is open over the 'Component A' field, which is highlighted with a red box. The dropdown menu shows a search for '009' and lists results: '009 (value)', 'Goods (Description)', 'NFS', and 'Services'. The 'Component A' field in the form above the dropdown also contains the value '009'.

## 9.6 Create Customer Invoice for single customer order delivery or Shipment delivery

In the scenario where an individual Customer Order is delivered; follow the IFS standard process to create a Customer Order debit invoice. In the *Sales/Invoicing/Customer Invoice/General* tab, the “Series” and “Fiscal Note Number” is visible in the “Official Invoice Number” section.

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created
D DU:BR-1	DU:BR-1	PR	203363	DU:BRAZIL-01	DUBR1	2020-03-05

Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	111,11	100,00	11,11	1	1

LINES		GENERAL	NF-E INFORMATION	HISTORY
Invoice Type	CUSTORDDEB - Customer Order Invoice, Debit		Invoice Address	BR:AD:1
Invoice Date	2020-03-05	Printed Date	Preliminary Invoice No	203363
Our Reference	HH HARALD HESS	Customer Reference	Customer Reference Name	
Branch	B1	Customer Branch	Jinsui Status	Non Jinsui
Payment			Delivery	
References			Invoice Text	
Official Invoice Number				
Series	009	Component B	Component C	Fiscal Note Number
				000000003
Official Invoice Number				
009000000003				

In the scenario where several Customer Orders are delivered using the IFS Cloud Shipment functionality, follow the standard process to create a Shipment Invoice. It will result in a created Customer Order Collective debit invoice.

### Customer Invoice

BRCUST1 - Brazilian Customer 1 - 205285 - CUSTCOLDEB - 1 of 1

Share
Cancel Preliminary Invoice
Posting
Installment Plan and Discounts
Notes
Send Electronic Fiscal Note

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BC BRCUST1	Brazilian Customer 1	PR	205285	EABR1	BRSA	2021-09-16	2021-09-16

Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	2878,62	2400,00	478,62	1	1

**LINES** | GENERAL | N-F-E INFORMATION | HISTORY

<b>Invoice Type</b> CUSTCOLDEB - Customer Order Collective Invoice, Debit	<b>Invoice Address</b> 1	<b>Indicators</b> Price Adjustment: No Advance/Prepayment Invoice: No Use Price Incl Tax: No Notes: No Correction Exist: No Correction Invoice: No Correction Reason ID:
<b>Invoice Date</b> 2021-09-16	<b>Printed Date</b> [Calendar Icon]	<b>Preliminary Invoice No</b> 205285
<b>Our Reference</b> AL ALAIN PRESTON	<b>Customer Reference</b> [Dropdown]	<b>Customer Reference Name</b> [Dropdown]
<b>Branch</b> A	<b>Customer Branch</b> [Dropdown]	<b>Jinsui Status</b> Non Jinsui

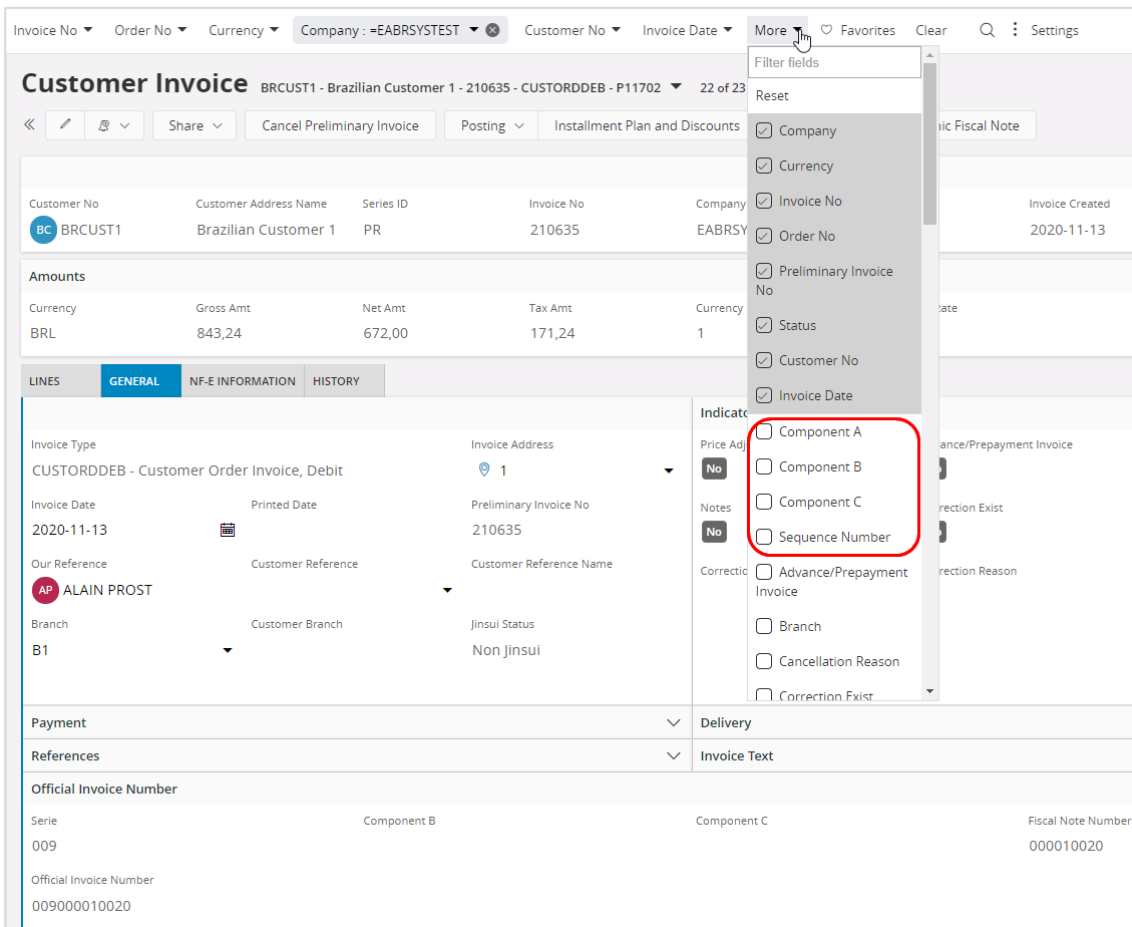
Payment: [Dropdown] | Delivery: [Dropdown]  
 References: [Dropdown] | Invoice Text: [Dropdown]

Official Invoice Number		
Series	Component B	Component C
009		

Fiscal Note Number: 000010023  
 Official Invoice Number: 009000010023

The customer orders connected to a Shipment might not have the same value for "Series" but they are delivered from the same site. The Fiscal Note series for a Shipment Invoice (collective customer order debit invoice) will be fetched from default "Component A" from the connected branch (an not from customer orders).





Please note that “Component A” is the field to use in the Search panel when searching for Customer Invoices with a specific fiscal note series. “Sequence Number” is the field to use when searching for Fiscal Note Number.

### 9.7 Generate NF-e XML

Send the electronic fiscal note to generate the NF-e XML file. The Fiscal Note series, Fiscal Note number and the IFS Invoice No for the preliminary invoice is fetched to the below XML tags:

```

- <NFe xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance" xmlns="http://www.portalfiscal.inf.br/nfe">
- <infNFe versao="4" Id="12200312345678901234650090000000031002033639">
- <ide>
  <cUF>12</cUF>
  <cNF>00203363</cNF>
  <natOp>Vendas</natOp>
  <mod>65</mod>
  <serie>009</serie>
  <nNF>000000003</nNF>
  <dhEmi>2020-03-23T21:20:36+00:00</dhEmi>
  <dhSaiEnt>2020-03-23T21:20:36+00:00</dhSaiEnt>
  <tpNF>1</tpNF>
  <idDest>1</idDest>
  <cMunFG />
  <tpImp>1</tpImp>
  <tpEmis>1</tpEmis>
  <cDV>9</cDV>
  <tpAmb>2</tpAmb>
  <finNFe>1</finNFe>
  <indFinal>0</indFinal>
  <indPres />
  <procEmi>0</procEmi>
  <verProc>4</verProc>
</ide>

```

- nNF - Fiscal Note number, the Component "Sequence Number" field is used. XML tag must be 9 characters (left zeros is used if number is less than 9 positions)
- cNF - IFS internal number, the preliminary (Customer) Invoice No is used. XML tag must be 8 characters (left zeros will be used if number is less than 8 positions)
- Serie - Is fetched from the Component A. XML tag must be 3 characters (left zeros will be used if number is less than 3 positions)

## 9.8 Delimitations

No known delimitations.

## 10 Extended Tax Codes and Tax Calculation Structures set-up

### 10.1 Overview Legal Requirement

In Brazil it's a legal requirement that some tax types are included in the tax base amount. This could be referred as 'Price Including Tax' or more precisely, 'Price Including Selected Taxes'. It is important to note that this is different from 'price including tax' terminology used in IFS standard application.

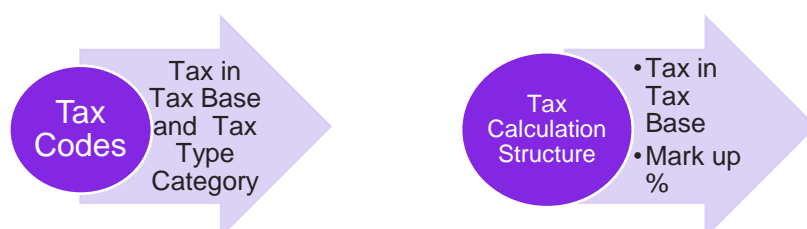
For legal tax reporting purposes, a tax type category must be defined for each tax code.

In CONVÊNIO ICMS 52/62 2017 the Brazilian tax authority introduced a new formula for calculating ICMS ST (ICMS Tax Substitution) tax base amount, including a markup percentage (%).

### 10.2 Process Overview

Set up basic data for Tax Codes, define Tax Calculation Structures, connect a Tax Calculation Structure to each customer order line and view the taxes on Customer Order Tax Lines and Customer Invoice Tax Lines. Tax amounts are calculated according the Brazilian requirements.

Tax Calculation Structures functionality can be used on the Procurement side as well.



- Tax Codes
  - In *Tax Codes* page two new columns are introduced, “Tax in Tax Base” to facilitate Inclusion of taxes to the tax base amount and “Tax Type Category” to be able to separate the different Brazilian taxes (e.g. ICMS and IPI taxes).
- Tax Calculation Structure
  - In *Tax Calculation Structures* two new columns are introduced, **Tax in Tax Base** and **Mark up (%)**.

### 10.3 Prerequisites

The company must be set-up to use Brazilian localization, see chapter Company Set up, and you will notice that the mandatory localization parameter “Extended Tax Codes and Tax Calculation Structures set-up” in Localization Control Center is enabled.

- Standard IFS “Price including tax” functionality should not be used.
- Sales parts should be entered without a tax code since taxes from the connected tax calculation structure will be applied.

- All prices (sales part, sales price list, campaigns, agreements etc) should be entered as Brazilian Net Price = “Raw Price” (standard IFS have a different definition of Net Price).

## 10.4 Tax Type Category in tax codes page

Define a Tax Type Category for each tax code in page *Accounting Rules/Tax/Tax Codes*.

Tax Codes										
Tax Code ▾ Description ▾ Tax Type ▾ More ▾ Favorites Clear Q Settings										
✓	:	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Type Category	Tax Method Tax Received
<input type="checkbox"/>	:	COFINS-5	COFINS 5%	Tax	5	100	2019-12-04	2049-12-31	COFINS	Invoice Entry
<input type="checkbox"/>	:	ICMS-17	ICMS 17%	Tax	17	100	2019-11-22	2049-12-31	ICMS	Invoice Entry
<input type="checkbox"/>	:	ICMS13	ICMS 13%	Tax	13	100	2019-11-04	2049-12-31	ICMS	Invoice Entry
<input type="checkbox"/>	:	IPI-5	IPI 5%	Tax	5	100	2019-11-22	2049-12-31	IPI	Invoice Entry
<input type="checkbox"/>	:	PIS-2	PIS 2%	Tax	2	100	2019-12-04	2049-12-31	PIS	Invoice Entry

## 10.5 Tax in Tax Base in Tax Codes Page

### 10.5.1 Tax in Tax Base Calculations

In Brazilian context, ICMS/ISS, PIS, COFFINS are taxes included in the price (in Brazilian way of explaining). This means tax amounts are included in the tax base amount. The tax % is expressed for the tax base amount which includes tax amount as well.

For example, if the tax percentage is 17% and the price with tax is 100, then the tax amount is equal to 17.00 BRL. In other words, the net amount excluding taxes is 83.00 BRL. The Tax amount is 17.00 BRL. Which means price including tax is 83+17 = 100 BRL. But still the Tax Base amount is 100 BRL which should include tax amount as well.

$$\text{Net Price} = 100 - 17 = 83$$

This is not equal to the 17% tax in the core application

$$\text{Tax Amount in core for 17\%} = 87 \times 17\% = 14.11$$

Therefore, it is clear that Brazilian Tax calculation method yields a different value to that of core calculation. In fact, tax amount itself is included in the tax base amount in Brazilian ICMS and other Brazilian tax types which are included in the price.

Mathematically, tax base amount can be calculated as follows,

$$\text{Tax Base Amount} = \frac{p * 100}{100 - t}$$

Where;

p – Net Amount

t -Tax Rate

## 10.5.2 Define Tax in Tax Base in Tax Codes

A new toggle button, “Tax in Tax Base” added to the Tax Codes.

Whether the tax amount itself to be included in the tax calculation or not is decided by a toggle button introduced to the Tax Codes form. Users should select this toggle button for ICMS/ISS, PIS, and COFFINS tax type categories since their tax values are included in price. In other words, tax amounts include in the tax base amount.

Tax Codes						
<span>☰</span> <span>🔍</span> <span>📄</span> <span>+</span> <span>✎</span> <span>🗑️</span> <span>📄</span> <span>Tax Texts per Tax Code</span> <span>Copy to Companies</span> <span>Translati</span>						
<span>Tax Code</span> <span>Description</span> <span>Tax Type</span> <span>Tax in Tax Base</span> <span>More</span> <span>♥ Favorites</span> <span>Clear</span> <span>🔍</span> <span>⋮ Sett</span>						
(1) ✓	:	Tax Code	Description	Tax Type	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS	COFINS	Tax	20	Yes
<input checked="" type="checkbox"/>	:	ICMS-1	ICMS-1	Tax	10	Yes
<input type="checkbox"/>	:	PIS	PIS	Tax	5	Yes
<input type="checkbox"/>	:	E0	EU Tax 0%	Calculated Tax	0	No
<input type="checkbox"/>	:	E1	EU Tax with no reduction, goods, 25%	Calculated Tax	25	No

For an example, if we take 10% Tax Code enable to “Tax in Tax Base”,

$$\begin{aligned} \text{Net Amount} &= 100.00 \text{ (100\%-10\% = 90\%)} \\ \text{Net Amount as a \%} &= 90\% \end{aligned}$$

$$\text{Tax Base Amount (TB)} = \frac{p \times 100}{100 - t}$$

(Tax Base Amt for Tax Calculation)

$$TB = \frac{100 \times 100}{100 - 10} = 111.11$$

$$\text{Tax Amount (T)} = 111.11 \times 10\% = 11.11$$

### 10.5.3 Tax in Tax Base in Tax Calculation Structure

A new column **Tax in Tax Base** is added to the Tax Calculation Structure.

When a new structure item is created and connected a tax code with “Tax in Tax Base” enabled, this new field is automatically set to “Yes” indicating the connected tax code set up.

**Tax Calculation Structure** BRTS-2 - BRTS-2 ▼

+   ✎   🗑️   📄   Set Preliminary   Set Obsolete   Translation

Structure	Description
BRTS-2	BRTS-2

Structure Items

☰   🔍   📄   ✎

		Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)
<input type="checkbox"/>	☰	1	1	ICMS-1 - ICMS-1	10	Yes	Yes	

## 10.6 Markup (%) in Brazilian Tax Calculation

### 10.6.1 Markup (%) to the Tax Calculation Structure

Increasing the Tax Base amount by certain percentage is required for some Brazilian taxes like, ICMS and referred as ICMS Substitute.

A new column “Markup %” added to the Tax Calculation Structure to facilitate this requirement.

Mathematically, tax base amount with a Markup % is calculated as follows,

Calculate new tax base amount for tax codes in the customer order line and customer invoice line.

- Take the Net Amount as, “ $p$ ” and the Net Amount as a %, as “ $p\%$ ”
- Markup % as “ $m$ ”
- Tax Percentage as “ $t$ ”
- First, Increase “ $p$ ” by markup %, “ $m$ ” as follows,

$$(P + m)$$

- Then to get the new tax base amount “ $TB$ ”

$$\text{Tax Base Amount } (TB) = \frac{(P + m) * 100}{(100 - t)}$$

f. In the final step, tax ( $T$ ) to be calculated as follows,

$$\text{Tax } (T) = TB * t$$

$$(t = \text{tax } \%)$$

For an example, if we take 20% Tax Code enable to “Tax in Tax Base”, and “Markup %” as 10%.

Tax Percentage ( $t$ ) = 20%  
 Net Amount ( $p$ ) = 100.00 (100%-20% = 80%)  
 Net Amount as a % = 80%

Markup % = 10%

First, Increase “p” by markup %, “m” as follows,  
 $= (p + m)$   
 $= (100+10\%)$

Tax Base Amount ( $TB$ ) =  $\frac{(p + m) * 100}{(100 - t)}$

(Tax Base Amt for Tax Calculation)  
 $TB = \frac{100 + 10\%}{100 - 20} * 100 = 137.50$

Tax Amount ( $T$ ) =  $137.50 \times 20\% = 27.50$

### 10.6.2 Define Markup (%) in Tax Calculation Structure

A new column **Markup (%)** added to the Tax Calculation Structure.

When a new structure item is created and connected a tax code with “Tax in Tax Base” enabled, user can manually define a markup % to the connected tax code.

Tax Calculation Structure DU:BR:TCS1 - DU:BR:TCS1								
+    ✎    🗑️    📄    Set Preliminary    Set Obsolete    Translation								
Structure		Description						
DU:BR:TCS1		DU:BR:TCS1						
Structure Items								
☰    ▾    📄    ✎								
✓	:	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)
<input type="checkbox"/>	:	1	1	COFINS - COFINS	20	Yes	Yes	10

Below is an example of how the "Tax Base Amount" and "Tax Amount" is calculated in a CO line with a Markup percentage is set.

Customer Order Line Tax Lines						
Gross Amount		Net Amount		Tax Amount		
127.50		100.00		27.50		
<div style="display: flex; justify-content: space-between; align-items: center;"> <span>☰</span> <span>🔍</span> <span>🔄</span> <span>Set Default</span> </div>						
	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base
⋮	137.50	ICMS 20%	Tax	20	27.50	27.50
<div style="display: flex; justify-content: space-between; align-items: center;"> <span>OK</span> <span>Cancel</span> </div>						

### 10.7 Tax calculation structure with Multiple Tax in Tax BASE TAX Codes

As per the Brazilian way of tax calculation, when there are multiple "Tax in Tax Base" tax codes contain in the transaction, those tax rates should be added together to get the tax calculation basis. As explained in the previous chapter, if the "Tax in Tax Base Amount" is selected in the tax code, the tax base amount is calculated as follows,

$$Tax\ Base\ Amount = \frac{p * 100}{100 - t}$$

Where;

*p* - Net Amount

*t* - Tax Rate

In multiple "Tax in Tax Base" tax codes scenarios, the above logic is altered to absorb the impact of the sum of all tax rates connected to the Tax Calculation Structure.

In multiple "Tax in Tax Base" tax codes scenario, instead of using the 't', the system will use the sum of all tax rates connected to the tax calculation structure , like  $t_1 + t_2 + t_3 + \dots + t_n$  where  $t_1, t_2, t_3$  to  $t_n$  indicate the sum of all tax rates connected to the Tax Calculation Structure.

$$Tax\ Base\ Amount = \frac{p * 100}{100 - (t_1 + t_2 + t_3 + \dots + t_n)}$$

Where;

*p* - Net Amount

$(t_1 + t_2 + t_3 + \dots + t_n)$  - Sum of all tax rates connected to the Tax Calculation Structure



Below example illustrate the how the calculation is done,

- 1) Set it up Tax Calculation Structure with two Tax Codes as follows,
  - a) ICMS 5% with Tax in Tax Base enabled
  - b) ICMS 20% with Tax in Tax Base enabled and added Markup percentage as 10%

**Tax Calculation Structure** BR:ST:3:M% - TCS with Markup %

Structure: BR:ST:3:M%      Description: TCS with Markup %

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)
1	1	ICMS 5% - ICMS 5%	5	Yes	Yes	
2	2	ICMS 20% - ICMS 20% with M% 10%	20	Yes	Yes	10

- 2) Create a CO Line connecting the above Tax Calculation Structure

- a) ICMS 5% with “Tax in Tax Base” is calculated as follows,

$$Tax\ Base\ Amount = \frac{p * 100}{100 - (t1 + t2 + t3 + \dots .tn)}$$

$p - Net\ Amount = 100.00$

$(t1 + t2 + t3 + \dots .tn)$  - Sum of all tax rates connected to the Tax Calculation Structure  
 $= 100 - (5 + 20)$   
 $= 100 - 25$   
 $= 75$

$$Tax\ Base\ Amount = \frac{100 * 100}{100 - (5 + 20)}$$

$$Tax\ Base\ Amount = \frac{100 * 100}{75}$$

$$Tax\ Base\ Amount = 133.33$$

- b) ICMS 20% with “Tax in Tax Base” enabled and added Markup percentage as 10% is calculated as follows,

$$\text{Tax Base Amount} = \frac{(p + m) * 100}{100 - (t1 + t2 + t3 + \dots .tn)}$$

*P = Net Amount*

*M = Markup percentage*

*(p+m) = Increase “p” by adding markup %, “m”*

*(t1+ t2+ t3+....tn) = Sum of all tax rates connected to the Tax Calculation Structure*

$$\text{Tax Base Amount} = \frac{(100 + m) * 100}{100 - (t1 + t2 + t3 + \dots .tn)}$$

$$\text{Tax Base Amount} = \frac{(100 + 10) * 100}{100 - (5 + 20)}$$

$$\text{Tax Base Amount} = \frac{(110) * 100}{75}$$

$$\text{Tax Base Amount} = 146.67$$

- a) ICMS 5% “Tax” is calculated as follows,

$$\text{Tax Amount} = \text{Tax Base Amount} * t$$

$$\text{Tax Amount} = 133.33 * 5\%$$

$$\text{Tax Amount} = 6.67$$

- b) ICMS 20% with “Tax in Tax Base” enabled and added Markup percentage as 10% is calculated as follows,

$$\text{Tax Amount} = \text{Tax Base Amount} * t$$

$$\text{Tax Amount} = 146.67 * 20\%$$

*Tax Amount = 29.33*

×
Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
136.00	100.00	36.00

☰
🔍
🔄
▼
Set Default

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base
⋮	133.33	ICMS 5%	Tax	5	6.67	6.67
⋮	146.67	ICMS 20%	Tax	20	29.33	29.33

OK
Cancel

## 10.8 Delimitations

No additional support for manual tax handling is planned in future releases.

# 11 Tax Determination via Integration to Brazilian External Tax System

## 11.1 Overview Business Requirement

IFS developed an integration with third party Brazilian External Tax System, Avalara Brazil, which allows the user to rely on Avalara for retrieval of correct tax information when performing a taxable business transaction in IFS Application in Brazilian companies. With this integration, the whole process of tax determination is done by Avalara instead of calculating and updating tax information manually on the business transaction level.

When a tax calculation is performed E.g. on Customer Order level, IFS Cloud uses the Avalara integration to calculate/fetch the correct tax information like, Tax Rates, Tax Amounts and other tax related information and insert it to the CO Line level.

The integration supports the following two functional flows in IFS:

- Customer Order
- Customer Order Invoice

All the other areas in IFS Cloud are using core functionality for calculating taxes.

Avalara offers a software application called AvaTax Brazil for the Brazilian market. AvaTax Brazil keeps track of valid tax information like tax types, tax rates, legislation, and rules applicable and then performs the tax calculations accordingly.

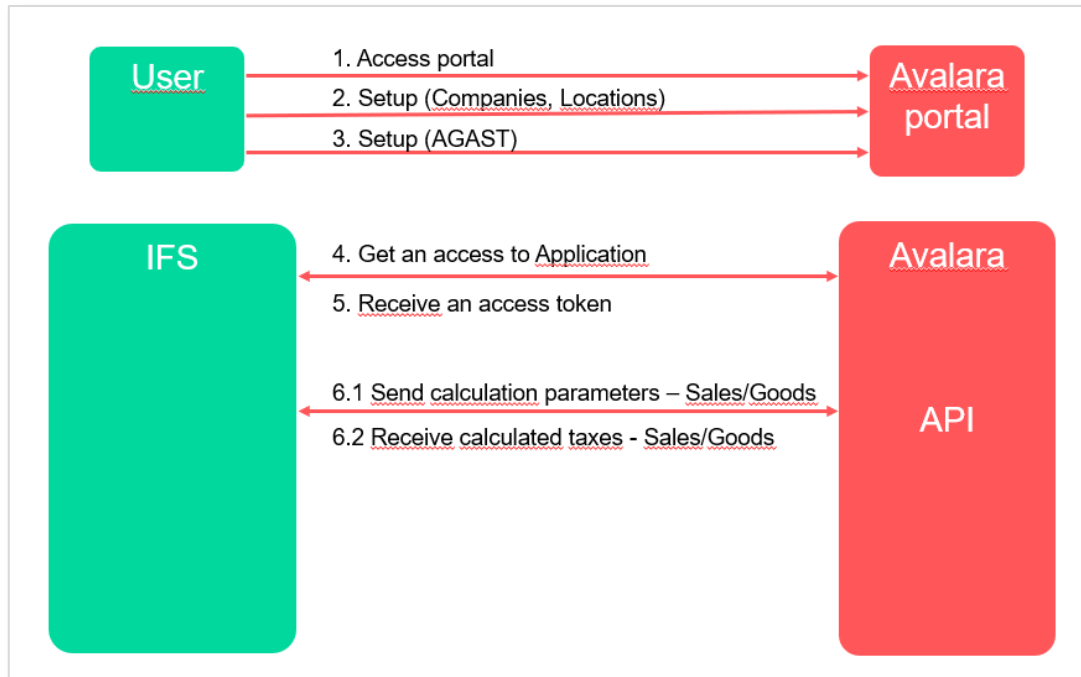
When a tax call is initiated from IFS Cloud, a call is made to the AvaTax Brazil software to fetch the correct tax types and tax rates based on the information on the customer order or the customer order invoice. Following main parameters are used to identify the correct tax rate:

- Company Document Address
- Company tax registration numbers, activity sector and tax regime
- Customer setting for ICMS Taxpayer
- Customer Document Address (the document address associated with the customer order)
- Customer tax registration numbers, activity sector and tax regime
- Goods classification code
- Goods acquisition reason
- Business transaction code

In addition to these main parameters, information such as the price and quantity is also passed to the AvaTax software to ensure the correct tax types and tax rates are fetched. Based on the information sent, Avalara determines the correct tax rates and tax amounts and return the information to IFS Cloud back. The information is then uploaded into the relevant Customer Order Tax Lines and Customer Order Invoice Tax Lines.

## 11.2 Process Overview

### Integration Overview



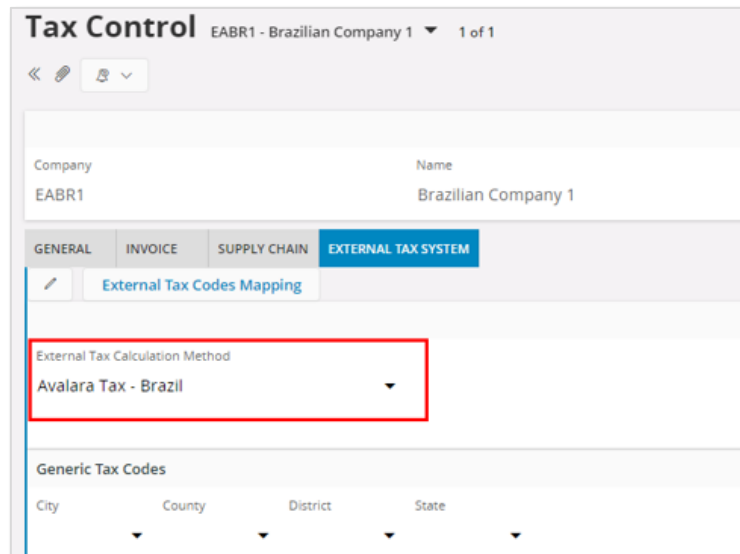
### Process Overview



## 11.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Tax Determination via Integration to Brazilian External Tax System” parameter must be enabled.

Select” Avalara Tax - Brazil” as the External Calculation Method in page *Application Base Setup/Enterprise/Company/Company/Tax Control and tab External Tax System*.



The prerequisites for IFS Cloud to communicate with Avalara is that the tax liability on the customer address is set to TAX and the sales part is taxable.

Note that also parameters “Acquisition Origin”, “Business Operation”, “Brazilian Specific Fiscal Attributes”, “Address Specific Tax ID Numbers”, “Goods/Services Statistical Codes”, “Extended Tax Codes Tax Calculation Structures set-up”, “Outgoing Fiscal Notes” and “Use Automatic Generation of Official Invoice Numbers” must be enabled to fulfill data requirements for the Integration. Also, company and customer basic data for tax calculation and Fiscal Note must be defined. Please see the specific chapters on how to set up the data needed.

## 11.4 Define Basic Data

In order to utilize the IFS integration for Avalara, some basic data set up is required with regards to the Tax Codes, the Company, the Customer and the Sales Parts.

### 11.4.1 External Tax System Parameters

The Avalara Brazil connection information is defined in page *Application Base Setup/Enterprise/Tax/External Tax Systems/External Tax Systems Parameters*.

### External Tax System Parameters

**Vertex O Series Connection Information**

User Name Password

---

**Avalara Connection Information**

User Name Password

---

**Avalara Brazil Connection Information**

Client ID Client Secret

0aa49b97-6be1-46b4-b271-f4efaa221f60 .....

#### 11.4.2 Disable Customer Tax Code Validations

Disable Customer Tax Code Validations in the page *Application Base Setup/Enterprise/Company/Company/Tax Control* and the *General* tab.

### Tax Control

EABR1 - Brazilian Company 1 1 of 1

Company Name

EABR1 Brazilian Company 1

**GENERAL** INVOICE SUPPLY CHAIN EXTERNAL TAX SYSTEM

**Customer Tax Code Validation**

Object Level Address Level Transaction Level

---

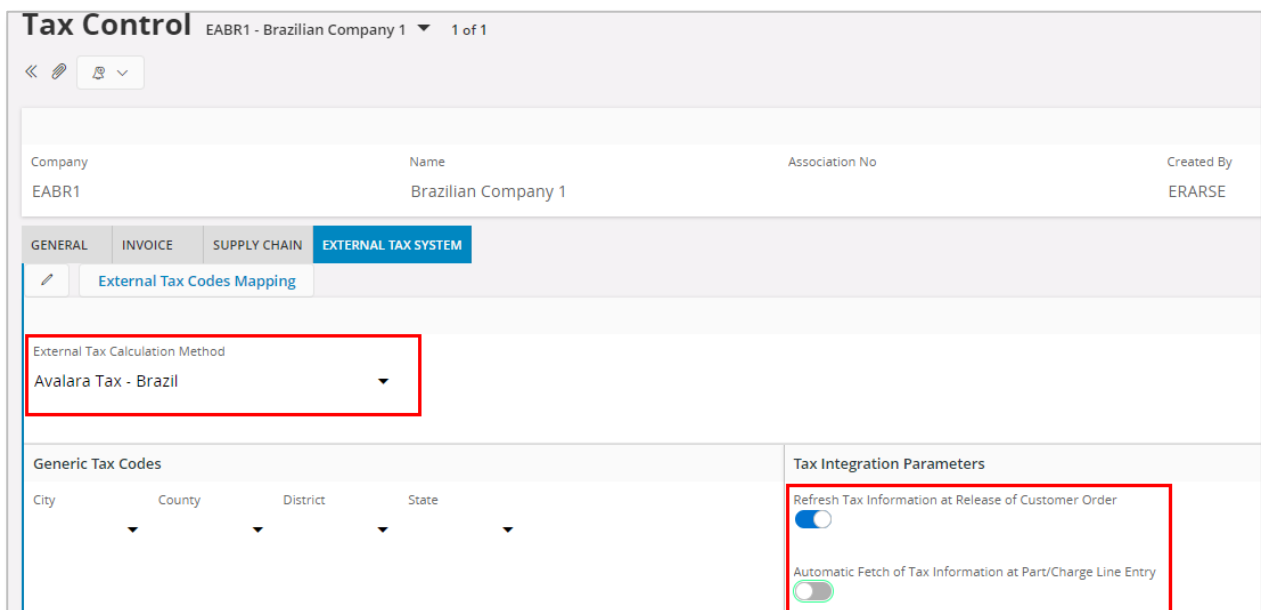
**Max Overwriting Level on Tax**

Level in Percent Level in Accounting Currency

#### 11.4.3 Define Tax Integration Parameters

Enable the toggle “Refresh Tax Information at Release of Customer Order” in page *Application Base Setup/Enterprise/Company/Company/Tax Control* and tab *External Tax System*.

The user can control the number of requests sent from IFS Cloud to Avalara by enabling or disabling the “Automatic Fetch of Tax information at Part/Charge Line Entry” toggle.



**Tax Control** EABR1 - Brazilian Company 1 1 of 1

Company: EABR1, Name: Brazilian Company 1, Association No: , Created By: ERARSE

GENERAL | INVOICE | SUPPLY CHAIN | **EXTERNAL TAX SYSTEM**

External Tax Codes Mapping

External Tax Calculation Method: Avalara Tax - Brazil

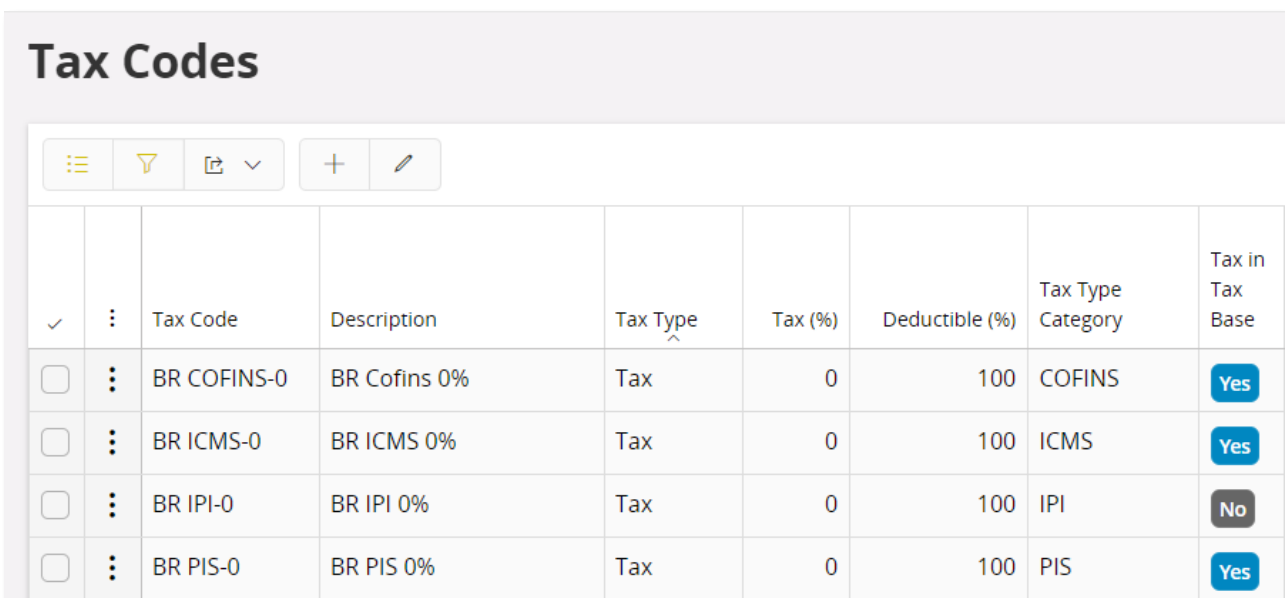
Generic Tax Codes: City, County, District, State

Tax Integration Parameters:

- Refresh Tax Information at Release of Customer Order:
- Automatic Fetch of Tax Information at Part/Charge Line Entry:

#### 11.4.4 Enter 0% tax codes for the Brazilian tax types

Add one tax code per tax type category with 0% in page *Accounting Rules/Tax/Tax Codes*. The 0-percentage rate will be replaced by the correct percentage rate for the specific tax scenario in transaction level based on the tax response from 3<sup>rd</sup> party tax determination engine Avalara.



### Tax Codes

✓	:	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Tax Type Category	Tax in Tax Base
<input type="checkbox"/>	:	BR COFINS-0	BR Cofins 0%	Tax	0	100	COFINS	<input checked="" type="checkbox"/>
<input type="checkbox"/>	:	BR ICMS-0	BR ICMS 0%	Tax	0	100	ICMS	<input checked="" type="checkbox"/>
<input type="checkbox"/>	:	BR IPI-0	BR IPI 0%	Tax	0	100	IPI	<input type="checkbox"/>
<input type="checkbox"/>	:	BR PIS-0	BR PIS 0%	Tax	0	100	PIS	<input checked="" type="checkbox"/>

Next select the command “**External Tax Code Mapping**” in the page *Application Base Setup/Enterprise/Company/Company/Tax Control and tab External Tax System*. Add pre-defined 0% tax codes.



**Tax Control** EABR1 - Brazilian Company 1 ▾ 1 of 1

Company: EABR1      Name: Brazilian Company 1

GENERAL   INVOICE   SUPPLY CHAIN   **EXTERNAL TAX SYSTEM**

[External Tax Codes Mapping](#)

External Tax Calculation Method  
Avalara Tax - Brazil ▾

## External Tax Codes Mapping

<input checked="" type="checkbox"/>	:	Tax Type Category	Tax Code	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS	BR COFINS-0 - BR Cofins 0%	0	<input checked="" type="button" value="Yes"/>
<input type="checkbox"/>	:	ICMS	BR ICMS-0 - BR ICMS 0%	0	<input checked="" type="button" value="Yes"/>
<input type="checkbox"/>	:	IPI	BR IPI-0 - BR IPI 0%	0	<input type="button" value="No"/>
<input type="checkbox"/>	:	PIS	BR PIS-0 - BR PIS 0%	0	<input checked="" type="button" value="Yes"/>

### 11.4.5 Define the Sales Part Price without taxes

Avalara is using 3 different calculation types, namely “Net”, “Gross” and “Final”. Currently IFS is only support tax base amount on “Net” basis. Therefore, the users need to define sales price without tax in sales part and other pricing sources.

**Sales Part** SARK01 - Sark Brazil Part 01 - SARKB 1 of 1

Inventory Part Availability Planning Complementary Parts Subs

Sales Part No: SARK01 Part Description in Use: Sark Brazil Part 01

**GENERAL** DESCRIPTIONS CHARACTERISTICS CHARGES EXTERNAL TAX PARAMETERS MAINTENANCE PART SPECIFIC OV

**Inventory Part**

Part No	Description	Configurable	DOP
SARK01	Sark Brazil Part 01	No	No

**Unit Of Measure** ▾

**Pricing**

Price	Price Including Tax	Expected Average Price
72.75 BRL	72.75 BRL	
Rental Price	Rental Price Including Tax	
0.00 BRL	0.00 BRL	

**Refer the Appendix 2 for more details.**

## 11.5 Create Customer Order

For Customer Order a new tax Calculated/Fetched is initiated resulting in new tax requests being sent to Avalara under the following circumstances:

- New customer order line is added
- Sales Qty is updated
- Sales Price is updated
- Order Address is updated
- Order Line Address is updated
- Goods/Services Statistical Code is updated
- Acquisition Origin updated
- Acquisition Reason Id is updated
- Order is Released

User can decide whether the taxes are Calculated/Fetched upon, "Release of Customer Order" or "CO Line Entry Level". This is controlled by the IFS Application core functionality, **Company/Tax Control/External Tax System** tab, "Tax Integration Parameters".

Example: If user decides not to send tax requests upon releasing the order. Then you need to not select the option **Refresh Tax Information at Release of Customer Order** in **Company/Tax Control/External Tax System** tab (standard functionality).

**Tax Control** EABR1 - Brazilian Company 1 1 of 1

Company: EABR1, Name: Brazilian Company 1, Association No:

Tabs: GENERAL, INVOICE, SUPPLY CHAIN, **EXTERNAL TAX SYSTEM**

Buttons: Save, Cancel Edit

External Tax Calculation Method: Avalara Tax - Brazil

Generic Tax Codes: City, County, District, State

Tax Integration Parameters: Refresh Tax Information at Release of Customer Order (toggle off), Automatic Fetch of Tax Information at Part/Charge Line Entry (Yes)

**Customer Order** P11278-3 1 of 1 Planned

Order No: P11278-3, Customer: SARKBRCUST - SARK BRAZIL CUSTOMER, Site: SARKB, Order Type: NO, Wanted Delivery Date/Time: 2021-08-05 20:00

**Order Amounts**

Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
727,50 BRL	-22,50 BRL	-3,09	727,50 BRL	111,12 BRL	838,62 BRL

Tabs: **LINES**, RENTAL LINES, ORDER DETAILS, CHARGES, INVOLVED PARTIES

Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Price/Curr	Price Incl Tax/Curr	Goods/Services Statistical Code	Acquisition Reason Id	Price UoM	Total Calc Sales Price/Curr
1	1	SARK01	Sark Brazil Part 01	10	pcs	72,75	83,86	74081100 - Copper Wir...	4 - Production	pcs	72,75

## Application Messages 1739266 1 of 1

[View all Messages for this Queue and Status](#)
[Move To Queue](#)
[Message Queue Settings](#)
[Duplicate And Release](#)

Application Message ID	Subject	Type
1739266	Message has been successfully executed	CONNECT
Function	Receiver	State
AVALARA_BR_TAX_CALC_SERVICE	CONNECT	Finished
State Date	Options	Error Text
2021-08-05 19:18		
Initiated By	Initiated	Execute As
ERARSE	2021-08-05 19:18	Initiator
Queue	Inbound	Routing Rule Used
DEFAULT	No	Example_Avalara_Brazil_Tax_Calculation_Service

### Input Message Data

☰ 🔍 📄

<input checked="" type="checkbox"/>	Name
<input type="checkbox"/>	MESSAGE_REQUESTS.json

### Output Message Data

☰ 🔍 📄

<input checked="" type="checkbox"/>	Name
<input type="checkbox"/>	MESSAGE_RESPONSE.txt

☰ 🔍 📄

<input checked="" type="checkbox"/>	Name	Chain Link No	Address Data	Transport Connector	State	Error Text	Envelope	Transformer
<input type="checkbox"/>		1	https://avataxbr.sandbox.avalara.com.br	REST	Transferred			

```

*MESSAGE_REQUEST (5).json - Notepad
File Edit Format View Help
{"header":{
  "eDocCreatorType":"self"
  "amountCalcType":"net"
  "companyLocation":"77214253000192"
  "documentCode":"P11278-3"
  "invoiceNumber":null
  "invoiceSerial":null
  "messageType":"goods"
"Locations":{
  "entity":{
    "name":"SARKBRCOM"
    "federalTaxId":"77214253000192"
    "stateTaxId":"2563339899991"
    "suframa":"865302326"
    "taxRegime":"realProfit"
    "taxesSettings":{"icmsTaxPayer":"true"}
    "address":{
      "street":"Rua Trinta e Nove"
      "zipcode":"01000-000"
      "cityCode":"7107"
      "cityName":"SAO"
      "state":"SP"
      "countryCode":"1058"
      "country":"BRA"}
    "activitySector":{
      "type":"cnae","code":"2656265"}}
}
"establishment":{
  "name":"SARKBRCUST"
  "federalTaxId":"43455245000116"
  "stateTaxId":"65365365369841"
  "suframa":"986475096"
  "taxRegime":"realProfit"
  "taxesSettings":{"icmsTaxPayer":"false"}
  "address":{
    "street":"Rua Adelino Ant3nio Chaves"
    "zipcode":"69900-000"
    "cityCode":null
    "cityName":null
    "state":"AC"
    "countryCode":"1058"
    "country":"BRA"}
  "activitySector":{
    "type":"cnae"
    "code":"265563"}
}
"invoicesRefs":{
  {"documentCode":""}
}
"Lines":[{"LineCode":"1"
  "itemCode":"SARK01"
  "numberOfItems":10
  "lineUnitPrice":72.75
  "lineAmount":727.5
  "lineTaxedDiscount":null
  "useType":"production"
  "operationType":"standardSales"
  "orderNumber":"P11278-3"}
}

```

```

*MESSAGE_RESPONSE (4).txt - Notepad
File Edit Format View Help
{"header":{
  "eDocCreatorType":"self"
  "amountCalcType":"net"
  "companyLocation":"77214253000192"
  "documentCode":"P11278-3"
  "invoiceNumber":0
  "invoiceSerial":0
  "messageType":"goods"
  "Locations":{
    "entity":{
      "name":"SARKBRCOM"
      "federalTaxId":"77214253000192"
      "stateTaxId":"2563339899991"
      "suframa":"865302326"
      "taxRegime":"realProfit"
      "taxesSettings":{"icmsTaxPayer":true
        "enableCprb":false
        "usesInssCprbToGrossValue":false
        "pisCofinsIcmsTaxRelief":false}
      "address":{"street":"Rua Trinta e Nove"
        "zipcode":"01000-000"
        "cityCode":"3550308"
        "cityName":"S3o Paulo"
        "state":"SP"
        "countryCode":"1058","country":"BRA"}
      "activitySector":{"type":"cnae","code":"2656265"}},
    "establishment":{}},
  "Lines":[{"LineCode":1
    "itemCode":"SARK01"
    "numberOfItems":10
    "lineUnitPrice":83.862
    "lineAmount":838.62
    "lineTaxedDiscount":0
    "useType":"production"
    "operationType":"standardSales"
    "orderNumber":"P11278-3"}
}
"taxType":"cofins"
  "citation":"PIS/COFINS Lei n3 10.833/2003, Artigo 23"
  "citationId":"b476dea8-2442-4430-8854-3a794891bdef"
  "subtotalTaxable":838.62
  "rate":7.6
  "tax":63.74
  "exemptionCode":""
  "traceCode":"C006"
  "cst":"01"
  "calcMode":"rate"
  "isCustomCitation":false}
{"jurisdictionName":"Acre"
  "jurisdictionType":"State"
  "taxImpact":{"impactOnFinalPrice":"Included"
    "impactOnNetAmount":"Included","accounting":"Liability"}
}
"taxType":"icms"
  "citation":"ICMS/AC_Decreto n3 8/1998, Artigo 17, Par3grafo 23"
  "subtotalTaxable":838.62
  "rate":4
  "tax":33.54
  "exemptionCode":""
  "traceCode":"C006"
  "source":"1"
  "cst":"00"
  "modBC":"3"
}

```

The Customer Order Line/Tax Lines dialog will be updated with the data received from Avalara, including Tax Base Amount, IFS Tax Code (fetched based on the tax codes mapping set-up), Tax %, Tax Amount, CST Code, Legal Tax Class (for IPI taxes) and Tax Type Category.

✕
Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
838,62	727,50	111,12

☰ ▼ ⌵ + Set Default

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code	Legal Tax Class	Tax Type Category
⋮	838,62	BR COFINS-0	Tax	7,6	63,74	63,74	01		COFINS
⋮	838,62	BR ICMS-0	Tax	4	33,54	33,54	00		ICMS
⋮	838,62	BR IPI-0	Tax	0	0,00	0,00	51	999	IPI
⋮	838,62	BR PIS-0	Tax	1,65	13,84	13,84	01		PIS

OK
Cancel

### 11.5.1 Citation information in Customer Order level

In the Avalara response message, there is a placeholder called “Citation” which is information related to possible tax benefits applicable for the tax scenario, for example that the company might be subject to ICMS reduction benefits. The Citation information usually refers to the conditions in an article or paragraph to be observed in more details for possible application of said tax benefit.

```
"citation": "Subject to ICMS_Reduction Benefits: \\ICMS/SP_Decreto nº 45.490/2000, Anexo II, Artigo 66\\", "description": "Para aplicação do citado benefício fiscal pelo Artigo 51 e Anexo II, Artigo 66, RICMS/SP.", "isCustomCitation": false, "goods": {"subjectToIPIonInbound": false, "entityIcmsStSubstitute": "no"}, "LineNetFigure": [{"jurisdictionName": "Brazil", "jurisdictionType": "Country", "taxImpact": {"impactOnFinalPrice": "Included", "impactOnNetAmount": "Included", "accounting": "Liability"}},
```

```

"establishment":{}},
"Lines":{
  "LineCode":1
  "itemCode":"SARK01"
  "numberOfItems":10
  "lineUnitPrice":83.862
  "lineAmount":838.62
  "lineTaxedDiscount":0
  "useType":"production"
  "operationType":"standardSales"
  "orderNumber":"P11278-3"
  "taxType":"cofins"
  "citation":"PIS/COFINS Lei nº 10.833/2003, Artigo 2º"
  "citationId":"b476dea8-2442-4430-8854-3a794891bdef"
  "subtotalTaxable":838.62
  "rate":7.6
  "tax":63.74
  "exemptionCode":""
  "traceCode":"C006"
  "cst":"01"
  "calcMode":"rate"
  "isCustomCitation":false
  {"jurisdictionName":"Acre"
  "jurisdictionType":"State"
  "taxImpact":{"impactOnFinalPrice":"Included"
  "impactOnNetAmount":"Included","accounting":"Liability"}
  "taxType":"icms"
  "citation":"ICMS/AC Decreto nº 8/1998, Artigo 17, Parágrafo 2º"
  "subtotalTaxable":838.62
  "rate":4
  "tax":33.54
  "exemptionCode":""
  "traceCode":"C006"
  "source":"1"
  "cst":"00"
  "modBC":"3"

```

The Avalara “Citation Information” is saved as a “Note” on the Customer Order header and on the Customer Order lines.

### Customer Order P11619 1 of 2

»
+
✎
📄
🔊
Share
Operations
Invoice
RMA
Related Pages
Copy Order
Order History
Sales Promotions

Order No	Customer	Site	Order Type	Wanted Delivery Date/Time
P11619	<span>SB</span> SARKBRCUST - SARK BRAZIL CUSTOMER	SARKB	NO	2021-08-18 00:00

Order Amounts					
Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
<span>145,50 BRL</span>	-4,50 BRL	-3,09	<span>145,50 BRL</span>	<span>26,14 BRL</span>	<span>171,64 BRL</span>

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES
Coordinator	Currency	Customer's PO No	Additional Discount ...	Priority
<span>IA</span> * - IFS Applications	BRL		0	
Reference	Agreement ID	Language Code	Final Consumer	
		en - English	<span>No</span>	
Salesperson	Add Rebate Customer	Main Representative		
		Subject to ICMS_Reduction Benefits: "ICMS/SP Decreto nº 45.490/2000, Anexo II, Artigo 66" Para aplicação do citado benefício fiscal é necessário observar as condições determinadas pelo Artigo 51 e Anexo II, Artigo 66, RICMS/SP.		
Ordering Region	Ordering District	Market	Classification Stand...	
Limit Sales to Assort...	Order Net Weight	Order Volume	Document Text	
<span>No</span>	0	0	<span>No</span>	<span>Subject to ICMS_Reduction Ben...</span>

**Delivery Address**

Delivery Address

📍 HEAD OFFICE - SARK BRAZIL CUSTOMER

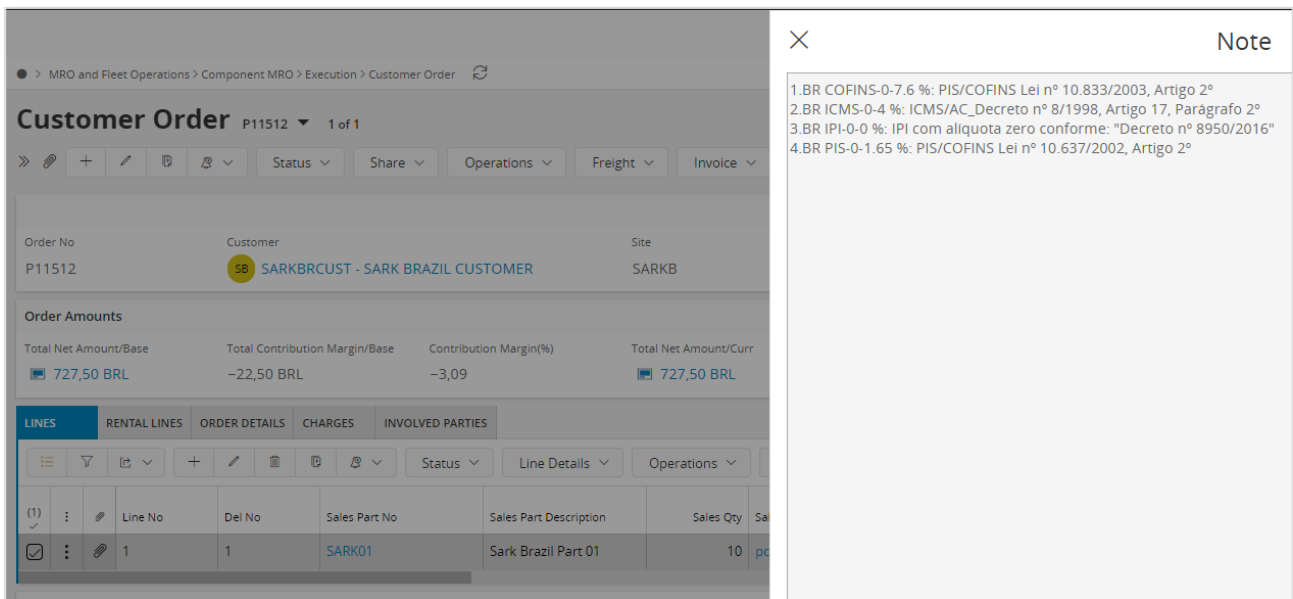
**Document Address**

Document Address

📍 HEAD OFFICE - SARK BRAZIL CUSTOMER

**Invoice**

Tax ID	Tax ID Validated Date	Tax Liability
		TAX
Invoice Customer	Addr ID	



The screenshot shows the IFS Customer Order interface for order P11512. A 'Note' dialog box is open, displaying the following tax information:

- 1. BR COFINS-0-7.6 %: PIS/COFINS Lei nº 10.833/2003, Artigo 2º
- 2. BR ICMS-0-4 %: ICMS/AC\_Decreto nº 8/1998, Artigo 17, Parágrafo 2º
- 3. BR IPI-0-0 %: IPI com allquota zero conforme: "Decreto nº 8950/2016"
- 4. BR PIS-0-1.65 %: PIS/COFINS Lei nº 10.637/2002, Artigo 2º

The background interface shows the Customer Order details for P11512, including the customer 'SARKBRCUST - SARK BRAZIL CUSTOMER' and a table of order lines with one line item: Line No 1, Del No 1, Sales Part No SARK01, Sales Part Description Sark Brazil Part 01, Sales Qty 10.

**Refer the Appendix 2 for the Avalara Request File Mapping details.**

## 11.6 Create Customer Invoice

In Customer Order Invoice level, a new tax Calculated/Fetched is initiated resulting in new tax request being sent to Avalara under the following circumstances below:

- Invoice is created
- Invoice Qty is updated
- Invoice Price is updated
- Goods/Services Statistical Code is updated
- Acquisition Origin updated

Please note that in Brazilian localization, a new tax request is not initiated at the point when the invoice is printed/posted (as compared to IFS core). This is because of the no changes are allowed after Brazilian tax authority approved the electronic fiscal note.

The Customer Invoice Line/Tax Lines dialog will be updated with the data received from Avalara.

**Refer the Appendix 2 to see the Avalara Request File Mapping details.**



```

"establishment": {
  "name": "SH-BR-CUST",
  "federalTaxId": "13339532000209",
  "stateTaxId": "65369841653653",
  "suframa": "945214876",
  "taxRegime": "realProfit",
  "taxesSettings": {
    "icmsTaxPayer": false,
    "enableCprb": false,
    "usesInsscprbToGrossValue": false,
    "pisCofinsIcmsTaxRelief": false
  },
  "address": {
    "street": "Customer address 1",
    "zipCode": "06460-000",
    "cityCode": "3505708",
    "cityName": "Barueri",
    "state": "SP",
    "countryCode": "76",
    "country": "BRA"
  },
  "activitySector": {
    "type": "cnae",
    "code": "7452345"
  }
},
"invoicesRefs": [
  {
    "documentCode": "SH-BRAZIL202602-1",
    "found": false
  }
],
"eDocCreatorPerspective": true,
"accountId": "24196f38-adb3-49f0-8d6e-337e555d5779",
"subscriptionId": "0aa49b97-6be1-46b4-b271-f4efaa221f60",
"goods": {
  "class": "VENDA DE PRODUÇÃO DO ESTABELECIMENTO",
  "toIma": "1"
},
"additionalInfo": {
  "complementaryInfo": "IPI com alíquota zero conforme: \\\nDecreto nº 8950/2016\\\n\nPIS/COFINS Lei nº 10.637/2002, Artigo 2º\n\nPIS/COFINS Lei nº 10.833/2003, Artigo 2º\n\nICMS/SP Decreto nº 45.490/2000, Artigo 52, Inciso I"
}

```

### 11.6.1 Complementary information in CO Invoice

Complementary information (with reference to a specific law or regulation or to explain and prove that the taxes applied, and their rates, fulfill the Brazilian regulations) is sent in **additionalInfo** / **ComplementaryInfo** of the Avalara response JSON and saved as Invoice Text on header level of the Customer Invoice in "Preliminary" state.

**Customer Invoice** BRCUST1 - Brazilian Customer 1 - 202978 - CUSTORDDEB - P10608 2 of 3 Preliminary

Share Cancel Preliminary Invoice Posting Installation Plan and Discounts Notes Send Electronic Fiscal Note

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BRCUST1	Brazilian Customer 1	PR	202978	EABR1	BRSA	2021-06-16	2021-05-14

Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	15200,00	15200,00	0,00	1	1

**LINES** GENERAL NFE INFORMATION HISTORY

Invoice Type		Invoice Address		Indicators		
CUSTORDDEB - Customer Order Invoice, Debit		1		Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
2021-06-16		Preliminary Invoice No		No	No	No
Our Reference		Customer Reference Name		Notes	Correction Exist	Correction Invoice
ALAIN PRESTON				No	No	No
Branch		Jinsui Status		Correction Reason ID		
A		Non Jinsui		Correction Reason		

Payment Delivery

References Invoice Text

Invoice Text ID Invoice Text

IPI com aliquota zero conforme: \ "Decreto nº 8950/2016\...

## 11.6.2 Handle Outgoing Fiscal Notes

Please read chapter “Outgoing Fiscal Notes” for description.

## 11.6.3 Create Postings

Please read chapter “Gross Revenue Accounting” and Appendix 2 for description.

## 11.7 Delimitations

This release only covers tax determination via integration to Brazilian external tax system for Customer Order sales and Customer Order invoicing of goods transactions. Scenarios supported in this release are:

- Interstate sale for ICMS tax payer
- Interstate sale for non ICMS tax payer
- Sale within the state

Supported tax types in this release are ICMS, ICMS Tax Substitution, PIS, COFINS and IPI.

Avalara is using 3 different calculation types, “Net”, “Gross” and “Final”. In this release, tax base amount on “Net” basis is supported.

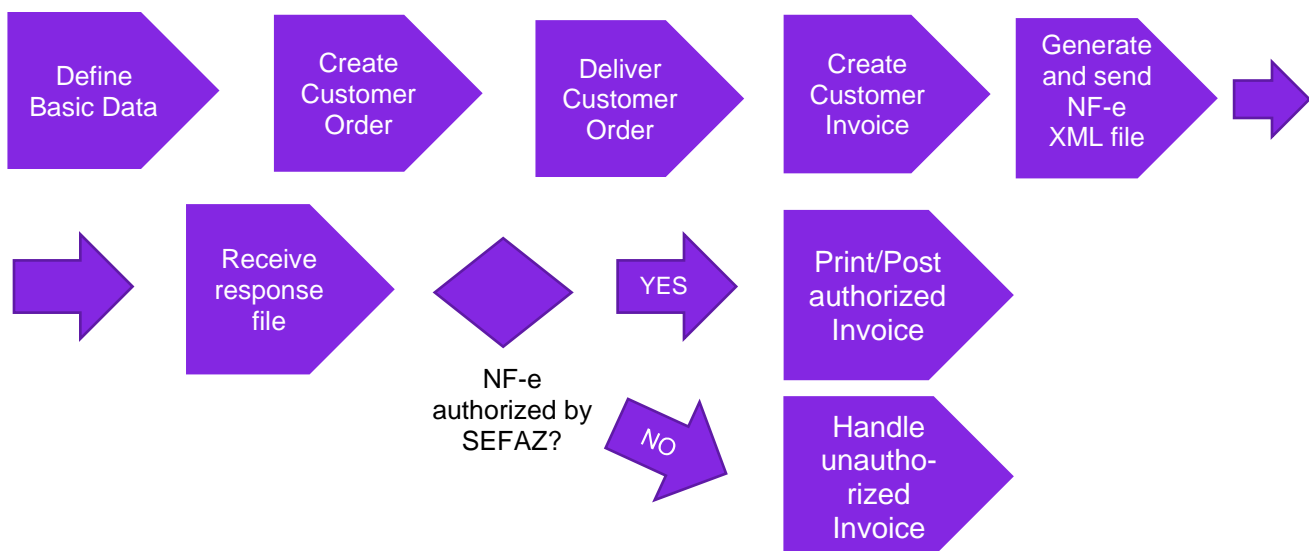
## 12 Outgoing Fiscal Notes

### 12.1 Overview Legal Requirement

In Brazil the Fiscal Note is a mandatory official document that must be issued to prove the existence of a commercial act, e.g. sale of goods. It's a tax document that registers transfer of ownership or possession of a good or commercial activity provided by a company to an individual or another company that is doing business in Brazil.

The NF-e is the Fiscal Note issued online, which allows real time reporting of transactions to the *Secretaria da Fazenda* (SEFAZ), which is the state government responsible for taxation and revenue. The NF-e must be sent to SEFAZ for authorization, and the goods may only be sent to the recipient after the Fiscal Note has been accepted by SEFAZ. A printed version of the Fiscal Note (DANFE) must accompany the goods during transportation.

### 12.2 Process Overview



### 12.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Outgoing Fiscal Notes” parameter must be enabled.

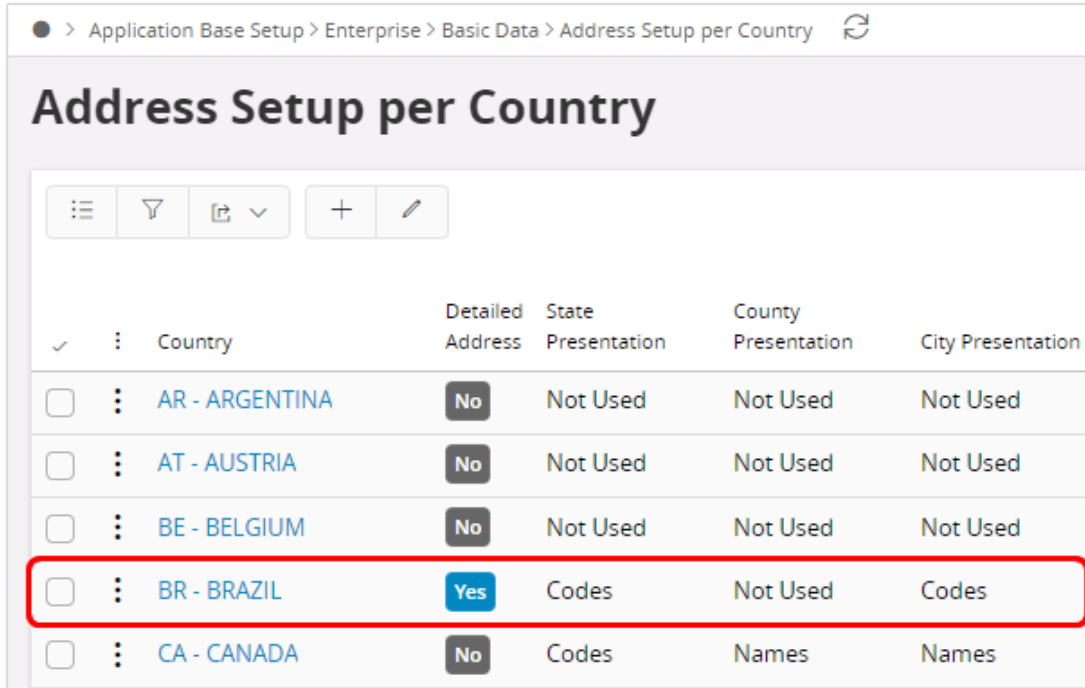
Note that also parameters “Acquisition Origin”, “Business Operation”, “Address Specific Tax ID Numbers”, “Goods/Services Statistical Codes”, “Extended Tax Codes Tax Calculation Structures set-up”, “Use Automatic Generation of Official Invoice Numbers” and “Cancel PostedAuth Customer Order Invoices” must be enabled to fulfill data requirements for the NF-e XML file. Please see the specific chapters on how to set up the data needed.

### 12.4 Define Basic Data

In order to fulfill the requirements for mandatory data in the NF-e XML sent to tax authority SEFAZ, please see details in the documentation of the xml file structure and mapping to IFS in the Appendix chapter.

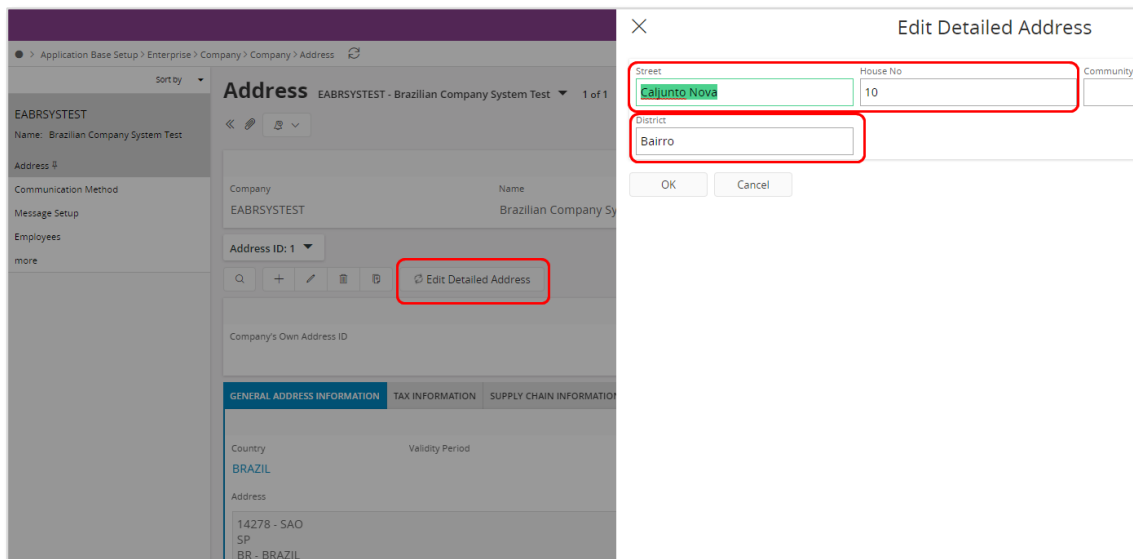
## 12.4.1 Address Setup Brazil

Use IFS standard functionality to define settings for Brazilian addresses in page *Application Base Setup/Enterprise/Basic Data/Address Setup per Country*. Detailed Address must be used to store and fetch the address information needed for the Fiscal Note.



Country	Detailed Address	State Presentation	County Presentation	City Presentation
AR - ARGENTINA	No	Not Used	Not Used	Not Used
AT - AUSTRIA	No	Not Used	Not Used	Not Used
BE - BELGIUM	No	Not Used	Not Used	Not Used
BR - BRAZIL	Yes	Codes	Not Used	Codes
CA - CANADA	No	Codes	Names	Names

The “*Detailed Address*” functionality enables the possibility to define **Street**, **House No** and **District** in specific address fields on Company, Customer etc. This information is required in the NF-e xml file.



**Edit Detailed Address**

Street: Cajunto Nova | House No: 10 | Community: [ ]

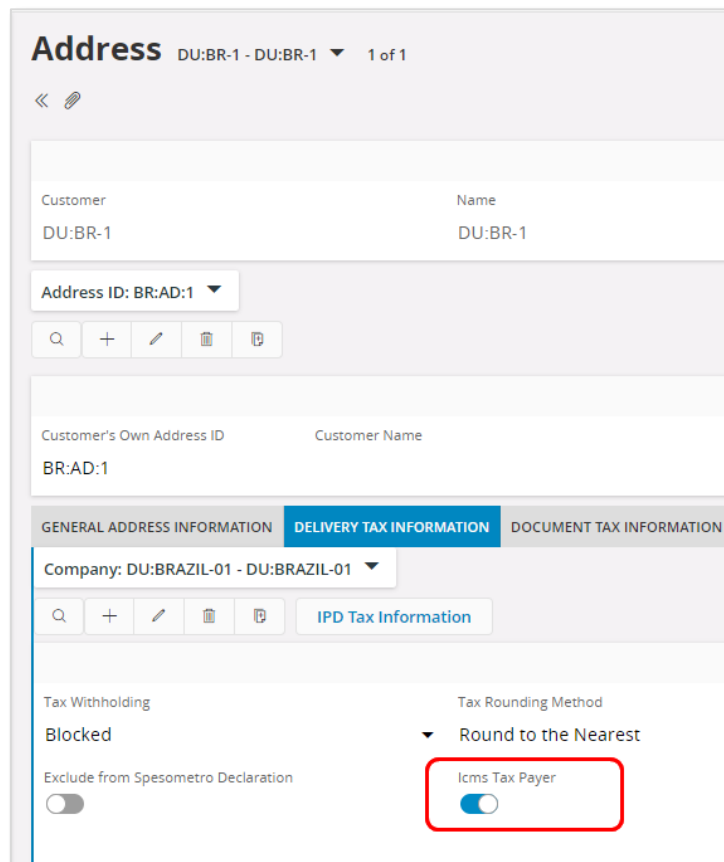
District: Bairro

OK | Cancel

*(Background: Edit Detailed Address button highlighted)*

### 12.4.2 ICMS Tax Payer

**ICMS Tax Payer** functionality is available in the *Sales/Customer/Customer/Address/Delivery Tax Information* page which indicates that the customer is an ICMS tax payer for the specific address ID.



The screenshot shows the 'Address' configuration page for DU:BR-1. The 'DELIVERY TAX INFORMATION' tab is selected. Under 'Company: DU:BRAZIL-01 - DU:BRAZIL-01', the 'ICMS Tax Payer' toggle switch is turned on and highlighted with a red box. Other settings include 'Tax Withholding' set to 'Blocked', 'Tax Rounding Method' set to 'Round to the Nearest', and 'Exclude from Spesometro Declaration' set to off.

The setting, *ICMS Tax Payer* controls which value to be included in the NF-e XML file, block “dest” and tag “indIEDest”.

```

- <dest>
  <CNPJ>98741254112145</CNPJ>
  <xNome>Brazilian Customer 1</xNome>
  - <enderDest>
    <xLgr>Rio Grande</xLgr>
    <nro>8</nro>
    <xBairro>RIO</xBairro>
    <cMun>1578</cMun>
    <xMun>Rio de Janeiro</xMun>
    <UF>RJ</UF>
    <CEP>14254</CEP>
    <cPais>1058</cPais>
    <xPais>BRAZIL</xPais>
    <fone>023144445</fone>
  </enderDest>
  <indIEDest>2</indIEDest>
  </dest>
  <email>john.smith@ifsworld.com</email>
  </dest>

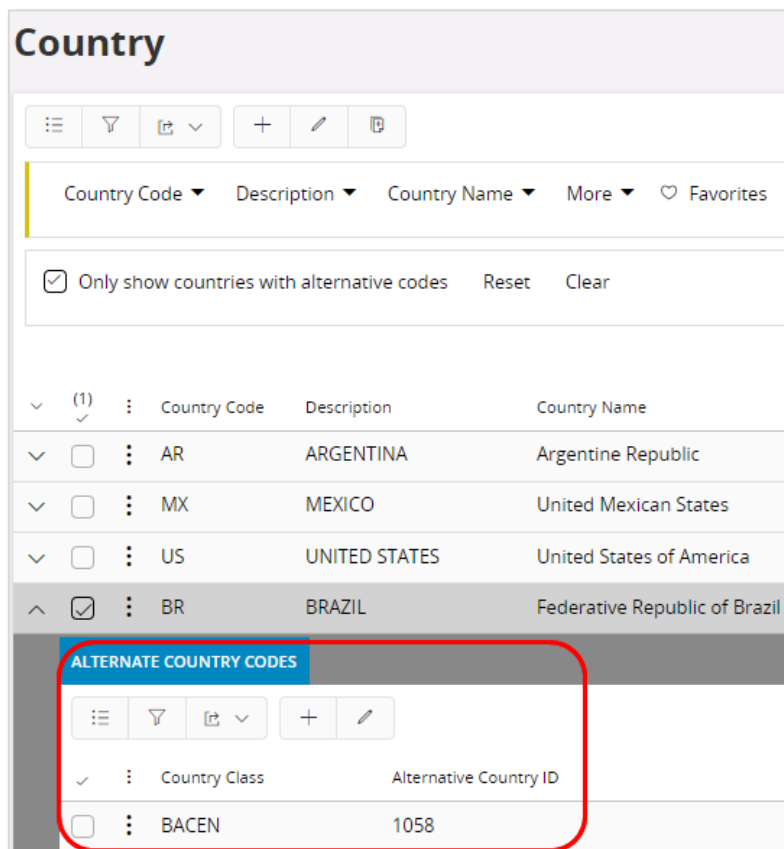
```

- If the customer is from abroad (Customer Invoice Document Address is not “Brazil”, the tag will be = **9** (not Tax Payer)
- If the customer is ICMS Tax Payer and no Tax Id Type STATE\_REG (State Registration) is defined in Customer Invoice Document Address, the tag will be = **2** (Tax Payer without state registration).
- If the customer is ICMS Tax Payer and has Tax Id Type STATE\_REG (State Registration) defined for the Customer Invoice Document Address, the tag will be = **1** (Tax Payer with state registration)
- If the customer is not an ICMS Tax Payer, the tag will be = **9** (not Tax Payer)

### 12.4.3 BACEN codes (Non-ISO country codes)

BACEN Code is a country code provided by the Brazilian Central Bank (Banco Central do Brasil). The BACEN codes of the issuing company and receiving party are included in the NF-e XML file.

Use IFS standard functionality “Alternate Country Codes” to enter the BACEN codes in the *Application Base Setup/System Setup/ISO Code Usage/Country* page. For Brazil the Country Class “BACEN” must be used to fetch values to the NF-e XML file.



**Country**

Country Code Description Country Name More Favorites

Only show countries with alternative codes Reset Clear

Country Code	Description	Country Name
AR	ARGENTINA	Argentine Republic
MX	MEXICO	United Mexican States
US	UNITED STATES	United States of America
<b>BR</b>	<b>BRAZIL</b>	<b>Federative Republic of Brazil</b>

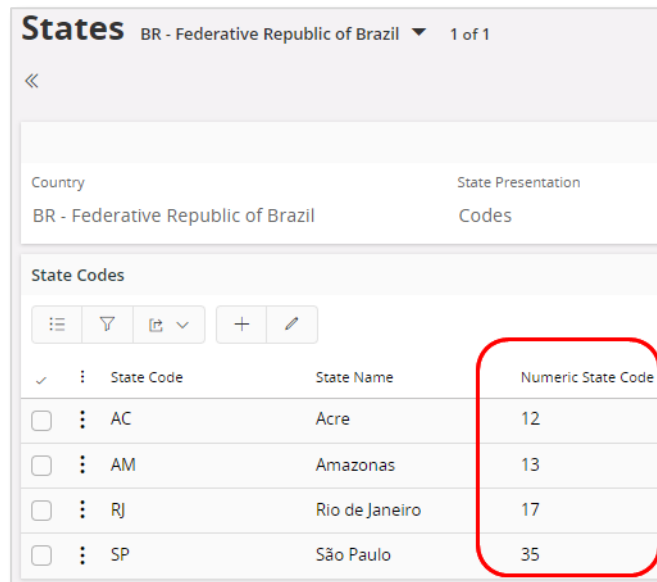
**ALTERNATE COUNTRY CODES**

Country Class	Alternative Country ID
<b>BACEN</b>	<b>1058</b>

### 12.4.4 IBGE State Codes (Numeric State Codes)

The IBGE state code specified by the Brazilian Institute of Geography and Statistics is needed in the NF-e XML for the issuer address.

To define **IBGE State Code**, use IFS standard functionality “Numeric State Code” in the *Application Base Setup/Enterprise/Basic Data/States* page.

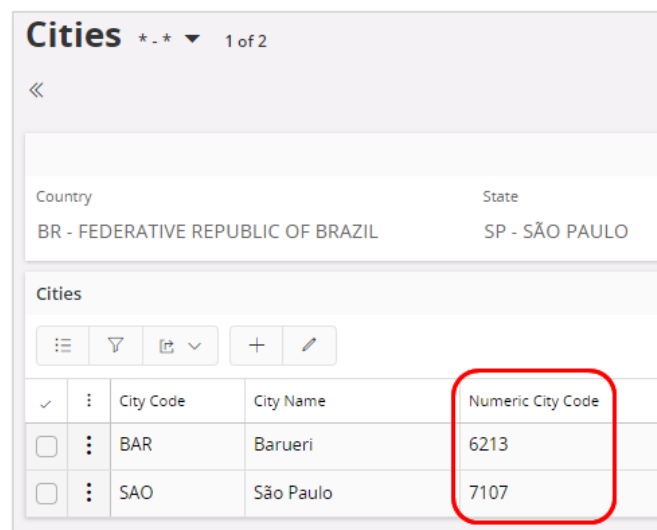


State Code	State Name	Numeric State Code
AC	Acre	12
AM	Amazonas	13
RJ	Rio de Janeiro	17
SP	São Paulo	35

### 12.4.5 IBGE City Codes (Numeric City Codes)

The IBGE state code specified by the Brazilian Institute of Geography and Statistics is needed in the NF-e XML for both the issuer and the receiver address.

Use IFS standard functionality to enter the numeric city codes in the *Application Base Setup/Enterprise/Basic Data/Cities* page.



City Code	City Name	Numeric City Code
BAR	Barueri	6213
SAO	São Paulo	7107

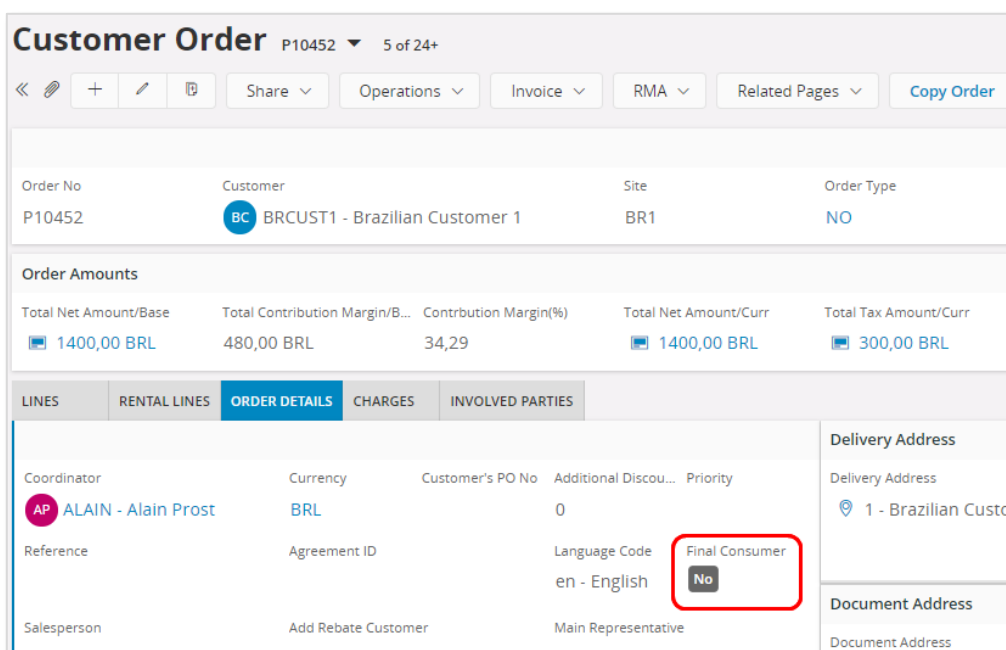
### 12.4.6 Final consumer

In the NF-e XML file there is a mandatory tag for “Final Consumer” (indFinal) with value Yes or No.

New functionality, “Final Consumer” is added in the *Sales/Order/ Customer Order/ Order Details* tab with default value NO.

This could be manually enabled considering the below criteria prescribed by the Brazilian authorities, e.g:

- The customer is a physical party (and not juridical)
- The order value is not greater than an amount in BRL specified by the Brazilian authorities
- Depending on type of sales operation



**Customer Order** P10452 5 of 24+

Order No: P10452 | Customer: BC BRCUST1 - Brazilian Customer 1 | Site: BR1 | Order Type: NO

**Order Amounts**

Total Net Amount/Base	Total Contribution Margin/B...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr
1400,00 BRL	480,00 BRL	34,29	1400,00 BRL	300,00 BRL

**ORDER DETAILS**

Coordinator	Currency	Customer's PO No	Additional Discou...	Priority	Delivery Address
AP ALAIN - Alain Prost	BRL		0		1 - Brazilian Custoi
Reference	Agreement ID	Language Code	Final Consumer		Document Address
		en - English	No		Document Address
Salesperson	Add Rebate Customer	Main Representative			

```

- <NFe xmlns:xs="http://www.w3.org/2001/XMLSchema" xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance" xsi:schemaLocation="http://www.w3.org/2001/XMLSchema http://www.w3.org/2001/XMLSchema" Id="35210612345679123450650090000100021002029788">
- <ide>
  <cUF>35</cUF>
  <cNF>00202978</cNF>
  <natOp>Vendas</natOp>
  <mod>65</mod>
  <serie>009</serie>
  <nNF>000010002</nNF>
  <dhEmi>2021-06-21T15:55:00+00:00</dhEmi>
  <dhSaiEnt>2021-06-21T15:55:00+00:00</dhSaiEnt>
  <tpNF>1</tpNF>
  <idDest>2</idDest>
  <cMunFG>50308</cMunFG>
  <tpImp>1</tpImp>
  <tpEmis>1</tpEmis>
  <cDV>8</cDV>
  <tpAmb>2</tpAmb>
  <finNFe>1</finNFe>
  <indFinal>0</indFinal>
  <indPres>1</indPres>
  <procEmi>0</procEmi>
  <verProc>4</verProc>
</ide>
- <emit>
  <CNPJ>12.345.679/1234-50</CNPJ>
  <xNome>Brazilian Company 1</xNome>
- <enderEmit>

```





## 12.4.8 Complementary information in NF-e

Complementary information related to the Fiscal Note is needed to explain to the tax authorities how taxes in different scenarios have been calculated and to show that you as a taxpayer follow the tax laws. The complementary information can refer to a specific law or regulation or to explain and prove that the taxes applied, and their rates, fulfill the Brazilian regulations.

Use IFS standard functionality to connect pre-defined Invoice Text ID:s or to enter free text in the *Sales/Invoicing/Customer Invoice/General* tab for the Customer Invoice in status "Preliminary".

### Customer Invoice

BRCUST1 - Brazilian Customer 1 - 202310 - CUSTORDDEB - P10596
1 of 3
Preliminary

Cancel Preliminary Invoice
Posting
Installation Plan and Discounts
Notes
Send Electronic Fiscal Note

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BC BRCUST1	Brazilian Customer 1	PR	202310	EABR1	BRSA	2021-05-10	2021-05-10

Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	15439,31	15200,00	239,31	1	1

**LINES**

GENERAL

NF-E INFORMATION

HISTORY

**Invoice Type**  
CUSTORDDEB - Customer Order Invoice, Debit

**Invoice Date**  
2021-05-10

**Our Reference**  
ALAIN PRESTON

**Branch**  
A

**Invoice Address**  
1

**Preliminary Invoice No**  
202310

**Customer Reference Name**

**Customer Branch**

**Jinsui Status**  
Non Jinsui

**Payment**

**References**

Order No	Shipment ID	RMA No
P10596		
Debit/Corr Invoice Series	Debit/Corr Invoice No	Project ID
SBI Ref No	Rebate Settlement	Final Settlement
		No

**Indicators**

Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
No	No	No
Notes	Correction Exist	Correction Invoice
No	No	No
Correction Reason ID	Correction Reason	

**Delivery**

**Invoice Text**

Invoice Text ID	Invoice Text
1	General complementary text to be included in all fiscal n...

Q Find Clear

1 (Text id)  
General complementary text to be included in all fiscal notes (Text)  
FALSE (Ending Text)

**Customer Invoice** BRCUST1 - Brazilian Customer 1 - 202978 - CUSTORDDEB - P10608 2 of 3 Preliminary

Cancel Preliminary Invoice Posting Installation Plan and Discounts Notes Send Electronic Fiscal Note

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BRCUST1	Brazilian Customer 1	PR	202978	EABR1	BRSA	2021-06-16	2021-05-14

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	15200,00	15200,00	0,00	1	1

**LINES** GENERAL NF-E INFORMATION HISTORY

Invoice Type	Invoice Address	Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
CUSTORDDEB - Customer Order Invoice, Debit	1	No	No	No
Invoice Date	Printed Date	Notes	Correction Exist	Correction Invoice
2021-06-16		No	No	No
Our Reference	Customer Reference	Correction Reason ID	Correction Reason	
ALAIN PRESTON				
Branch	Customer Branch	Jinsui Status		
A		Non Jinsui		

**Payment** **Delivery**

Order No	Shipment ID	RMA No	Invoice Text ID	Invoice Text
P10608				Material segue para amostra, sem retorno.;Isento de IC...

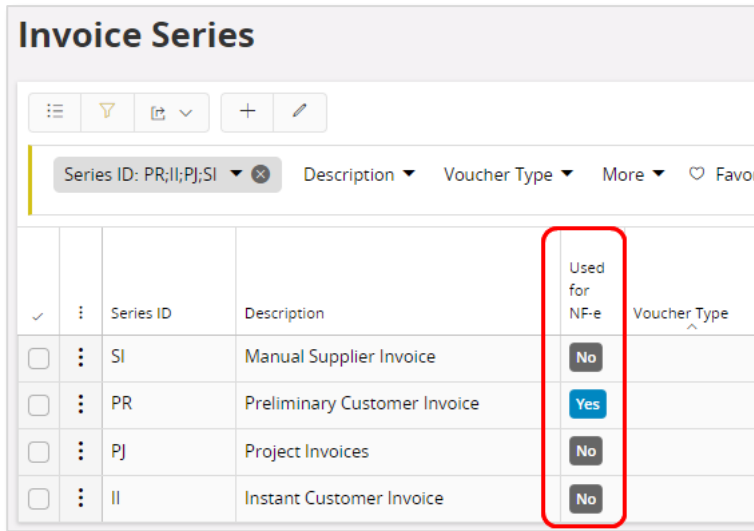
The complementary information entered as Invoice Text on the Customer Invoice is fetched to the NF-e XML file and added in the **infAdic** block and tag "infCpl".  
 With an integration to 3<sup>rd</sup> party tax determination engine for Brazilian taxes enabled, this complementary information can be received in the response file and automatically saved as Invoice Text on the Customer Invoice.

```

- <transp>
- <vol>
  <pesoL>0</pesoL>
  <pesoB>0</pesoB>
</vol>
</transp>
- <cobr>
- <fat>
  <nFat>202978</nFat>
  <vOrig>15200</vOrig>
  <vDesc>0</vDesc>
  <vLiq>15200</vLiq>
</fat>
</cobr>
- <pag>
- <detpag>
  <tPag>99</tPag>
  <vPag>15200</vPag>
</detpag>
</pag>
- <infAdic>
  <infCpl>Material segue para amostra, sem retorno.;Isento de ICMS nos termos do Art. 3. do Anexo I do livro VI do Dec. n. 45.490/00 - RICMS - SP</infCpl>
</infAdic>
</infNFe>
</NFe>
  
```

### 12.4.9 Invoice series used for NF-e

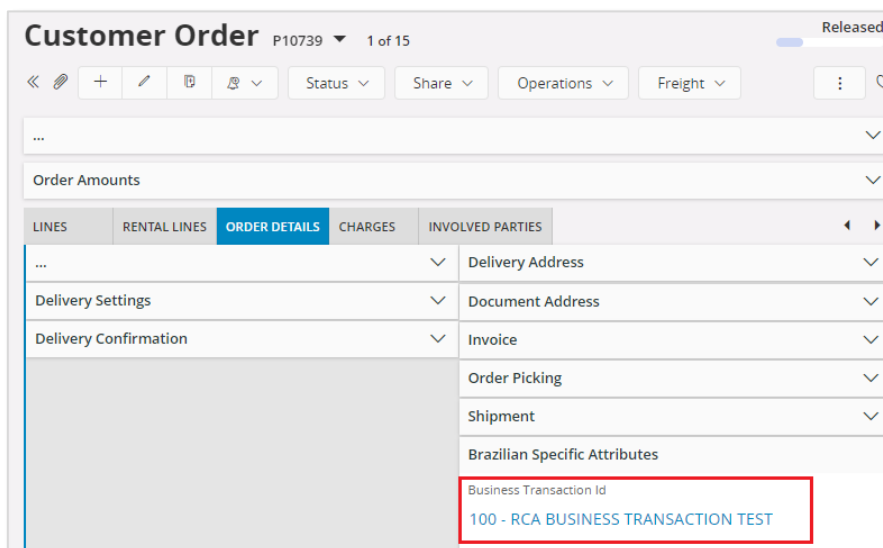
Enable the toggle “Used for NF-e” in the *Financials/Customer Invoice/Basic Data/Invoice Series* page for the invoice series used for invoicing of customer order delivery of goods. This setting will add value “55 = NF-e” in the corresponding xml tag for generated electronic fiscal notes.



Series ID	Description	Used for NF-e	Voucher Type
SI	Manual Supplier Invoice	No	
PR	Preliminary Customer Invoice	Yes	
PJ	Project Invoices	No	
II	Instant Customer Invoice	No	

### 12.5 Create Customer Order

Follow standard functionality to enter a Customer Order. Select an option for Business Transaction ID in the corresponding field in Customer Order/Order Details tab, group Brazilian Specific Attributes.



**Customer Order** P10739 1 of 15 Released

Order Amounts

**ORDER DETAILS** CHARGES INVOLVED PARTIES

Delivery Address

Delivery Settings

Delivery Confirmation

Order Picking

Shipment

Brazilian Specific Attributes

Business Transaction Id  
100 - RCA BUSINESS TRANSACTION TEST

A Customer Order Type which stops the processing before the “Print Invoice” event is performed must be used.

			Stop After
✓	⋮	Events	
<input type="checkbox"/>	⋮	RELEASE ORDER	No
<input type="checkbox"/>	⋮	PRINT ORDER CONFIRMA	No
<input type="checkbox"/>	⋮	RESERVE ORDER	No
<input type="checkbox"/>	⋮	CREATE PICK LIST	No
<input type="checkbox"/>	⋮	PRINT PICK LIST	No
<input type="checkbox"/>	⋮	REPORT PICKING	No
<input type="checkbox"/>	⋮	DELIVER ORDER	No
<input type="checkbox"/>	⋮	CREATE DELIVERY NOTE	No
<input type="checkbox"/>	⋮	PRINT DELIVERY NOTE	No
<input type="checkbox"/>	⋮	CREATE INVOICE	Yes
<input type="checkbox"/>	⋮	PRINT INVOICE	No

Tax Lines information can be automatically fetched from integration to 3<sup>rd</sup> party Avalara Brazil if LCC parameter “Tax Determination via Integration to Brazilian External Tax System” is enabled or using the core Tax Calculation Structures functionality together with enabled LCC parameter for “Extended Tax Codes and Tax Calculation Structures set-up”.

Applicable CST Code and Legal Tax Class (only for IPI taxes) should be manually entered if not automatically received in the integration to Avalara Brazil, as it’s mandatory information for the electronic Fiscal Note to be sent to the Brazilian tax Authority. These values will be transferred to the Customer Invoice in the next step of the process.

Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
838,62	727,50	111,12

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code	Legal Tax Class	Tax Type Category
:	838,62	BR COFINS-0	Tax	7,6	63,74	63,74	01		COFINS
:	838,62	BR ICMS-0	Tax	4	33,54	33,54	00		ICMS
:	838,62	BR IPI-0	Tax	0	0,00	0,00	51	999	IPI
:	838,62	BR PIS-0	Tax	1,65	13,84	13,84	01		PIS

OK Cancel

## 12.6 Deliver Customer Order

### Single Order delivery

Deliver the single Customer Order using standard functionality.

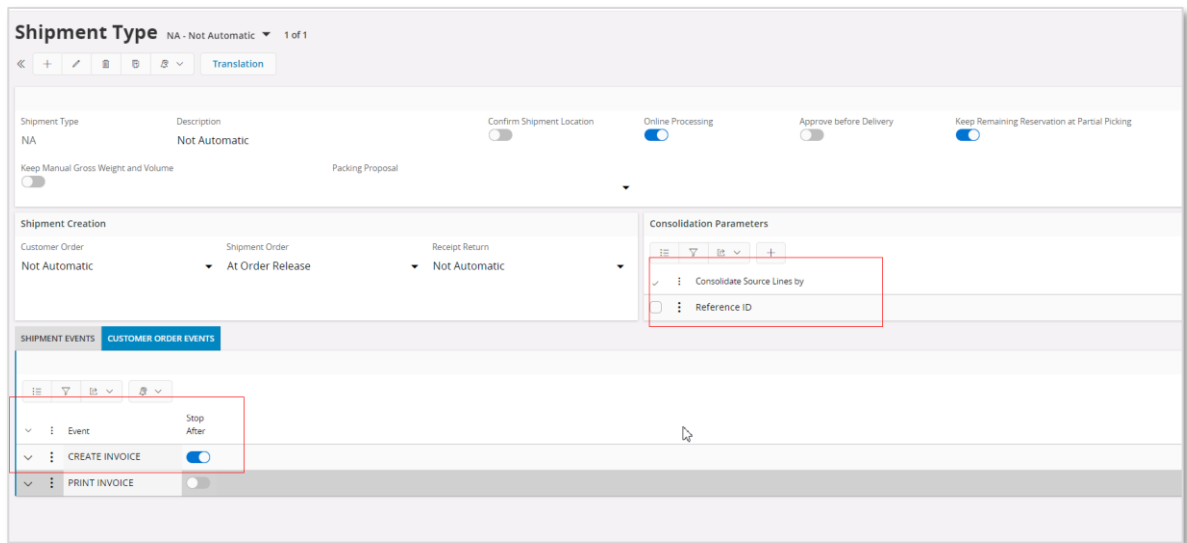
### Shipment delivery

In case of delivery using the IFS Shipment functionality, the Customer Order must be connected to a Shipment Type. Enter a Shipment Type in page *Shipment Management/Outbound Shipment/Basic Data/Shipment Type* and select 'Stop After' the event "Create Invoice" to stop the shipment invoice to be printed automatically before the outgoing NF-e is created and authorized.

Customer Orders with different Business Transaction ID:s are not allowed to be mixed in the same Shipment ID. The selected Business Transaction ID in Customer Order header is transferred to the "Reference ID" field in the Customer Order line and will be considered as a consolidation parameter for Shipments.

It is therefore mandatory to set **Reference ID** as a consolidation parameter in "Consolidate Source Lines By" on the *Shipment Type* page.

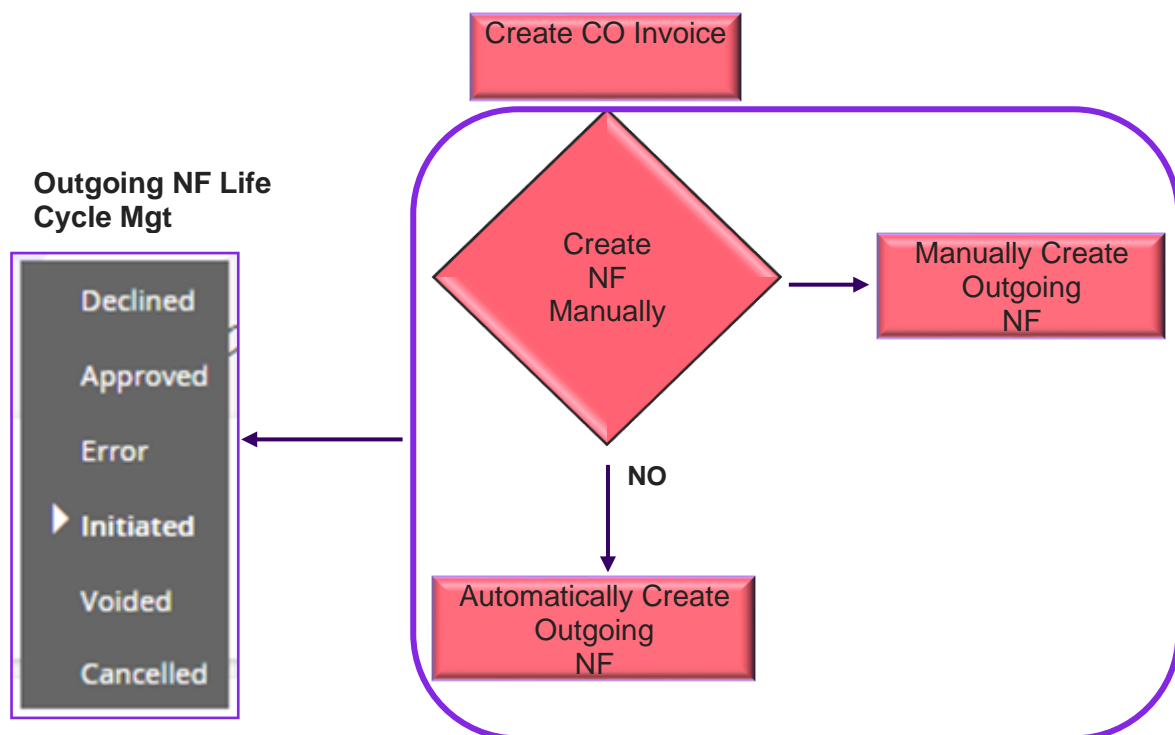
In the generated NF-e XML file header tag IDE\_INDPRES value represents the Presence Type which is taken from the Business Transaction ID in the Customer Order.



## 12.7 Create Customer Invoice

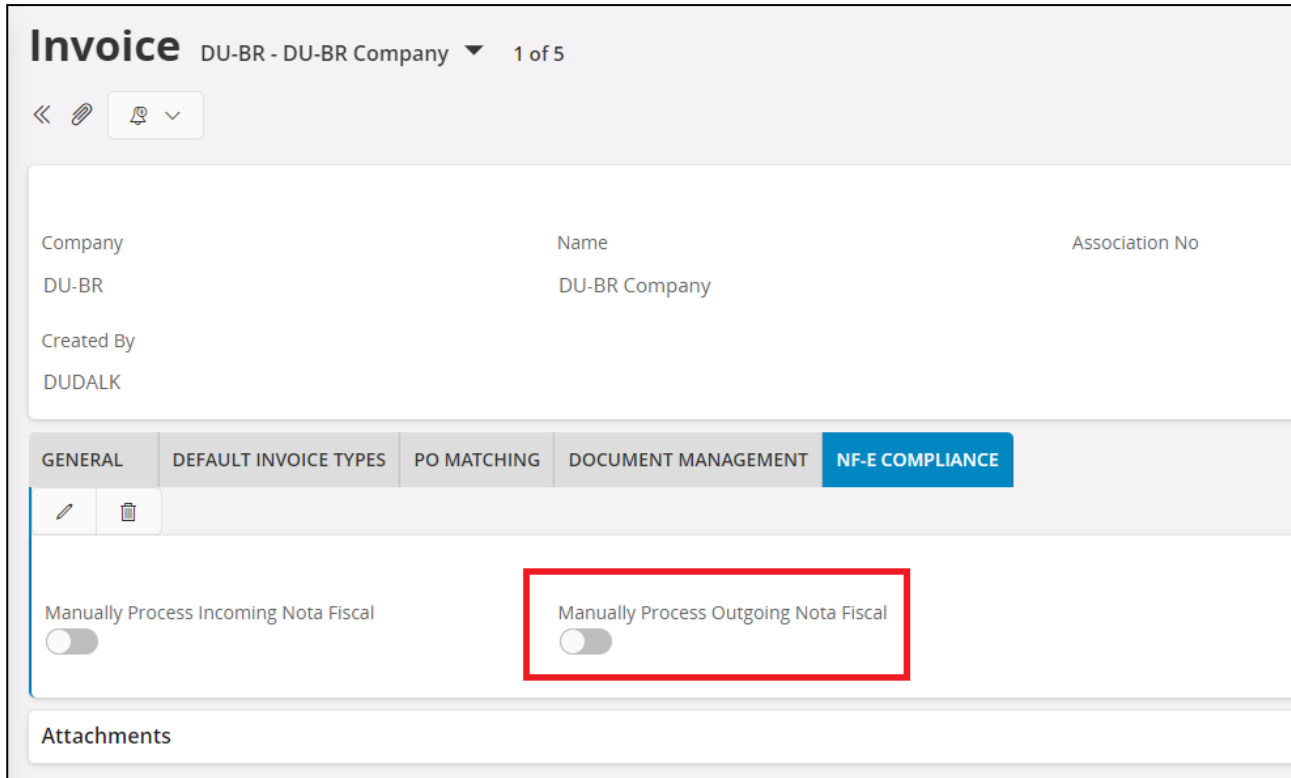
Create the Customer (Order) Invoice or the Shipment Invoice (Customer Order Collective Invoice, Debit) in Preliminary state using IFS standard functionality and, then create an “Outgoing Nota Fiscal” object in the application.

### Process Overview



## 12.7.1 Basic Data setting – Outgoing Nota Fiscal

Company level parameter, “*Manually Process Nota Fiscal*” determines whether the Out Going Nota Fiscal is automatically created when creating the Customer invoice or manually processed.



**Invoice** DU-BR - DU-BR Company 1 of 5

Company: DU-BR, Name: DU-BR Company, Association No: [blank]  
 Created By: DUDALK

Tabs: GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | **NF-E COMPLIANCE**

Manually Process Incoming Nota Fiscal:

**Manually Process Outgoing Nota Fiscal:**

Attachments

Below table shows, how this Company level parameter, “*Manually Process Nota Fiscal*” works with Customer Order Invoice, *Outgoing Nota Fiscal* and the Nfe-xml generation.

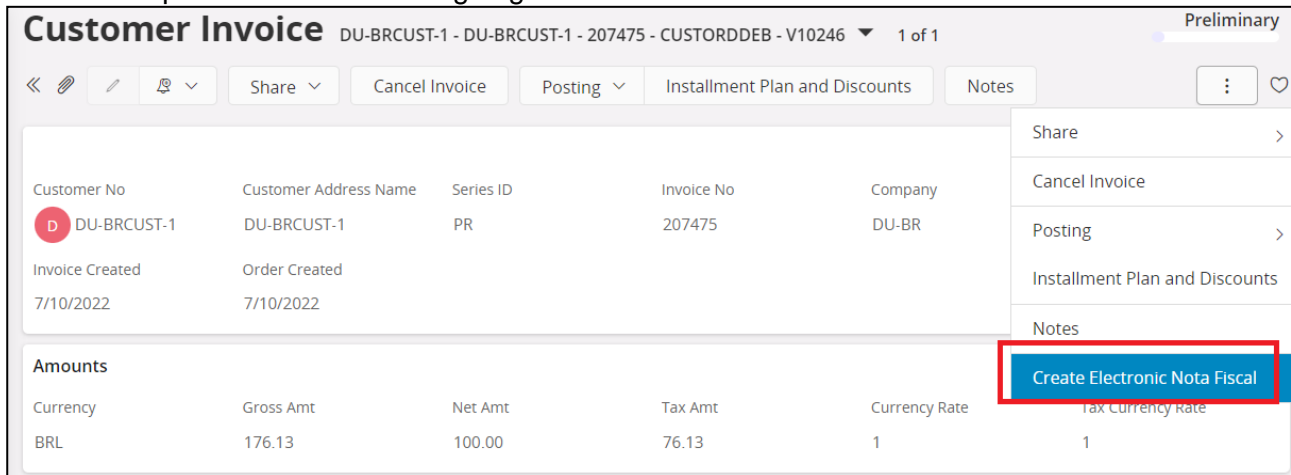
Parameter, Manually Process Nota Fiscal	Outgoing Nota Fiscal object	Nfe-xml generation
Enabled (Outgoing NF is Manually processed)	First, Customer Order Invoice is created and the Outgoing NF need to be manually created by using the RMB option, “ <i>Create Electronic Nota Fiscal</i> ”.	Nfe-xml need to be manually generated by using the command “ <i>Send Nota Fiscal</i> ” on the Outgoing NF object.
Disabled (Outgoing NF is Automatically processed)	When Customer Order Invoice is created, the Outgoing NF object is automatically created.	Nfe-xml is automatically generated based on the Outgoing NF object.
<i>*Both the Outgoing NF object and the Nfe-xml is automatically generated</i>		



## 12.8 Outgoing Nota Fiscal Life Cycle Management

### 12.8.1 Outgoing NF Manually created

Company level parameter, “Manually Process Nota Fiscal” is enabled, then in the Customer Order Invoice process, Outgoing Nota Fiscal need to be manually created. To facilitate this manual process, RMB option, “*Create Electronic Nota Fiscal*” is enabled on CO Invoice and user need to select that option to create the Outgoing Nota Fiscal.



The screenshot shows the 'Customer Invoice' interface with the following details:

- Customer No:** DU-BRCUST-1
- Customer Address Name:** DU-BRCUST-1
- Series ID:** PR
- Invoice No:** 207475
- Company:** DU-BR
- Invoice Created:** 7/10/2022
- Order Created:** 7/10/2022

The 'Amounts' table is as follows:

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	176.13	100.00	76.13	1	1

The 'Create Electronic Nota Fiscal' option is highlighted in a red box in the interface.

*Outgoing Nota Fiscal* is created in “Initiated” state while the connected CO Invoice is in “Preliminary” state and the associated CO is in “Closed” state.

Out Going NF Status	CO Invoice Status	CO Status
Initiated	Preliminary	Closed

#### Generate and Send NF-e XML File

Once the Outgoing Nota Fiscal object is created it’s automatically set to the status of “Initiated” and the option “*Send Nota Fiscal*” is enabled. Use this command **Send Nota Fiscal** to generate the NF-e XML and send to the third party system integrator to communicate with the Brazilian Tax Authority for approval.

**Outgoing Nota Fiscal - 00910000022** 1 of 1 Initiated

Send Nota Fiscal Customer Invoice

Send Nota Fiscal

Sender		Receiver	
Company	DU-BR	Customer	DU-BRCUST-1
Company Name	DU-BR Company	Customer Name	DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000022	7/12/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	207755	Preliminary
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL
Nota Fiscal Text		
Valor total do ICMS relativo ao Fundo de Combate à Pobreza (FCP) para a UF de destino: R\$ 0,00Valor total do ICMS de partilha para a UF do destinatário: R\$ 37,86V...		

Once the Outgoing Nota Fiscal is sent to the third party system intergrator, Outgoing Nota Fiscal status is autotmatically set as, "Sent Request".

Outgoing Nota Fiscal Company DU-BR Company

**Outgoing Nota Fiscal - 00910000022** 1 of 1 Sent Request

Customer Invoice

Sender		Receiver	
Company	DU-BR	Customer	DU-BRCUST-1
Company Name	DU-BR Company	Customer Name	DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000022	7/12/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	207755	Preliminary
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL

**Note**

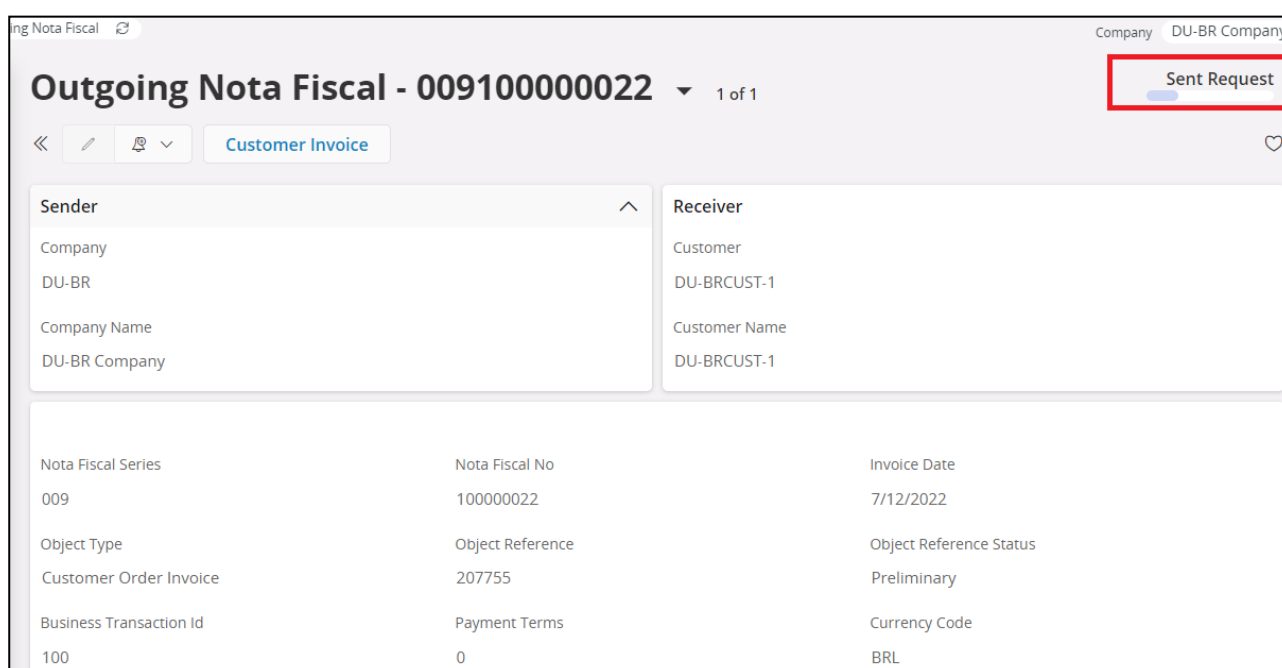
-When the Outgoing Nota Fiscal is set to the status of "Initiated" and "Sent Request", the IFS standard command on CO preliminary invoice, "Print Invoice" is disabled.

## 12.8.2 Outgoing NF Automatically created

Company level parameter, “Manually Process Nota Fiscal” is disabled, then in the Customer Order Invoice process, Outgoing Nota Fiscal Object is automatically created. Once the Outgoing Nota Fiscal Object is created , Nfe-xml too is automatically generated based on the Outgoing NF object and send to the third party system intergrator to communicate with the Brazilain Tax Authority.

Since in this scenario, both the Nota Fiscal Object and the Nfe xml are automatically generated and sent to the Tax Authority for Approval, *Outgoing Nota Fiscal* is creted in “*Sent Request*” state, while the connected CO Invoice is in “Preliminary” state and the associated CO is in “Closed” state.

Out Going NF Status	CO Invoice Status	CO Status
Sent Request	Preliminary	Closed



Outgoing Nota Fiscal - 00910000022 1 of 1

Company DU-BR Company

Sent Request

Customer Invoice

**Sender**

Company: DU-BR  
Company Name: DU-BR Company

**Receiver**

Customer: DU-BRCUST-1  
Customer Name: DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	10000022	7/12/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	207755	Preliminary
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL

## 12.8.3 Generation and Assigning a “NF-e Key” to NF-e XML

Every NF-e XML generated is assigned a unique identification number as the “NF-e Key” following a logic defined by the authorities. The identification number is saved in the new Customer Invoice/NF-e Information tab, field “NF-e Key”. With this key every individual Fiscal Note can be identified, and it’s also used to match the SEFAZ response to the right IFS Customer Invoice.

The 44 character NF-e Key is composed according to the description in the below table:

Data item	Description	Number of characters
cUF	State Code of Issuer	2
AAMM	Year and Month from Issuing Date of Fiscal note	4
CNPJ	CNPJ registration of Issuer	14
Mod	Fiscal Note model from Fiscal Note	2

Serie	Fiscal Note Series from Fiscal Note	3 (left zeros are used if series is less than 3 positions)
nNF	Fiscal Note Number from Fiscal Note	9 (left zeros are used if series is less than 9 positions)
tpEmis	Emission Type from Fiscal Note (=1)	1
cNF	IFS Invoice No	8 (left zeros are used if series is less than 8 positions)
cDV	Check digit (calculation logic provided by the tax authority)	1

The date in the field “Issue Date” is automatically set when the user selects the command “Send Nota Fiscal”. In case the fiscal note is not authorized by the tax authority, the user needs to do some adjustments and send it again. The new “Issue Date” will then overwrite the previous one at the time the new NF-e XML is created.

**Customer Invoice** DU:BR-1 - DU:BR-1 - 205429 - CUSTORDDEB - V10526 1 of 6 Preliminary

Share Cancel Preliminary Invoice Posting Installation Plan and Discounts Notes Send Electronic Fiscal Note Add/Remove Invoice Fee

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
DU:BR-1	DU:BR-1	PR	205429	DU-BRAZIL-01	DUBR1	2020-08-12	2020-08-12

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	167,86	100,00	67,86	1	1

**LINES** GENERAL **NF-E INFORMATION** HISTORY

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
2020-08-12	122008DUBR01TAXID002650090000002510...		

NF-e Status Code      Return Message

## 12.8.4 Generation a NF-e XML

In this process IFS Cloud will produce an IFS style XML file which is generated to integrate with a 3rd party solution provider. The 3rd party service provider will convert the IFS style XML file into the official NF-e XML layout and can also add a digital signature to the file. The 3rd party solution provider will communicate the file to the Brazilian Tax Authority (SEFAZ).

```
<NFe xmlns="http://www.portalfiscal.inf.br/nfe" xmlns:xsi="http://www.w3.org/200
- <infNFe Id="35201115257504000105650090000100161002104318" versao="4">
  - <ide>
    <cUF>35</cUF>
    <cNF>00210431</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010016</nNF>
    <dhEmi>2020-11-12T08:24:19+00:00</dhEmi>
    <dhSaiEnt>2020-11-12T08:24:19+00:00</dhSaiEnt>
    <tpNF>1</tpNF>
    <idDest>2</idDest>
    <cMunFG>7107</cMunFG>
    <tpImp>1</tpImp>
    <tpEmis>1</tpEmis>
    <cDV>8</cDV>
    <tpAmb>2</tpAmb>
    <finNFe>1</finNFe>
    <indFinal>0</indFinal>
    <indPres>2</indPres>
    <procEmi>0</procEmi>
    <verProc>4</verProc>
  </ide>
  - <emit>
    <CNPJ>15257504000105</CNPJ>
    <xNome>Brazilian Company System Test</xNome>
    - <enderEmit>
      <xLgr>Caljunto Nova</xLgr>
      <nro>10</nro>
      <xBairro>Bairro</xBairro>
      <cMun>7107</cMun>
      <xMun>SAO</xMun>
      <UF>SP</UF>
      <CEP>14278</CEP>
      <cPais>1058</cPais>
      <xPais>BRAZIL</xPais>
    </enderEmit>
    <IE>123456</IE>
    <CRT>3</CRT>
  </emit>
  - <dest>
    <CNPJ>98741254112145</CNPJ>
    <xNome>Brazilian Customer 1</xNome>
    - <enderDest>
      <xLgr>Rio Grande</xLgr>
      <nro>8</nro>
      <xBairro>RIO</xBairro>
      <cMun>1578</cMun>
      <xMun>Rio de Janeiro</xMun>
      <UF>RJ</UF>
      <CEP>14254</CEP>
      <cPais>1058</cPais>
      <xPais>BRAZIL</xPais>
      <fone>023144445</fone>
    </enderDest>
    <indIEDest>2</indIEDest>
    <IE/>
    <email>john.smith@ifsworld.com</email>
  </dest>
  - <det nItem="1">
    - <prod>
      <cProd>181</cProd>
      <cEAN>9300617000020</cEAN>
      <xProd>Garage door handle, Belucci design</xProd>
      <NCM>74081100</NCM>
    </prod>
  </det nItem="1">
</NFe>
```

Once the Outgoing Nota Fiscal is created and set to the initiated status, connected CO Invoice couldn't be processed alone. Connected Outgoing Nota Fiscal should 1<sup>st</sup> process and the further processing of CO Invoice is depend on the Outgoing NF status which describes in the chapters below.

## 12.8.5 Outgoing NF Approved

Once the Outgoing Nota Fiscal get Approved, connected CO Invoice will get automatically Approved.

Out Going NF Status	CO Invoice Status	CO Status
Approved	Approved	Closed

### Receive Response File

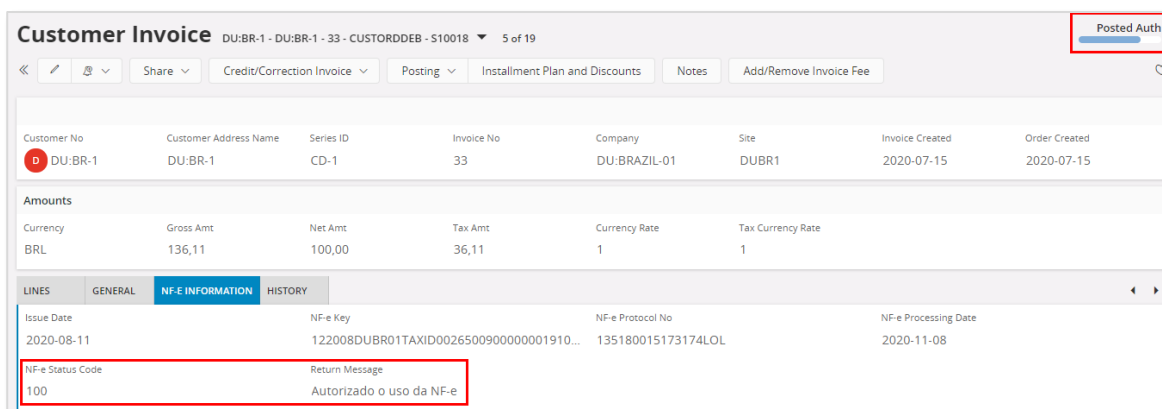
The Brazilian tax authority SEFAZ will in real time validate the received NF-e XML file and send back a response XML which must be received by IFS prior to the physical release of goods.

Similar to the sending of XML process, 3<sup>rd</sup> party service provider will receive the response file from SEFAZ first and send the response information to IFS in the IFS style XML layout.

Once the IFS style XML response is received from the 3<sup>rd</sup> party service provider, IFS reads the file and recognize the correct CO Invoice by validating the “Nf-e Key”.

Then the newly introduced “NF-e Information” tab will be updated with the values from xml file.

SEFAZ Status Code “100” indicates the response file is approved and these invoices are automatically printed and set to status “PostedAuth”.



The screenshot shows the 'Customer Invoice' interface for invoice DU:BR-1. The 'NF-E INFORMATION' tab is active, displaying the following details:

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
2020-08-11	122008DUBR01TAXID002650090000001910...	135180015173174LOL	2020-11-08

Below this, the 'NF-e Status Code' is 100, and the 'Return Message' is 'Autorizado o uso da NF-e'. A 'Posted Auth' button is visible in the top right corner.

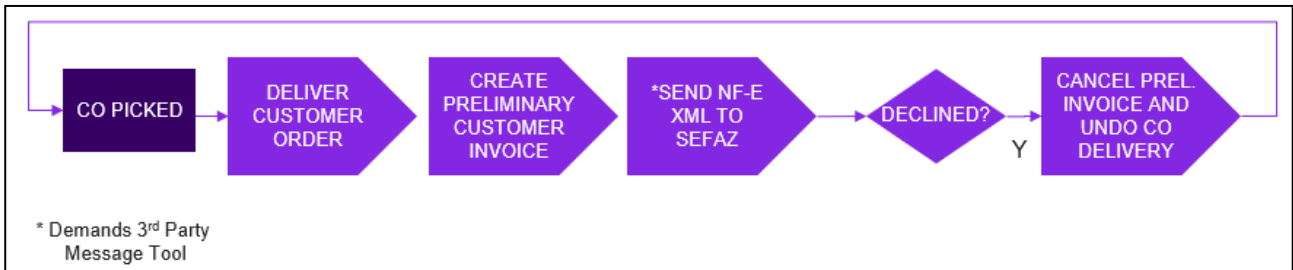
```

<?xml version="1.0" encoding="UTF-8"?>
- <SOAP-ENV:Envelope xmlns:SOAP-ENV="http://schemas.xmlsoap.org/soap/envelope/">
  - <SOAP-ENV:Header>
    - <fndcn:Message xmlns:fndcn="urn:ifsworld-com:schemas:fndcn" SOAP-ENV:mustUnderstand="1">
      <fndcn:Type>CONNECT</fndcn:Type>
      <fndcn:Function>NFE_RESPONSE</fndcn:Function>
      <fndcn:Sender/>
      <fndcn:Receiver/>
      <fndcn:SentAt/>
      <fndcn:ExpiresAt/>
    </fndcn:Message>
  </SOAP-ENV:Header>
  - <SOAP-ENV:Body>
    - <NFE_RESPONSE xmlns="urn:ifsworld-com:schemas:receive_nfe_response_service_receive_nfe_response_request">
      <FNE_STATE_ID>35190804106230000190550090000058191000006895</FNE_STATE_ID>
      <FNE_ENVIRONMENT>2</FNE_ENVIRONMENT>
      <FNE_STATE_DATE>15/01/2019</FNE_STATE_DATE>
      <FNE_STATE_USE>135190000261186</FNE_STATE_USE>
      <FNE_SEFAZ_STATUS_CODE>100</FNE_SEFAZ_STATUS_CODE>
      <FNE_RETURN_MESSAGE>Autorizado o Uso da NF-e</FNE_RETURN_MESSAGE>
    </NFE_RESPONSE>
  </SOAP-ENV:Body>
</SOAP-ENV:Envelope>
  
```

SEFAZ responses with any other status codes will not be further processed (neither automatically nor through manual commands) and the Customer Invoice will remain in status “Preliminary” and all these scenarios are described in chapters below.

## 12.8.6 Outgoing NF Declined

Outgoing Nota Fiscal could be Declined by the Brazilian tax authority. This could happen when the issuer or recipient has some pending issue and irregularities with the Brazilian Government, i.e. may not perform business transactions within the state.



When a fiscal note is declined it can not be voided or cancelled and the fiscal note number cannot be used again.

### Outgoing Nota Fiscal - 009100000029 1 of 1

Declined

Customer Invoice
Customer Invoice Postings Analysis

Sender		Receiver	
Company	DU-BR	Customer	DU-BRCUST-1
Company Name	DU-BR Company	Customer Name	DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000029	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice		Cancelled
Business Transaction Id	Payment Terms	Currency Code

Once the IFS Application received the Declined response message from the 3<sup>rd</sup> part intergrator, Outgoing Nota Fiscal is set to the status, “*Declined*”

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/17/2022		35220712345678901234650091000002910020850...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
1/10/2022		110	Denegado o uso da NF-e

NF-e Status Code “110” and “303” are examples of response codes meaning the fiscal note is declined.

Subsequently, the connected CO Invoice get “Cancelled”.

**Customer Invoice** DU-BRCUST-1 - DU-BRCUST-1 - 208503 - CUSTORDDEB - V10260 1 of 1 Cancelled

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Customer No	Customer Address Name	Series ID	Invoice No	Company	Site
D DU-BRCUST-1	DU-BRCUST-1	PR	208503	DU-BR	DUBR1
Invoice Created	Order Created				
7/17/2022	7/17/2022				

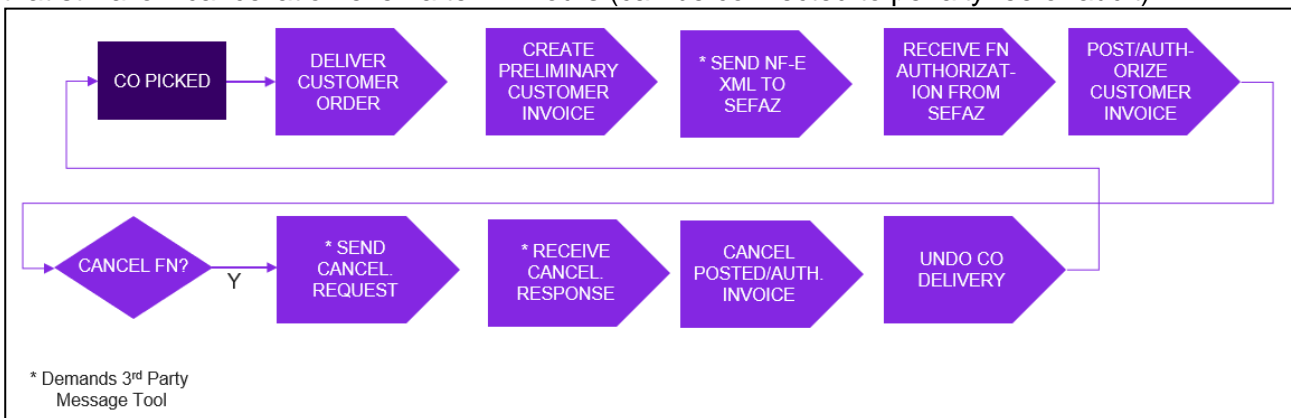
Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	176.13	100.00	76.13	1	1

Out Going NF Status	CO Invoice Status	CO Status
Declined	Cancelled	Picked

In this scenario, it's always the "Preliminary" CO Invoice which is get Canceled and no reversal voucher will be created. Once the CO Invoice is cancelled, connected CO is automatically set to the status of "Picked" (IFS Core functionality).

### 12.8.7 Cancellation Request sent to the Approved Outgoing NF

The general rule stated by Brazilian government says that companies are allowed to Cancel Authorized Fiscal Notes up until 24 hours from the issue date and time. There are some scenarios that still allow cancellation even after 24 hours (can be connected to penalty fee or audit).



Out Going NF Status	CO Invoice Status	CO Status
Cancellation Request Sent	Authorized	Closed

The "Send Cancel Request" command will generate an outgoing xml file representing the request to cancel the referenced Fiscal Note number.

```

1 <infEvento>
2   <xServ>CANCELAMENTO</xServ>
3   <chNFe>35220177214253000192650090000010311002063978</chNFe>
4   <tpAmb>2</tpAmb>
5   <xJust>Pedido de Cancelamento de Nota Fiscal Eletronica</xJust>
6 </infEvento>
  
```



In the above scenario, OutGoing Nota Fiscal status is set to the “Cancellation Request Sent” while connected CO is still Authorized and CO status, Closed.

### 12.8.8 Canceled the Approved Outgoing NF

Once the Outgoing Nota Fiscal cancellation request get accepted by the Brazilain Tax Authority, Cancelled response message will receive to the IFS Application via a 3<sup>rd</sup> party integrtror nad the Outgoing Nota Fiscal is set to the status of “Cancelled and the connected CO Invoice too will get automatically Canclced.

Out Going NF Status	CO Invoice Status	CO Status
Cancelled	Cancelled (Canclced PostedAuth Invoice)	Picked

In the above scenario, it’s always the PostedAuth CO Invoice get cancelled, hence, a reversal “K” Voucher is created reversing the original CO Invoice postings.

Company DU-BR Company

## Outgoing Nota Fiscal - 009100000016

Cancelled

Customer Invoice | Customer Invoice Postings Analysis

**Sender**

Company: DU-BR  
Company Name: DU-BR Company

**Receiver**

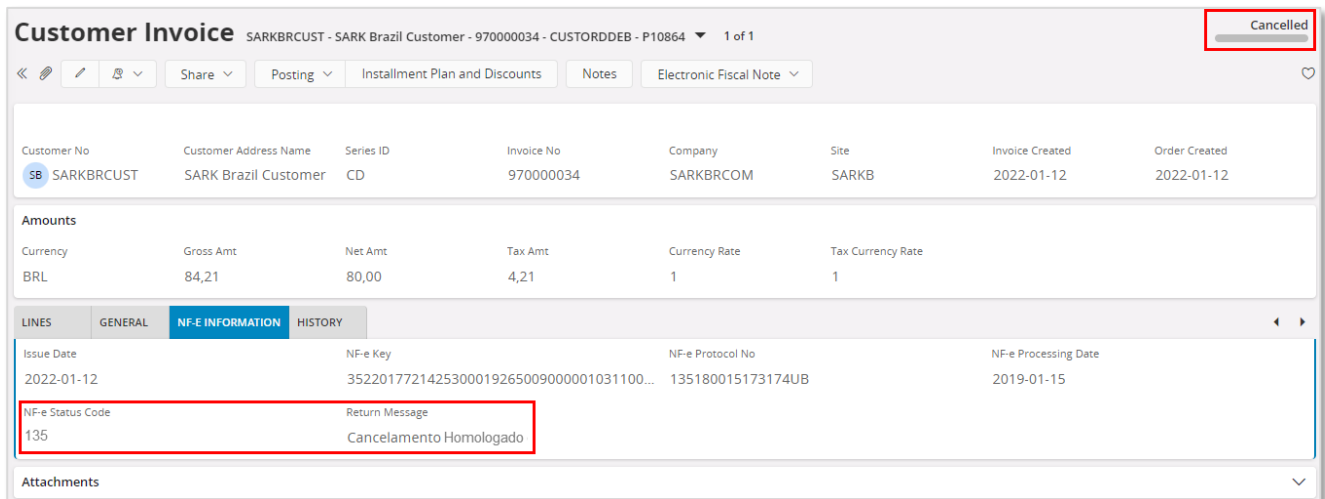
Customer: DU-BRCUST-1  
Customer Name: DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000016	7/5/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice		Cancelled
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL
Nota Fiscal Text		

Amounts		
Gross Amount	Net Amount	Tax Amount
176.13	100.00	76.13

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/5/2022		352207123456789012346500910000001610020696...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
6/20/2022		135	Autorizado o uso da NF-e

After receiving a cancel request approval xml file from the tax authority, the NF-e status code will be updated to “135 - Cancelamento Homologado” and the Customer Invoice status will be changed to “Cancelled”.



**Customer Invoice** SARKBRUST - SARK Brazil Customer - 970000034 - CUSTORDDEB - P10864 1 of 1 Cancelled

Customer No: SARKBRUST | Customer Address Name: SARK Brazil Customer | Series ID: CD | Invoice No: 970000034 | Company: SARKBRCOM | Site: SARKB | Invoice Created: 2022-01-12 | Order Created: 2022-01-12

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	84,21	80,00	4,21	1	1

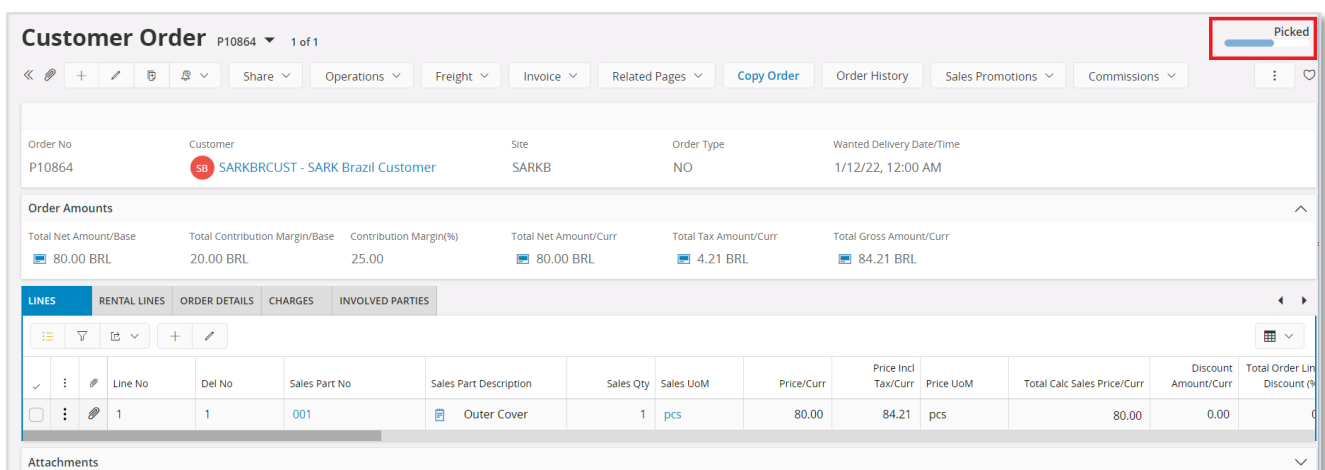
**GENERAL** **NF-E INFORMATION** HISTORY

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
2022-01-12	3522017721425300019265009000001031100...	135180015173174UB	2019-01-15

**NF-e Status Code**: 135 | **Return Message**: Cancelamento Homologado

Attachments

The referenced Customer Order will change status back to “Picked”.



**Customer Order** P10864 1 of 1 Picked

Order No: P10864 | Customer: SARKBRUST - SARK Brazil Customer | Site: SARKB | Order Type: NO | Wanted Delivery Date/Time: 1/12/22, 12:00 AM

**Order Amounts**

Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
80.00 BRL	20.00 BRL	25.00	80.00 BRL	4.21 BRL	84.21 BRL

**LINES** RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES

Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Price/Curr	Price Incl Tax/Curr	Price UoM	Total Calc Sales Price/Curr	Discount Amount/Curr	Total Order Lin Discount (%)
1	1	001	Outer Cover	1	pcs	80.00	84.21	pcs	80.00	0.00	

Attachments

If a Payment Proposal, Mixed Payment, RMA, Credit Invoice or Correction Invoice is attached to any "PostedAuth" Invoice/Approved Fiscal Note, an error will create to stop the cancellation process when receiving an approved cancellation response from SEFAZ.

The K voucher is created and revert the original voucher postings.

### 12.8.9 Received Error response from the Brazilian Tax Authority

If a Brazilian tax authority recognized errors in the request file they will send an Error response via the 3<sup>rd</sup> party integrators. There could be 2 types of Errors as described below,

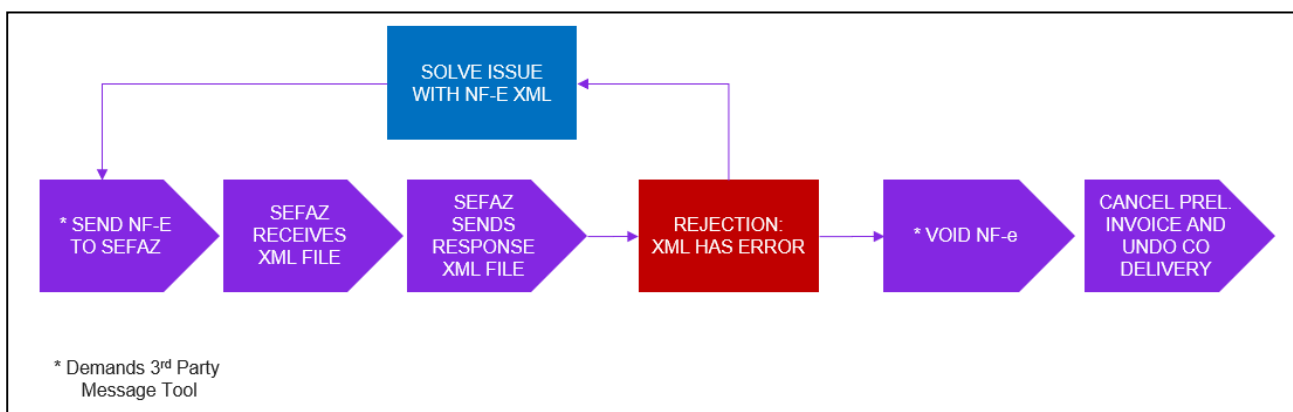
-Receive an Error Response which could be rectified by the receiver,

Out Going NF Status	CO Invoice Status	CO Status
Error	Preliminary -Rectify the error and re-send the NFE (Use Same Nfe No)	Closed

-Receive an Error Response which couldn't be rectified by the receiver,

Out Going NF Status	CO Invoice Status	CO Status
Error	Cancelled (Preliminary Invoice)  a) Send Void Request from a Nota Fiscal. b) Approved Void Request- Cancelled the Preliminary state Invoice	a) Send Void request- Closed b) Approved Void Request- Picked

When a fiscal note is rejected due to some error in the schema of xml file or some inconsistent information, the fiscal note number can be used again. The companies can fix the issue found in such fiscal note and request authorization again. If the problem can not be fixed, the fiscal note must be **Voided**. A void request must be sent and approved by the Tax Authority. After the tax authority approved the void request, the Fiscal Note number can not be used again.



When the return message from the Tax Authority is "Error" the command "Send Void Request" will be available in the Outgoing Notafiscal page.

**Outgoing Nota Fiscal - 00910000028** 1 of 1

Send Nota Fiscal **Send Void Request** Customer Invoice Customer Invoice Postings Analysis

Sender: Company DU-BR, Company Name DU-BR Company

Receiver: Customer DU-BRCUST-1, Customer Name DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000028	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	208502	Preliminary
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL

Nota Fiscal Text: Valor total do ICMS relativo ao Fundo de Combate à Pobreza (FCP) para a UF de destino: R\$ 0,00Valor total do ICMS de partilha para a UF do destinatário: R\$ 37,86V...

Error

The “Send Void Request” command will generate an outgoing xml file representing the request to void the referenced Fiscal Note number and the Outgoing Notafiscal is set to the status, “*Sent Void Request*”

**Outgoing Nota Fiscal - 00910000028** 1 of 1

Customer Invoice Customer Invoice Postings Analysis **Sent Void Request**

Sender: Company DU-BR, Company Name DU-BR Company

Receiver: Customer DU-BRCUST-1, Customer Name DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000028	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	208502	Preliminary
Business Transaction Id	Payment Terms	Currency Code

After receiving a void request approval xml file from the tax authority, the NF-e status code will be updated to “102 - Inutilização de número homologado” and the Outgoing NF status is set to “*Voided*”.

Outgoing Nota Fiscal - 00910000028 1 of 1 Voided

Company DU-BR Company

Customer Invoice Customer Invoice Postings Analysis

Sender		Receiver	
Company	DU-BR	Customer	DU-BRCUST-1
Company Name	DU-BR Company	Customer Name	DU-BRCUST-1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	10000028	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice		Cancelled
Business Transaction Id	Payment Terms	Currency Code

**Amounts**

Gross Amount	Net Amount	Tax Amount
176.13	100.00	76.13

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date	NF-e Key	NF-e Protocol No	
7/17/2022	35220712345678901234650091000002810020850...	135180015173174LOL	
NF-e Processing Date	NF-e Status Code	Return Message	
6/20/2022	102	Autorizado o uso da NF-e	

The connected Customer Order Invoice status will be changed to "Cancelled".

**Customer Invoice** DU-BRCUST-1 - DU-BRCUST-1 - 208502 - CUSTORDDEB - V10260 1 of 1 Cancelled

Customer Invoice Postings Installation Plan and Discounts Notes View Electronic Nota Fiscal

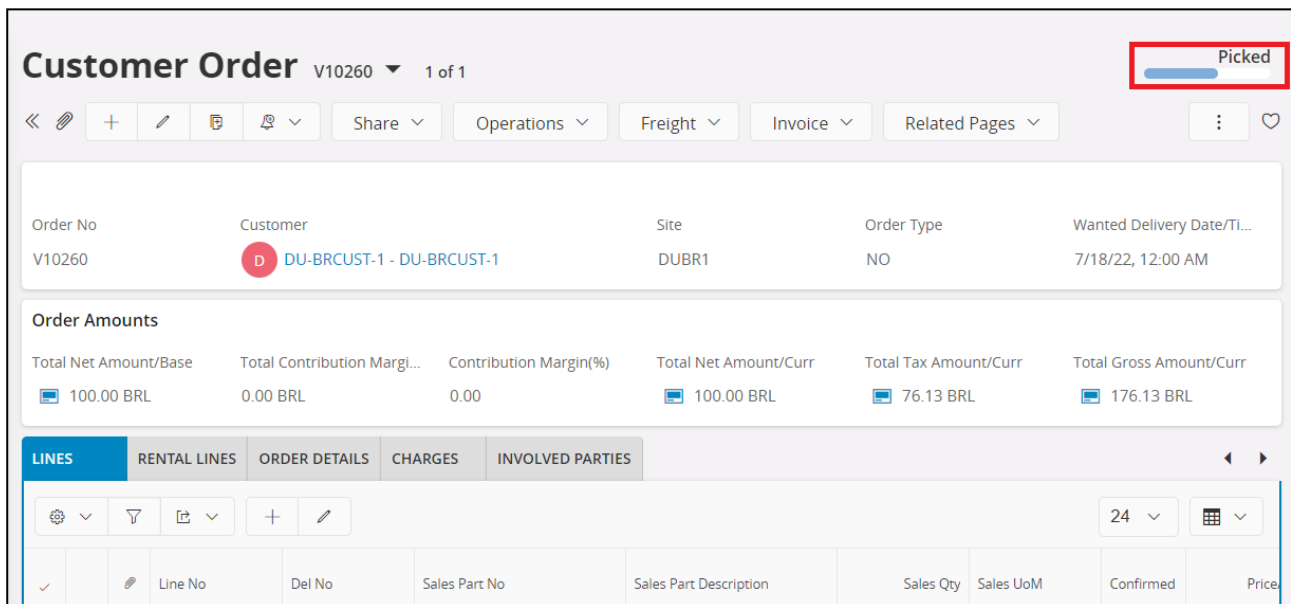
Customer No	Customer Address Name	Series ID	Invoice No	Company	Site
DU-BRCUST-1	DU-BRCUST-1	PR	208502	DU-BR	DUBR1
Invoice Created	Order Created				
7/17/2022	7/17/2022				

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	176.13	100.00	76.13	1	1

LINES	GENERAL	NF-E INFORMATION	HISTORY
Invoice Type	Indicators		
CUSTOMER - Customer Order Invoice Debit	Price Adjustment		

The referenced Customer Order will change status back to “Picked”.



**Customer Order** V10260 1 of 1 Picked

Order No: V10260 | Customer: DU-BRCUST-1 - DU-BRCUST-1 | Site: DUBR1 | Order Type: NO | Wanted Delivery Date/Time: 7/18/22, 12:00 AM

**Order Amounts**

Total Net Amount/Base	Total Contribution Margi...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
100.00 BRL	0.00 BRL	0.00	100.00 BRL	76.13 BRL	176.13 BRL

**LINES** | RENTAL LINES | ORDER DETAILS | CHARGES | INVOLVED PARTIES

Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Confirmed	Price
24							

## 12.9 Delimitations

- In this version, Outgoing Fiscal Note is not supported in *Instant Invoice* and *Project Invoice* flows.
- Outgoing Fiscal Note is supported only in the CO flow and supports only the basic functionalities in CO flow.

# 13 Supplier Returns- Credit Supplier Invoice with Outgoing Nota Fiscal

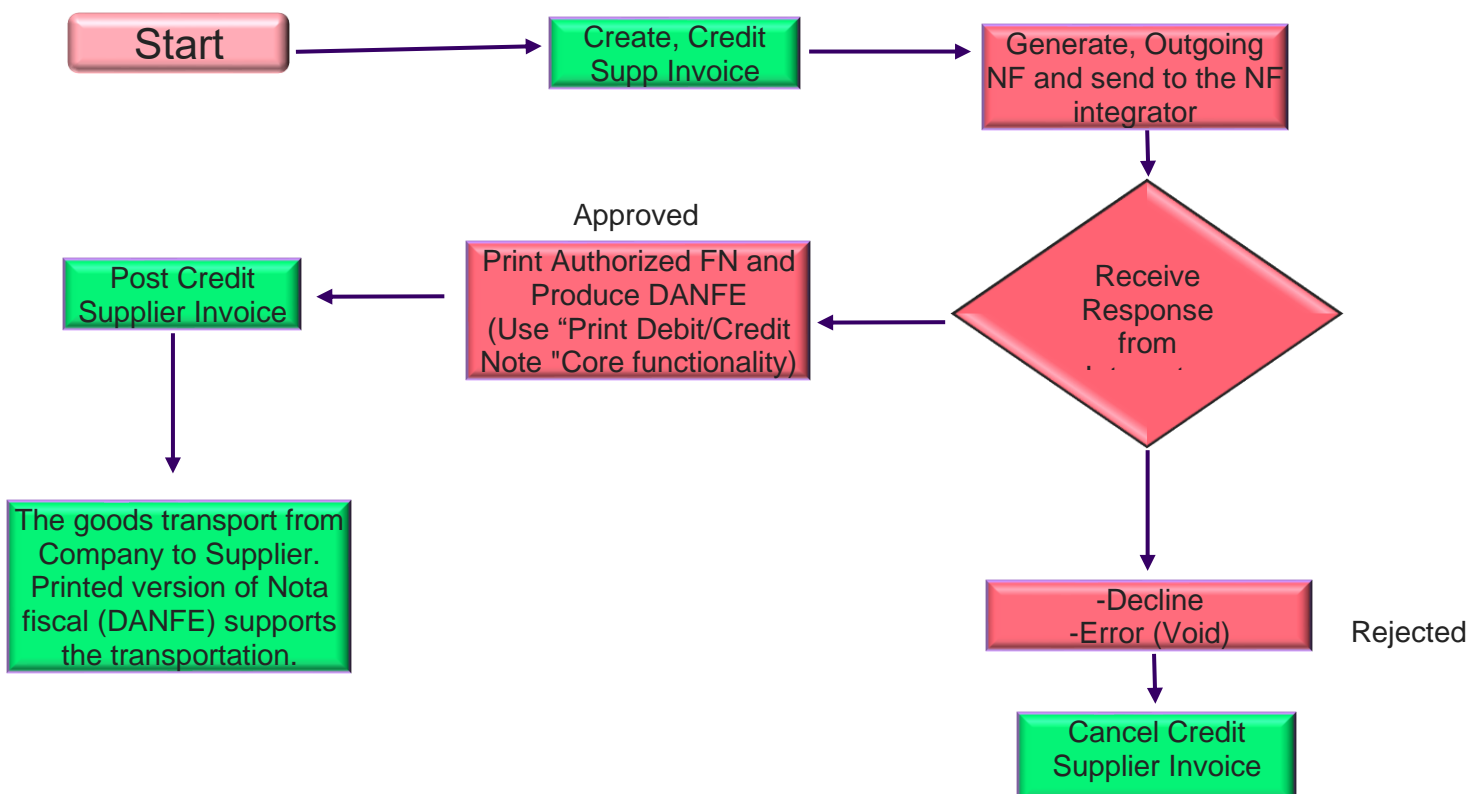
## 13.1 Overview Legal Requirement

Brazilian law requires that companies must issue an accompanying Nota Fiscal whenever commodities are moved between different taxpayer units. When you return purchased commodities to the supplier, you must issue a new Outgoing Nota Fiscal to accompany the returned commodities.

When issuing an Outgoing Notafiscal to Supplier Returns transaction, following rules must adhered,

- In Brazil, you can only process a return once the preceding outgoing nota fiscal has been printed.
- The purchase return *nota fiscal* must be based on the supplier's original *nota fiscal*. If merchandise is fully returned, the outbound *nota fiscal* values must be identical to the supplier's original *nota fiscal*.
- If merchandise is partially returned, the outbound *nota fiscal* values must be proportional to the supplier's original *nota fiscal*.
- The tax rates and costs must be returned in the same amounts as those amounts that were used in the supplier's original *nota fiscal*.
- The original freight, insurance, and expenses must also be returned proportionally and handled with a separate *nota fiscal*.

## 13.2 Process Overview



- Create a Credit Supplier Invoice will automatically generate an Outgoing Nota Fiscal Object.
- Generate Nfe-xml and communicate with the third party system inyergrator
- Outgoing Nota Fiscal lifecycle management is applied (Explained in the chapter, *Outgoing Nota Fiscal* )
- Credit Supplier Invoice could be procesed according to the connected Outgoing Nota Fiscal status

### 13.3 Prerequisites

The company must be set-up to use Brazilian localization, see chapter Company Set up, and the parameter “*Outgoing Nota Fiscal*” must be enabled.

Company level parameter, “*Manually Process Nota Fiscal*” determines whether the Out Going Nota Fiscal is automatically created when generating the Credit Supplier invoice or manually processed.

### 13.4 Create Credit Supplier Invoice

#### 13.4.1 Create credit supplier invoice number series

Since the Credit Supplier Invoice is produced by the buyer, it’s required to have a system generated ,unique number series allocated for each Credit Supplier Invoice in Priliminary state.

Once the Outgoing Nota Fiscal is generated , Outgoing Nota fiscal Number will automatically get assignn to the Credit Supplier Invoice as Credit Supplier Invoice No, and replaced the system generated ,Credit Supplier Invoice priliminary number.

To have a system generated ,unique number series used in Credit Supplier Invoice flow, you need to use the IFS Application core functionality, “Print Debit/Credit Notes” as follows,

#### **Define a seperate Invoice series used to generate Credit Supplier Invoice**

Go to Invoice Series page and define a new invoice series to use in Credit Supplier Invoice flow,

Invoice Series									
(1) ✓	Series ID	Description	Voucher Type	Max No of Char for Payment Reference	Fixed Length of Invoice No	Payment Method for Creation of Paym Ref	Tax Invoice	Separate Tax Invoice	
<input type="checkbox"/>	AC	Advance Customer Order Credit Invoice					No	No	
<input type="checkbox"/>	AD	Advance Customer Order Debit Invoice					No	No	
<input type="checkbox"/>	RS	Recurring Supplier Invoice					No	No	
<input type="checkbox"/>	SC	Customer Order Self-Billing Invoice, Credit					No	No	
<input checked="" type="checkbox"/>	SCR	Supplier Credit Invoice					No	No	
<input type="checkbox"/>	SD	Customer Order Self-Billing Invoice, Debit					No	No	
<input type="checkbox"/>	CR	Customer Order Invoice, Credit					No	No	



Then define an Invoice No series to be used,

Invoice Number Series				
SCR - Supplier Credit Invoice				1 of 1
<input type="checkbox"/>	Valid From	Start Value	End Value	Next Value
<input type="checkbox"/>	1/1/2022	1	9999999	21

**Define a separate Supplier Invoice Type used to generate Credit Supplier Invoice**

Connect the above defined new invoice series to a new Invoice type which could be used to generate Credit Supplier Invoice. Make sure to enable, “Print Debit/Credit Invoice” option which will enable automatically assign a Supplier Invoice No to the Credit Supplier Invoice.

Supplier Invoice Types									
✓	Invoice Type	Description	Tax Free Tax Code	Reference Mandatory	Correction Reason Mandatory	Invoice Text Mandatory	Definite Invoice Series ID	Branch	Print Debit/Credit Note
<input type="checkbox"/>	AUTSUPPINV	Automatic Supplier Invoice		No	No	No	AS		No
<input type="checkbox"/>	CORROUTINV	Correction Outgoing Supplier Invoice		No	No	No	OI		No
<input type="checkbox"/>	OUTSUPPINV	Outgoing Supplier Invoice		No	No	No	OI		No
<input type="checkbox"/>	RASUPPINV	Self Billing Invoice Based on Receiving Advice		No	No	No	RA		No
<input type="checkbox"/>	SUDIFFINV	Supplier Difference Item		No	No	No	SF		No
<input type="checkbox"/>	SUPPEXT	External Supplier Invoice		No	No	No	SX		No
<input type="checkbox"/>	SUPPINV	Manual Supplier Invoice		No	No	No	SI		No
<input type="checkbox"/>	SUPPINV_CR	Credit Supplier Invoice		No	No	No	SCR		Yes
<input type="checkbox"/>	SUPRECINV	Recurring Supplier Invoice		No	No	No	RS		No

**Select Above Supp Inv Type when creating the Credit Supplier Invoice**

When you create a Credit Supplier Invoice, make sure to manually select the above defined Supplier Invoice Type which will facilitate to have a unique Credit Supplier Invoice No in Preliminary state Credit Supplier Invoice.

### New Manual Supplier Invoice

Header Information — Line Information — Posting Information

Company	Voucher Date	Accounting Year	Accounting Period	User Group	Voucher Type	Voucher No
DU-BR	7/26/2022	2022	7	AC	I	

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier

Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	Arrival Date	Pay Term Base Date
SUPPINV_CR	SCR				7/26/2022	7/26/2022	7/26/2022

Payment Terms	Due Date	Plan Pay Date	Payment Reference	Automatic Payment Authorization	Authorizer ID

When you select the above defined Invoice Type, Invoice No field become uneditable for the user and during the process of Credit Supplier Invoice generation, Invoice No is automatically assigned.

### 13.4.2 Reference Invoice No in the Credit Supplier Invoice

As per the Brazilian legal requirement, the purchase return nota fiscal must be based on the supplier's original nota fiscal. If merchandise is fully returned, the outbound nota fiscal values must be identical to the supplier's original nota fiscal.

If merchandise is partially returned, the outbound nota fiscal values must be proportional to the supplier's original nota fiscal.

To cater the above requirement, we need to established a connection between the original Nota Fisical recived from the Supplier with the outgoing Nota Fiscal generated based on the new Credit supplier invoice. IFS Application core functionality, "Reference Series" and "Reference Invoice No" use to established the above connection.

When a Credit supplier invoice is created, in Brazilian context, it's a must requiremnet to connect the original Supplier Debit invoice as follows,

### New Manual Supplier Invoice

● Header Information
○ Line Information
○ Posting Information

Company DU-BR	Voucher Date 7/25/2022	Accounting Year 2022	Accounting Period 7	User Group AC	Voucher Type I	Voucher No
PO Reference 91000177	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier DU-BRSUP1 - DU-BRS	
Invoice Type SUPPINV_CR	Series ID SCR	Invoice No	Currency BRL	Currency Rate 1	Invoice Date 7/25/2022	Arrival Date 7/25/2022
Payment Terms 0 - Due Immediately	Due Date 7/25/2022	Plan Pay Date 7/25/2022	Payment Reference	Automatic Payment Authorization No		
Advance Invoice <input type="checkbox"/>	Gross Amount	Net Amount	Tax Amount			

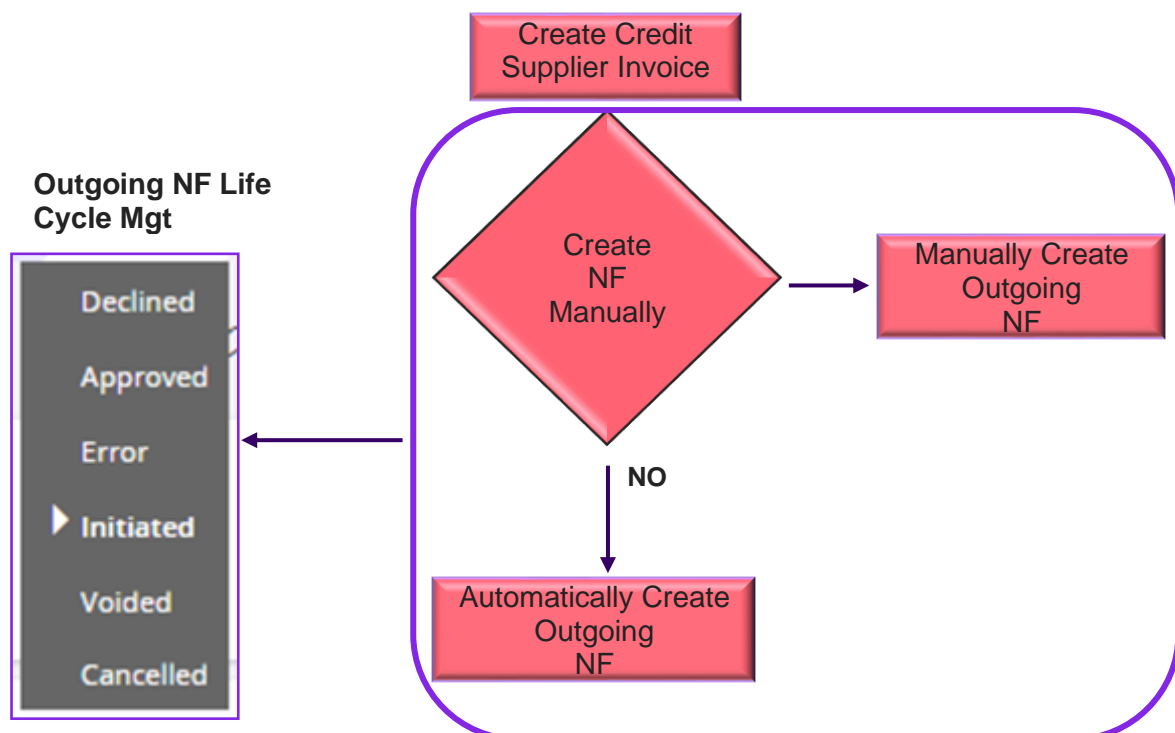
**More Information**

Reference Series SI	Reference Invoice No 91000177	Invoice Recipient DUNEELA - Duneela Danapala	Supplier Invoice Address SUP1:AD1	Delivery Address DUBR AD1
------------------------	----------------------------------	---	--------------------------------------	------------------------------

### 13.4.3 Create Outgoing Nota Fiscal Manually/Automatically

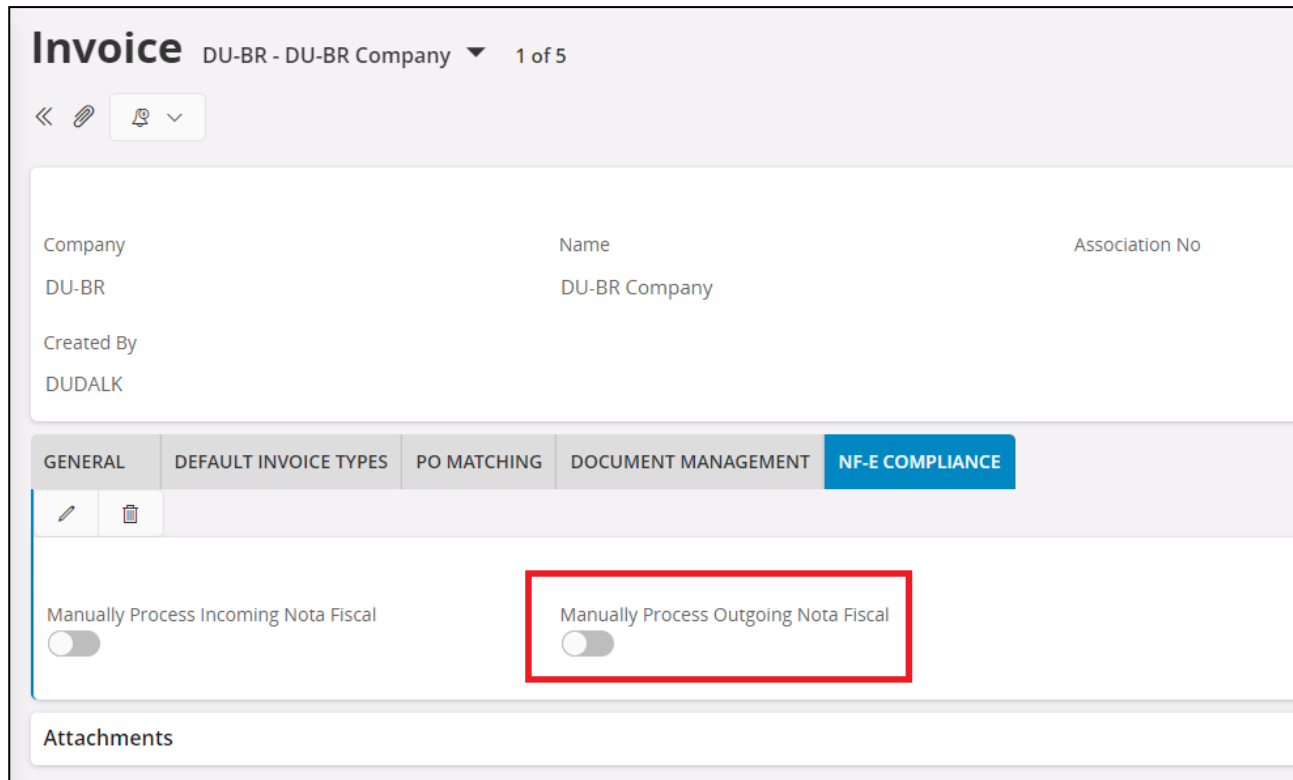
Create the Credit Supplier Invoice in Preliminary state using IFS standard functionality and, then create an “Outgoing Nota Fiscal” object in the application.

#### Process Overview



### 13.4.4 Basic Data setting – Outgoing Nota Fiscal

Company level parameter, “*Manually Process Nota Fiscal*” determines whether the Out Going Nota Fiscal is automatically created when creating the Credit Supplier invoice or manually processed.



**Invoice** DU-BR - DU-BR Company 1 of 5

Company: DU-BR, Name: DU-BR Company, Association No: [blank]  
 Created By: DUDALK

Tabs: GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | **NF-E COMPLIANCE**

Manually Process Incoming Nota Fiscal:

Manually Process Outgoing Nota Fiscal:

Attachments

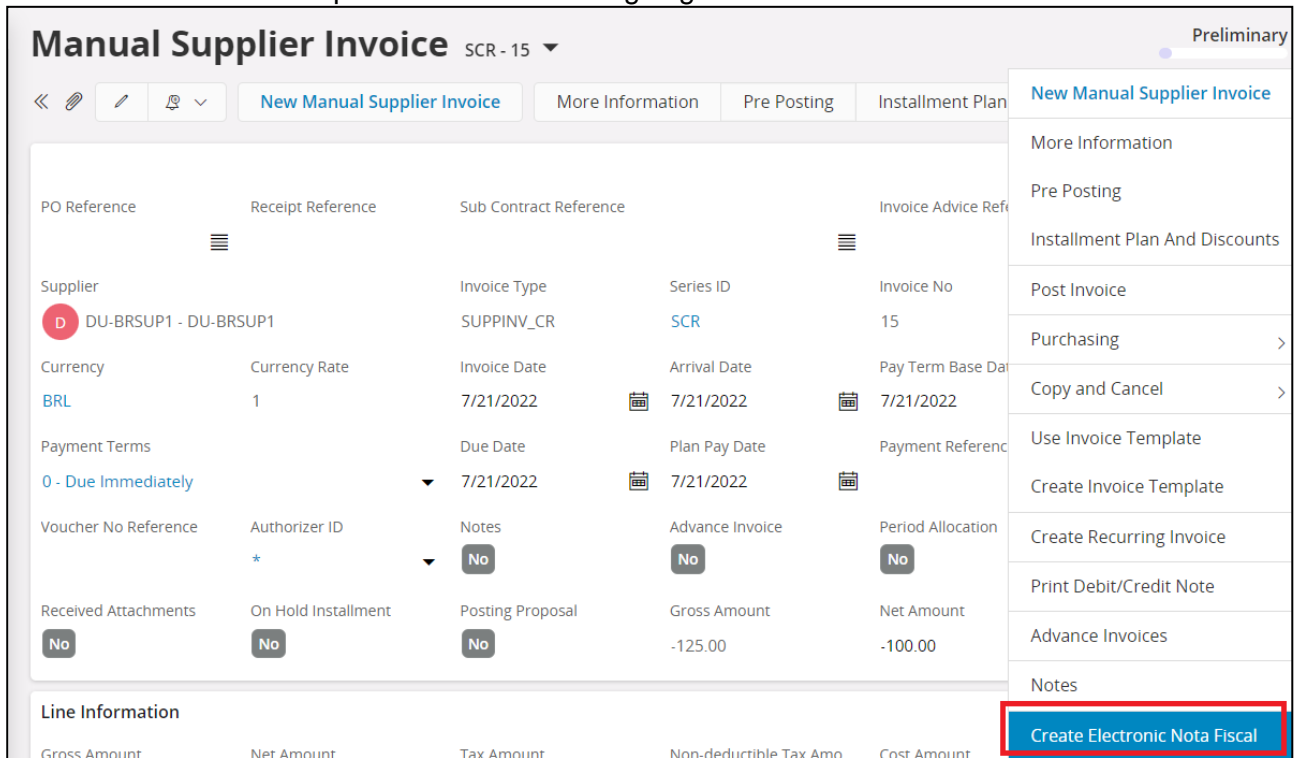
Below table shows, how this Company level parameter, “*Manually Process Nota Fiscal*” works with *Credit Supplier Invoice*, *Outgoing Nota Fiscal* and the *Nfe-xml* generation.

Parameter, Manually Process Nota Fiscal	Outgoing Nota Fiscal object	Nfe-xml generation
Enabled (Outgoing NF is Manually processed)	First, Credit Supplier Invoice is created and the Outgoing NF need to be manually created by using the RMB option, “ <i>Create Electronic Nota Fiscal</i> ”.	Nfe-xml need to be manually generated by using the command “ <i>Send Nota Fiscal</i> ” on the Outgoing NF object.
Disabled (Outgoing NF is Automatically processed)	When Credit Supplier Invoice is created, the Outgoing NF object is automatically created.	Nfe-xml is automatically generated based on the Outgoing NF object.
<i>*Both the Outgoing NF object and the Nfe-xml is automatically generated</i>		

## 13.5 Outgoing Nota Fiscal Life Cycle Management

### 13.5.1 Outgoing NF Manually created

Company level parameter, “Manually Process Nota Fiscal” is enabled, then, in the Credit Supplier Invoice process, Outgoing Nota Fiscal need to be manually created. To facilitate this manual process, RMB option, “*Create Electronic Nota Fiscal*” is enabled on Credit Supplier Invoice and user need to select that option to create the Outgoing Nota Fiscal.



**Manual Supplier Invoice** SCR - 15 Preliminary

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installation Plan](#)

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Ref
Supplier	Invoice Type	Series ID	Invoice No
DU-BRSUP1 - DU-BRSUP1	SUPPINV_CR	SCR	15
Currency	Currency Rate	Invoice Date	Arrival Date
BRL	1	7/21/2022	7/21/2022
Payment Terms	Due Date	Plan Pay Date	Payment Reference
0 - Due Immediately	7/21/2022	7/21/2022	
Voucher No Reference	Authorizer ID	Notes	Advance Invoice
	*	No	No
Received Attachments	On Hold Installment	Posting Proposal	Gross Amount
No	No	No	-125.00
			Net Amount
			-100.00

[New Manual Supplier Invoice](#)  
[More Information](#)  
[Pre Posting](#)  
[Installation Plan And Discounts](#)  
[Post Invoice](#)  
[Purchasing](#)  
[Copy and Cancel](#)  
[Use Invoice Template](#)  
[Create Invoice Template](#)  
[Create Recurring Invoice](#)  
[Print Debit/Credit Note](#)  
[Advance Invoices](#)  
[Notes](#)  
[Create Electronic Nota Fiscal](#)

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amo	Cost Amount
--------------	------------	------------	------------------------	-------------

Once the Outgoing Nota Fiscal is created, from the Credit Supplier Invoice, RMB option, “View Electronic Nota Fiscal” is enabled and by using that cross reference option user can reach to the created Outgoing Nota Fiscal.

**Manual Supplier Invoice** SCR - 17 1 of 1 Preliminary

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installment Plan And Discounts](#)

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	
91000177				
Supplier	Invoice Type	Series ID	Invoice No	
D DU-BRSUP1 - DU-BRSUP1	SUPPINV_CR	SCR	17	
Currency	Currency Rate	Invoice Date	Arrival Date	Pay Term Base Date
BRL	1	7/25/2022	7/25/2022	7/25/2022
Payment Terms	Due Date	Plan Pay Date	Payment Reference	
0 - Due Immediately	7/25/2022	7/25/2022		
Voucher No Reference	Authorizer ID	Notes	Advance Invoice	Period Allocation
	*	No	No	No
Received Attachments	On Hold Installment	Posting Proposal	Gross Amount	Net Amount
No	No	No	-125.00	-100.00

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amo...	Cost Amount
-125.00	-100.00	-25.00	0.00	-100.00

[View Electronic Nota Fiscal](#)

Outgoing Nota Fiscal is created in "Initiated" state while the connected Credit Supplier Invoice is in "Preliminary" state.

Out Going NF Status	Credit Supplier Invoice Status
Initiated	Preliminary

### Generate and Send NF-e XML File

Once the Outgoing Nota Fiscal object is created it's automatically set to the status of "Initiated" and the option "Send Nota Fiscal" is enabled. Use this command **Send Nota Fiscal** to generate the NF-e XML and send to the third party system integrator to communicate with the Brazilian Tax Authority for approval.

**Outgoing Nota Fiscal - 009100000036** 1 of 1 Initiated

Send Nota Fiscal Manual Supplier Invoice

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000036	7/25/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	17	Preliminary
Business Transaction Id	Payment Terms	Currency Code
	0	BRL
Nota Fiscal Text		

Once the Outgoing Nota Fiscal is sent to the third party system intergrator, Outgoing Nota Fiscal status is autotmatically set as, "Sent Request".

Outgoing Nota Fiscal Company DU-BR Company

**Outgoing Nota Fiscal - 009100000036** 1 of 1 **Sent Request**

Manual Supplier Invoice

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000036	7/25/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	17	Preliminary
Business Transaction Id	Payment Terms	Currency Code
	0	BRL

**Note**

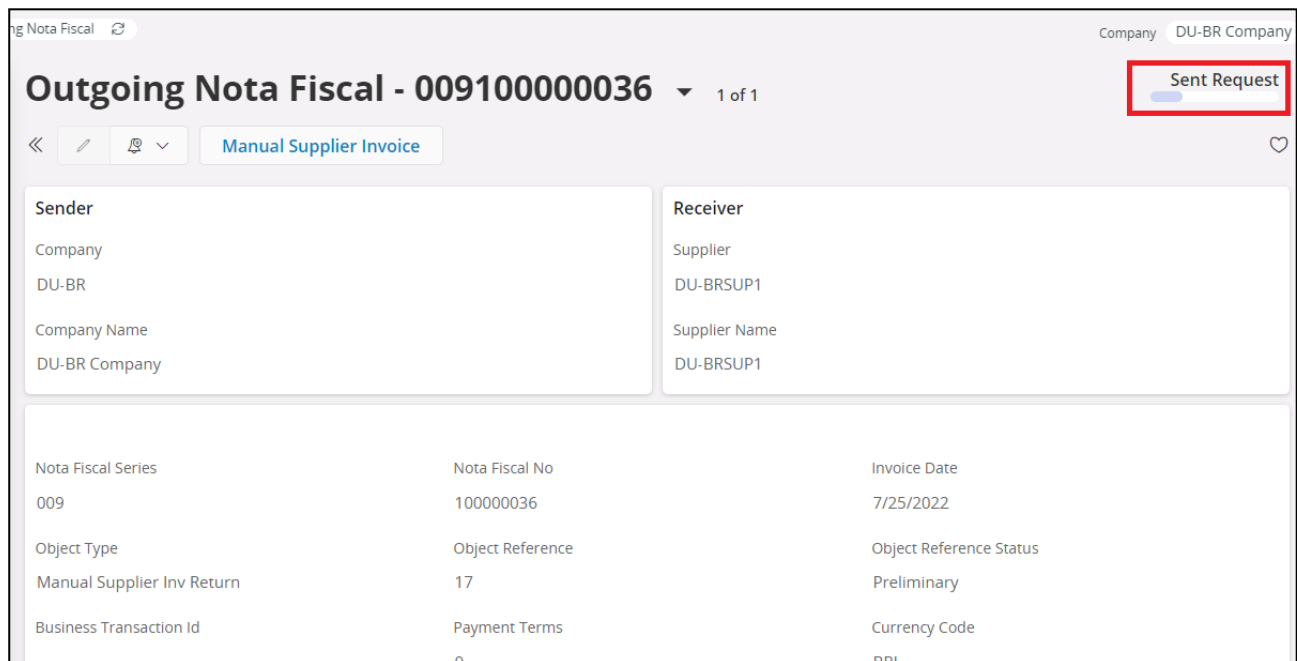
-When the Outgoing Nota Fiscal is set to the status of "Initiated" and "Sent Request", the IFS standard command on Credit Supplier preliminary invoice, "Post Invoice", "Po Matching" and "Copy Cancel" options are disabled.

### 13.5.2 Outgoing NF Automatically created

Company level parameter, “Manually Process Nota Fiscal” is disabled, then, in the Credit Supplier Invoice process, Outgoing Nota Fiscal Object is automatically created. Once the Outgoing Nota Fiscal Object is created , Nfe-xml too is automatically generated based on the Outgoing NF object and send to the third party system intergrator to communicate with the Brazilain Tax Authority.

Since in this scenario, both the Nota Fiscal Object and the Nfe xml are automatically generated and sent to the Tax Authority for Approval, *Outgoing Nota Fiscal* is creted in “*Sent Request*” state, while the connected Credit Supplier Invoice is in “Preliminary” state.

Out Going NF Status	Credit Supplier Invoice Status
Sent Request	Preliminary



Outgoing Nota Fiscal - 009100000036 1 of 1

Company DU-BR Company

**Sent Request**

Manual Supplier Invoice

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000036	7/25/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	17	Preliminary
Business Transaction Id	Payment Terms	Currency Code
		BRL



### 13.5.3 Generation and Assigning a “NF-e Key” to NF-e XML

The Status “Sent Request” means, the *Outgoing Nota Fiscal* is created and the Nfe-xml too is generated and communicated with the third party service provider. In this process, NF-e-Key is also generated and assigned to a *Outgoing Nota Fiscal* object and the Nfe-xml file.

Amounts		
Gross Amount	Net Amount	Tax Amount
-125.00	-100.00	-25.00

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date			NF-e Key
7/25/2022			352207123456789012346500910000003610020951...
NF-e Processing Date			NF-e Status Code
			Return Message

### 13.5.4 Generation a NF-e XML

In this process IFS Cloud will produce an IFS style XML file which is generated to integrate with a 3rd party solution provider. The 3rd party service provider will convert the IFS style XML file into the official NF-e XML layout and can also add a digital signature to the file. The 3rd party solution provider will communicate the file to the Brazilian Tax Authority (SEFAZ).

```

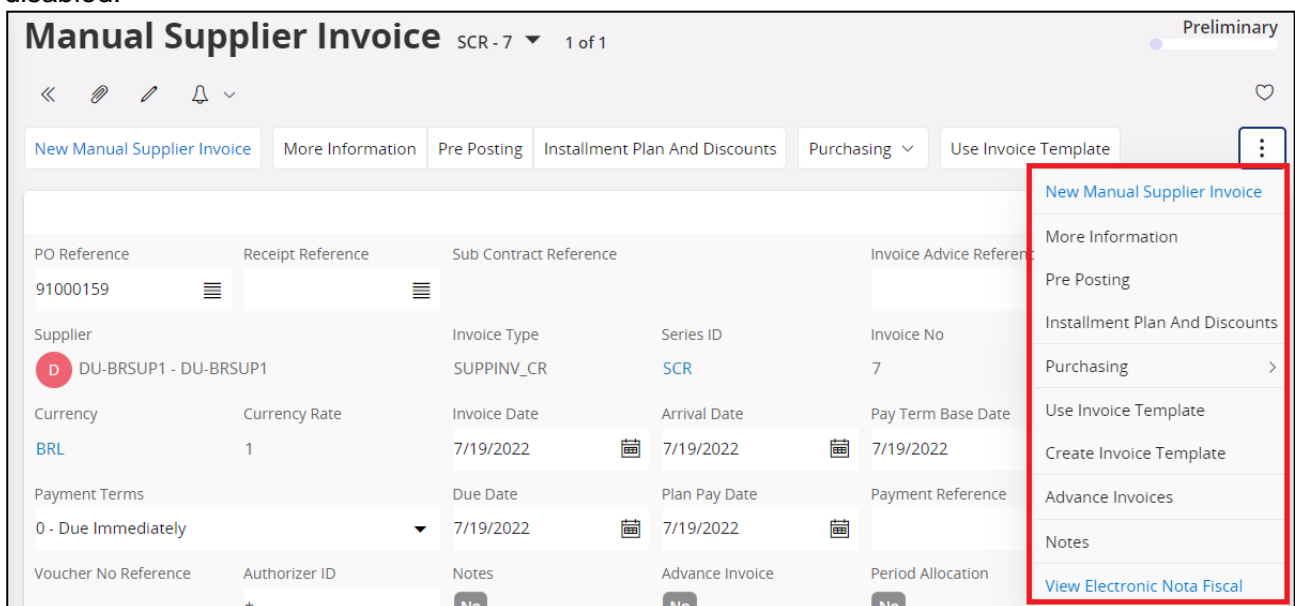
<NFe xmlns="http://www.portalfiscal.inf.br/nfe" xmlns:xsi="http://www.w3.org/200
- <infNFe Id="35201115257504000105650090000100161002104318" versao="4">
  - <ide>
    <cUF>35</cUF>
    <cNF>00210431</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010016</nNF>
    <dhEmi>2020-11-12T08:24:19+00:00</dhEmi>
    <dhSaiEnt>2020-11-12T08:24:19+00:00</dhSaiEnt>
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      <xBairro>Bairro</xBairro>
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      <xMun>SAO</xMun>
      <UF>SP</UF>
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      <cPais>1058</cPais>
      <xPais>BRAZIL</xPais>
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      <xMun>Rio de Janeiro</xMun>
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      <cPais>1058</cPais>
      <xPais>BRAZIL</xPais>
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    <email>john.smith@ifsworld.com</email>
  </dest>
  - <det nItem="1">
    - <prod>
      <cProd>181</cProd>
      <CEAN>9300617000020</CEAN>
      <xProd>Garage door handle, Belucci design</xProd>
      <NCM>74081100</NCM>
    </prod>
  </det>
</infNFe>

```

Once the Outgoing Nota Fiscal is created and set to the initiated status, connected Credit Supplier Invoice couldn't be processed alone. Connected Outgoing Nota Fiscal should 1<sup>st</sup> process and the further processing of Credit Supplier Invoice is depend on the Outgoing NF status which describes in the chapters below.

### 13.5.5 Credit supplier invoice with Out Going Nota Fiscal

Once the Out Going Nota Fiscal is set to the status, "Initiated" and "Sent Request", connected Credit Supplier Invoice couldn't be processed alone. Which means, from the Credit Supplier Invoice, further processing options like , "Post Invoice", "PO Matching" and "Copy Cancel" are disabled.



Further processing of Credit Supplier Invoice is depend on the Out going Nota Fiscal status and all possible status are described in detail in below chapteres.

### 13.5.6 Outgoing NF Approved

Once the Outgoing Nota Fiscal get Approved, connected Credit Supplier Invoice will get automatically Approved.

Out Going NF Status	Credit Supplier Invoice Status
Approved	Approved

### Receive Response File

The Brazilian tax authority SEFAZ will in real time validate the received NF-e XML file and send back a response XML which must be received by IFS prior to the physical release of goods.

Similar to the sending of XML process, 3<sup>rd</sup> party service provider will receive the response file from SEFAZ first and send the response information to IFS in the IFS style XML layout.

Once the IFS style XML response is received from the 3<sup>rd</sup> party service provider, IFS reads the file and recognize the correct Credit Supplier Invoice by validating the "Nf-e Key".

Then the newly introduced "NF-e Information" tab will be updated with the values from xml file.

ing Nota Fiscal Company DU-BR Company

## Outgoing Nota Fiscal - 009100000041 1 of 1

Approved

Send Cancel Request Manual Supplier Invoice

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000041	7/26/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	21	Preliminary
Business Transaction Id	Payment Terms	Currency Code

SEFAZ Status Code "100" indicates the response file is approved and these Credit Supplier invoices could be further process and set to status of "PostedAuth".

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/26/2022		352207123456789012356500910000004110020962...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
10/7/2020		100	Autorizado o uso da NF-e

```

<?xml version="1.0" encoding="UTF-8"?>
- <SOAP-ENV:Envelope xmlns:SOAP-ENV="http://schemas.xmlsoap.org/soap/envelope/">
  - <SOAP-ENV:Header>
    - <fndcn:Message xmlns:fndcn="urn:ifsworld-com:schemas:fndcn" SOAP-ENV:mustUnderstand="1">
      <fndcn:Type>CONNECT</fndcn:Type>
      <fndcn:Function>NFE_RESPONSE</fndcn:Function>
      <fndcn:Sender/>
      <fndcn:Receiver/>
      <fndcn:SentAt/>
      <fndcn:ExpiresAt/>
    </fndcn:Message>
  </SOAP-ENV:Header>
  - <SOAP-ENV:Body>
    - <NFE_RESPONSE xmlns="urn:ifsworld-com:schemas:receive_nfe_response_service_receive_nfe_response_request">
      <FNE_STATE_ID>35190804106230000190550090000058191000006895</FNE_STATE_ID>
      <FNE_ENVIRONMENT>2</FNE_ENVIRONMENT>
      <FNE_STATE_DATE>15/01/2019</FNE_STATE_DATE>
      <FNE_STATE_USE>135190000261186</FNE_STATE_USE>
      <FNE_SEFAZ_STATUS_CODE>100</FNE_SEFAZ_STATUS_CODE>
      <FNE_RETURN_MESSAGE>Autorizado o Uso da NF-e</FNE_RETURN_MESSAGE>
    </NFE_RESPONSE>
  </SOAP-ENV:Body>
</SOAP-ENV:Envelope>
  
```

SEFAZ responses with any other status codes will not be further processed and the Credit Supplier Invoice will remain in status "Preliminary" and all these scenarios are described in chapters below.

### 13.5.7 Credit Supplier Invoice with Outgoing NF Declined

Outgoing Nota Fiscal could be Declined by the Brazilian tax authority. This could happen when the issuer or recipient has some pending issue and irregularities with the Brazilian Government, i.e. may not perform business transactions within the state.

When a fiscal note is declined it can not be voided or cancelled and the fiscal note number cannot be used again.

**Outgoing Nota Fiscal - 009100000033** 4 of 7 Declined

Supplier Invoice Analysis    View Vouchers

Sender	Receiver
Company DU-BR	Supplier DU-BRSUP1
Company Name DU-BR Company	Supplier Name DU-BRSUP1

Nota Fiscal Series 009	Nota Fiscal No 100000033	Invoice Date 7/21/2022
Object Type Manual Supplier Inv Return	Object Reference 10	Object Reference Status Cancelled
Business Transaction Id	Payment Terms 0	Currency Code BRL

Nota Fiscal Text

Once the IFS Application received the Declined response message from the 3<sup>rd</sup> part intergrator, Outgoing Nota Fiscal is set to the status, “*Declined*”

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date 7/17/2022	NF-e Key 35220712345678901234650091000002910020850...	NF-e Protocol No 135180015173174LOL	
NF-e Processing Date 1/10/2022	NF-e Status Code 110	Return Message Denegado o uso da NF-e	

NF-e Status Code “110” and “303” are examples of response codes meaning the fiscal note is declined.

Subsequently, the connected Credit Supplier Invoice get automatically “Cancelled”.

Out Going NF Status	Credit Supplier Invoice Status
Declined	Cancelled

In this scenario, it’s always the “Preliminary” Credit Supplier Invoice which is get Canceled and no reversal voucher will be created.

### 13.5.8 Cancellation Request sent to the Approved Outgoing NF in Credit Supplier Invoice Process

The general rule stated by Brazilian government says that companies are allowed to Cancel Authorized Fiscal Notes up until 24 hours from the issue date and time. There are some scenarios that still allow cancellation even after 24 hours (can be connected to penalty fee or audit).

Out Going NF Status	Credit Supplier Invoice Status
Cancelation Request Sent	Authorized

The “Send Cancel Request” command will generate an outgoing xml file representing the request to cancel the referenced Fiscal Note number.

```

1 <infEvento>
2   <xServ>CANCELAMENTO</xServ>
3   <chNFe>35220177214253000192650090000010311002063978</chNFe>
4   <tpAmb>2</tpAmb>
5   <xJust>Pedido de Cancelamento de Nota Fiscal Eletronica</xJust>
6 </infEvento>

```

In the above scenario, OutGoing Nota Fiscal status is set to the “Cancelation Request Sent” while connected Credit Supplier Invoice is still Authorized.

### 13.5.9 Canceled the Approved Outgoing NF in Credit Supplier Invoice Process

Once the Outgoing Nota Fiscal cancellation request get accepted by the Brazilain Tax Authority, Cancelled response message will receive to the IFS Application via a 3<sup>rd</sup> party integrator and the Outgoing Nota Fiscal is set to the status of “Cancelled and the connected Credit Supplier Invoice too will get automatically Canceled.

Out Going NF Status	Credit Supplier Invoice Status
Cancelled	Cancelled (Canceled PostedAuth Invoice)

In the above scenario, it’s always the PostedAuth Credit Supplier Invoice get cancelled, hence, a reversal “K” Voucher is created reversing the original Credit Supplier Invoice postings.

### Outgoing Nota Fiscal - 009100000032 3 of 7 Cancelled

Supplier Invoice Analysis | View Vouchers

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000032	7/21/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	9	Cancelled
Business Transaction Id	Payment Terms	Currency Code
	0	BRL

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/21/2022		352207123456789012346500910000003210020900...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
6/20/2022		135	Autorizado o uso da NF-e

After receiving a cancel request approval xml file from the tax authority, the NF-e status code will be updated to "135 - Cancelamento Homologado" and the Credit Supplier Invoice status will be changed to "Cancelled".

### Supplier Invoice Analysis SCR - 9 1 of 1 Cancelled

More Information | Installment Plan and Discounts | Pre Posting | Vouchers | Payment Status

Supplier	DU-BRSUP1 - DU-BRSUP1	Invoice Type	SUPPINV_CR	Series ID	SCR	Invoice No	9
PO Reference	5133006	Receipt Reference		Sub Contract Reference		Project ID	
Advance Invoice	No	Notes	No	Correction Invoice	No	Correction Exist	No
Currency Rate		Gross Amount		Net Amount		On Hold Installment Exists	No
						Currency	BRL
						Invoice Date	7/21/2022
						Arrival Date	7/21/2022

### 13.5.10 Received Error response from the Brazilian Tax Authority

If a Brazilian tax authority recognized errors in the request file they will send an Error response via the 3<sup>rd</sup> party integrators. There could be 2 types of Errors as described below,

-Receive an Error Response which could be rectified by the receiver,

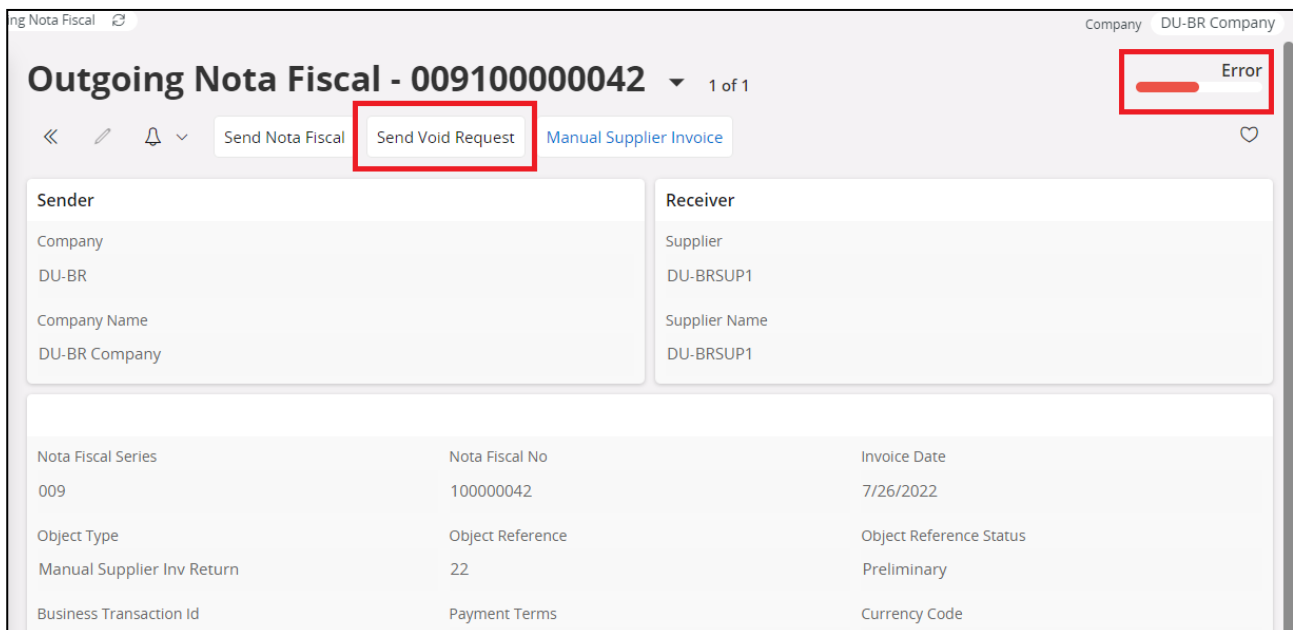
Out Going NF Status	Credit Supplier Invoice Status
Error	Preliminary -Rectify the error and re-send the NFE (Use Same Nfe No)

-Receive an Error Response which couldn't be rectified by the receiver,

Out Going NF Status	Credit Supplier Invoice Status
Error	Cancelled (Preliminary Invoice)  a) Send Void Request from a Nota Fiscal. b) Approved Void Request- Cancelled the Preliminary state Invoice

When a fiscal note is rejected due to some error in the schema of xml file or some inconsistent information, the fiscal note number can be used again. The companies can fix the issue found in such a fiscal note and process to request authorization again. If the problem can not be fixed, the fiscal note must be **Voided**. A void request must be sent and approved by the Tax Authority. After the tax authority approved the void request, the Fiscal Note number can not be used again.

When the return message from the Tax Authority is "Error" the command "Send Void Request" will be available in the Outgoing Notafiscal page.



The screenshot shows the 'Outgoing Nota Fiscal' interface for document 009100000042. The status is 'Error', indicated by a red bar and the word 'Error' in a red box. The 'Send Void Request' button is highlighted with a red box. The interface displays sender and receiver information, and a table of document details.

Sender		Receiver	
Company	DU-BR	Supplier	DU-BRSUP1
Company Name	DU-BR Company	Supplier Name	DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000042	7/26/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	22	Preliminary
Business Transaction Id	Payment Terms	Currency Code



The “Send Void Request” command will generate an outgoing xml file representing the request to void the referenced Fiscal Note number and the Outgoing Notafiscal is set to the status, “Sent Void Request”

After receiving a void request approval xml file from the tax authority, the NF-e status code will be updated to “102 - Inutilização de número homologado” and the Outgoing NF status is set to “Voided”.

### Outgoing Nota Fiscal - 009100000031 2 of 7

Voided

Supplier Invoice Analysis
View Vouchers

<b>Sender</b> Company DU-BR Company Name DU-BR Company	<b>Receiver</b> Supplier DU-BRSUP1 Supplier Name DU-BRSUP1
--	--

Nota Fiscal Series 009	Nota Fiscal No 100000031	Invoice Date 7/21/2022
Object Type Manual Supplier Inv Return	Object Reference 8	Object Reference Status Cancelled
Business Transaction Id	Payment Terms 0	Currency Code BRL

Nota Fiscal Text

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date 7/21/2022	NF-e Key 352207123456789012346500910000003110020900...	NF-e Protocol No 135180015173174LOL	
NF-e Processing Date 6/20/2022	NF-e Status Code 102	Return Message Autorizado o uso da NF-e	

The connected Credit Customer Invoice is “Cancelled”.

### Supplier Invoice Analysis SCR - 8 ▾ 1 of 1

Cancelled

⏪
🔍 ▾
More Information
Installment Plan and Discounts
Pre Posting
Vouchers
Payment Status
⋮
♥

Supplier		Invoice Type	Series ID	Invoice No	
DU-BRSUP1 - DU-BRSUP1		SUPPINV_CR	SCR	8	
PO Reference	Receipt Reference	Sub Contract Reference	Project ID	Invoice Date	Arrival Date
S133006				7/21/2022	7/21/2022
Advance Invoice	Notes	Correction Invoice	Correction Exist	On Hold Installment Exists	Currency
No	No	No	No	No	BRL
Currency Rate	Gross Amount		Net Amount		
1.00	-125.00		-100.00		
Tax Amount					
-25.00					

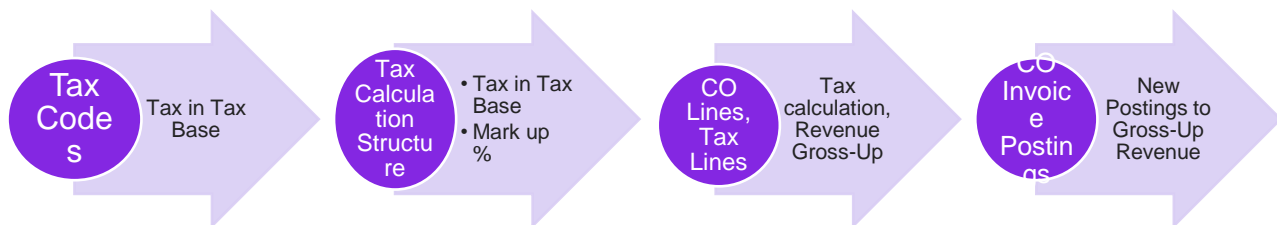
## 14 Gross Revenue Accounting

### 14.1 Overview Legal Requirement

In Brazil it's a legal requirement to post revenues including taxes. The requirement is to post gross amounts on the CO Invoice to a revenue account.

In Brazil, usually prices contain ICMS/PIS/COFINS/ISS taxes. This means that tax percentage is expressed for the gross price where sum of tax amounts of the aforesaid tax types also become a portion of the tax base amount. When it comes to the revenue accounting, it's the Gross Revenue which should be disclosed in the Profit & Loss Account.

### 14.2 Process Overview



- In Tax Codes page newly introduced a column, “Tax in Tax Base”, to facilitate Inclusion of taxes to the tax base amount. (*Explained in a separate chapter*)
- In Tax Calculation Structures page introduced two new columns, “Tax in Tax Base” and “Mark up (%)” functionality. (*Explained in a separate chapter*)
- CO Line and the CO Tax Lines indicate the tax amount calculated according to the new way of tax calculation
- CO Invoice lines and CO Invoice Tax Lines indicate the tax amount calculated according to the new way of tax calculation
- In CO Invoice postings, include two new postings to gross-up the revenue.

### 14.3 Prerequisites

The company must be set-up to use Brazilian localization, see chapter Company Set up, and the parameter “Gross Revenue Accounting” must be enabled.

### 14.4 Tax in Tax Base

Tax in Tax Base concept explained how the taxes are included in the Tax Base Amount. To facilitate this requirement, new LCC Parameter, “Extended Tax Codes and Tax Calculation Structures set-up” introduced, and the concept of Tax in Tax Base calculations and the IFS Solution explained in detail in the previous chapter.

### 14.5 Revenue Gross-up in Customer Order Line level

#### 14.5.1 Sales price without tax in all price sources

In Brazilian context, taxes are included in the Tax Base Amount and the sales price should be able to define exclusive of taxes in all sales pricing sources. To comply with this requirement, Brazilian companies need to define price without tax in all the price sources like Sales Part, Price Lists, Customer Agreements.

### Sales Part DU:BR:INV:1 - DU:BR:INV:1 - DUBR1 1 of 1

[Inventory Part Availability Planning](#)
[Complementary Parts](#)
[Substitut](#)

Sales Part No	Part Description in Use	Site
DU:BR:INV:1	DU:BR:INV:1	DUBR1

GENERAL	DESCRIPTIONS	CHARACTERISTICS	CHARGES	MAINTENANCE	PART SPECIFIC OVERHEADS
Inventory Part					Sourcing
Unit Of Measure					Grouping
Pricing					Tax
Price	Price Including Tax	Tax Code			
100.00 BRL	100.00 BRL	0 - TAX 0%			
Expected Average Price	Rental Price	Delivery Type			
	0.00 BRL				

#### 14.5.2 Customer Order Line Level

When creating a Customer Order, in line level, "Price inclusive of Tax" is calculated based on the Tax Calculation Structure set up, "Tax in Tax Base". If the "Tax in Tax Base" is set to "Yes", Tax Base Amount is calculated with inclusion of tax and the corresponding tax amount will be calculated accordingly.

Customer order line is created with the net amount 100.00

### Customer Order V10204

[Status](#) [Share](#) [Operations](#) [Freight](#) [Invoice](#) [Related Pages](#) [Copy Order](#) [Order History](#)

Order No	Customer	Site	Order Type	Wanted Delivery Date/Ti...
V10204	DU:BR-1 - DU:BR-1	DUBR1	NO	2/17/20, 12:00 AM

Order Amounts					
Total Net Amount/Base	Total Contribution Margi...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
100.00 BRL	0.00 BRL	0.00	100.00 BRL	11.11 BRL	111.11 BRL

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES			
(1)							
☑							
Line No	Del No	Sales Part No	Description	Sales Qty	Sales UoM	Status	Price/Curr
1	1	DU:BR:INV:1	DU:BR:INV:1	1	PCS	Released	100.00

Customer order line level, Tax Base Amount calculated inclusive of tax and then the Tax Amount calculated accordingly.

Gross Amount	Net Amount	Tax Amount
111.11	100.00	11.11

☰
⌵
Set Default

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base
⋮	111.11	ICMS-1	Tax	10	11.11	11.11

OK
Cancel

## 14.6 Customer Order Invoice Postings

### 14.6.1 Customer Order Invoice Line Level

From the Customer Order Invoice Line level, Customer Invoice Tax Lines, again it's possible to verify the accuracy of Tax Base Amount and the Tax Amount.

Customer Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount
111.11	100.00	11.11 <span style="border: 1px solid black; padding: 2px;">Tax Amount</span>

**Tax Line Details**

☰
⌵
Set Default

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency
⋮	111.11	ICMS-1	Tax	10	11.11	11.11	22.22

OK
Cancel

### 14.6.2 Customer Invoice Postings to Revenue Gross-up

In core version of the application, Customer invoice postings contain only one posting control to post the tax, that is IP4- Tax Disbursed, invoice. On the contrary to the Core application, in Brazil, First, it's required to gross-up the Revenue by tax amount and disclosed in the P&L Account. Then in the next step, in P&L, Operational Revenue should be derived by deducting the Tax Amount.

To facilitate these requirements, two new postings introduced to the Brazilian localization, as follows,

- 1) M295: Tax in Sales Revenue -This posting is used to gross up the Revenue.
- 2) M296: Tax Deduct from Gross Revenue – This posting is used to derive “Operational Revenue” by deducting the Tax portion included in the Gross Revenue.

Posting Control			
✓	:	Posting Type	Control Type
<input type="checkbox"/>	:	M295 - Tax in Sales Revenue	AC7 - Tax code
<input type="checkbox"/>	:	M296 - Tax Deduct from Gross Revenue	AC7 - Tax code

Brazilian specific postings in CO Invoice F Voucher:

Voucher Rows									
✓	:	🔗	Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount
<input type="checkbox"/>	:	🔗	IP2		BRL	No	111.11		111.11
<input type="checkbox"/>	:	🔗	IP4	ICMS-10%	BRL	No		11.11	-11.11
<input type="checkbox"/>	:	🔗	M28	ICMS-10%	BRL	No		100.00	-100.00
<input type="checkbox"/>	:	🔗	M295	ICMS-10%	BRL	No		11.11	-11.11
<input type="checkbox"/>	:	🔗	M296	ICMS-10%	BRL	No	11.11		11.11

### 14.6.3 New Control Types Specific to Brazil

Business Transaction Code is introduced as a new Control Type for IP4, M28, M295, M296, M30 and M31 Posting Types. Make sure to check whether the mandatory LCC parameter “Brazilian specific fiscal attributes” is enabled and basic data for Business Transaction ID is available to use this Control Type.

Accounting Rules > Posting Rules > Posting Control

## Posting Control

Posting Type Code Part Name Control Type : C128 More Favorites Clear Q Settings

✓	:	Posting Type	Code Part Name	Control Type
<input type="checkbox"/>	:	IP4 - Tax Disbursed, Invoice	Account	C128 - Business Transaction Code
<input type="checkbox"/>	:	M28 - Taxable Sales	Account	C128 - Business Transaction Code
<input type="checkbox"/>	:	M295 - Tax in Sales Revenue	Account	C128 - Business Transaction Code
<input type="checkbox"/>	:	M296 - Tax Deduct from Gross Revenue	Account	C128 - Business Transaction Code

Accounting Rules > Posting Rules > Posting Control > Posting Control Details

## Posting Control Details

IP4 - Account - C128 1 of 1

IP4  
Code Part Name: Account  
Control Type: C128

Posting Type: IP4  
Code Part Name: Account  
Control Type: C128

Default Value No CT Value  
Valid From: 10/2/2021

✓	:	Business Transaction Code	Description	Account
<input type="checkbox"/>	:	100	Standard Sales	2610 - Output VAT, not reduced
<input type="checkbox"/>	:	120	Exportation	2611 - Output VAT on sales in Sweden, not reduced

## 15 Fiscal Note issue date as applied date on inventory transactions for goods issue

### 15.1 Overview Legal Requirement

According to the Brazilian tax legislation, taxes must be paid on the Fiscal Note issue date. The accounting practice says that revenues must be recognized at goods issue and that revenues are posted including taxes. These requirements can be fulfilled by ensuring that the Fiscal Note issue date is set as the applied date on related inventory transactions for goods issue.

### 15.2 Process Overview

This process ensures the applied date on inventory transactions for goods issue is updated with the Fiscal Note issue date, in a scenario where the Fiscal Note is issued on a date after the Customer Order has been set to “Delivered” in IFS.



### 15.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the “Fiscal Note issue date applied on inventory transactions for goods issue” parameter must be enabled.

### 15.4 Deliver customer order

Deliver the Customer Order following IFS standard process. During this step OESHIP inventory transactions will be created with the date on which the record was created as Applied Date (standard functionality).

### 15.5 Create Customer Invoice and send NF-e XML to Tax Authority

Create the preliminary Customer Invoice and send the NF-e XML to tax authority (SEFAZ) for authorization. Once the NF-e XML file is approved by the tax authority, the Customer Invoice can be printed and posted, the Fiscal Note issue date is defined and is set on the F Voucher created.

See further information in the *Outgoing Fiscal Notes* chapter.

### 15.6 Set Fiscal Note Issue Date as applied date on inventory transactions

In this automated step the IFS standard function “Modify Date Applied” is used to compare the Applied Date on the OESHIP inventory transactions (generated when the customer order was delivered in IFS) with the Fiscal Note issue date (after acceptance from the tax authority). If the Fiscal Note issue date is later than the date on the transactions, the Applied Date on these will be updated automatically to be the same as the Fiscal Note issue date (if the conditions described in the Delimitations chapter are fulfilled).



### Inventory Transactions History

Modify Date Applied

(1) ✓	Transaction ID	Transaction Code	Part	Site	Direction	Quantity	Applied Date
<input checked="" type="checkbox"/>	227194	OESHIP - Ship Inventory I	DU:BR:INV:1 - DU:BR:I...	DUBR1 - DU:BR:S1	-	1 PCS	2020-09-01

### Customer Invoice

DU:BR-1 - DU:BR-1 - 38 - CUSTORDDEB - V10540 1 of 1

Posted Auth

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
DU:BR-1	DU:BR-1	CD-1	38	DU:BRAZIL-01	DUBR1	2020-09-02	2020-09-02

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	131,95	100,00	31,95	1	1

LINES	GENERAL	NF-E INFORMATION	HISTORY
Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
2020-09-02	122009608812990004056500900000031100...	135180015173174LOL	2020-09-02
NF-e Status Code	Return Message		
100	Autorizado o uso da NF-e		

### Inventory Transactions History

✓	Transaction ID	Transaction Code	Part	Site	Direction	Quantity	Applied Date
<input type="checkbox"/>	227194	OESHIP - Ship Inventory I	DU:BR:INV:1 - DU:BR:I...	DUBR1 - DU:BR:S1	-	1 PCS	2020-09-02

## 15.7 Transfer Inventory Transactions

Use the IFS standard function **Transfer Inventory Transactions** to transfer the transactions to IFS Financials. In this step vouchers will be created in General Ledger and the date on the created MPL voucher will be equal to the date on the Customer Invoice F voucher.

## 15.8 Delimitations

The solution is based on the IFS standard function “Modify Date Applied”. This function has a number of conditions that must be fulfilled before the date on an inventory transaction can be changed:

- The inventory transaction may not have **Has Transferred Postings** selected.
- The transaction may not have been transferred to IFS Financials.
- The transaction may not be included in the inventory statistics.
- 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 and cannot be later than the current date.
- The new date may not belong to an accounting period that has already been closed.
- The date for a reverse transaction must not be earlier than the original transaction.

## 16 Cancel PostedAuth Customer Order Invoices

### 16.1 Overview Legal Requirement

The general rule stated by Brazilian government says that companies are allowed to cancel authorized fiscal notes up until 24 hours from the issue date and time. There are some scenarios that still allow cancellation even after 24 hours (can be connected to penalty fee or audit).

### 16.2 Process Overview



This functionality enables to cancel Posted/Printed or PostedAuth Customer Invoice. Once the Invoice is cancelled;

- Invoice is set to the status, “Cancelled”
- K voucher created and reverts the original F voucher postings
- Customer Order moves back to the status “Picked”.

### 16.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Cancel PostedAuth Customer Order Invoices” parameter must be enabled.

### 16.4 Cancel PostedAuth Customer Order Invoices

In Brazil, this functionality is enhanced by “Outgoing Fiscal Note” functionality. Therefore please refer “[12.12 Cancel Authorized Fiscal Note and Posted/Auth Customer Invoice](#)” from here onwards.

### Delimitations

- This functionality is only supported for Customer Order Debit Invoice and Customer Order Collective Debit Invoice.

# 17 Taxes in intracompany goods movement

## 17.1 Overview Legal Requirement

According to the Brazilian tax regulations, when goods are moved from one site of the company to another site of the same company (e.g. movements between municipalities within the country):

- Taxes should be calculated and paid by the sending site.
- The receiving site can take the input tax credit if goods are not used for own purpose.
- If goods are used for own purpose in the receiving site, inventory cost at arrival should be increased by the tax amount.

It's a legal requirement to issue a Fiscal Note for business transactions related to transfer of goods.

The **Tax Document** functionality has been introduced to support tax calculations for intracompany goods movement scenarios, such as;

- Site to Site
- Site to Remote Warehouse
- Remote Warehouse to Site
- Remote Warehouse to Remote Warehouse

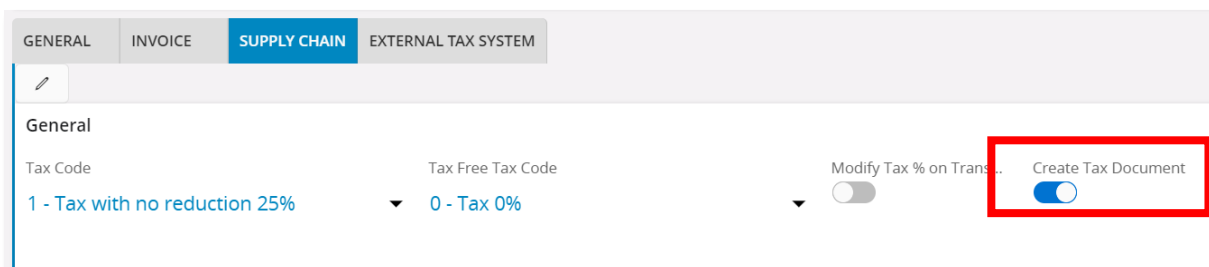
The Tax Document is developed as generic core functionality and not controlled by any LCC parameter. Tax Document will in future release of IFS Cloud be integrated with the Outgoing/Incoming Fiscal Note functionality.

## 17.2 Process Overview



## 17.3 Prerequisites

Go to *Company/Tax Control/Supply Chain* page and enable “Create Tax Document” parameter.



## 17.4 Define Basic Data

The attributes Acquisition Origin, Acquisition Reason and Goods/Services Statistical Code can be defined on Inventory Part to be used in Tax Document functionality.

### Inventory Part BR-INV - Brazil Inventory part

Part Pages | Inventory Details | Cost | Warranty | Copy Part | Document Text | MRB Cases

MAIN | ALTERNATE PARTS | CHARACTERISTICS | MANUFACTURING

General	Cost Control
Classification	Identification
Counting	Weight, Volume and Quantities
Supply and Demand Controls	Warranty
Lead Times and Supply Dates	Putaway
Shelf Life	Origin and Customs
Goods/Services Statistical Code	Supersession
Goods/Services Statistical Code 88773922 - Plastic	Acquisition
	Acquisition Reason Id BS - Goods for Resale
	Acquisition Origin 0 - Nacional

## 17.5 Create and process Shipment Order

Create a Shipment Order for any of below goods movement scenarios within the same company, using IFS Cloud standard functionality.

- Site to Site
- Site to Remote Warehouse
- Remote Warehouse to Site
- Remote Warehouse to Remote Warehouse

Use a Shipment Type that creates a shipment when releasing the Shipment Order. Release the Shipment Order and process the connected Shipment until Closed state using standard IFS Cloud functionality. An Outgoing Tax Document will automatically be created.

### Outgoing Tax Document 25 Preliminary

Posting Analysis

Tax Document No	Source Ref Type	Source Reference	Created Date
25	Shipment	453	2022-01-20

Total Amounts			
Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
20,00	5,00	25,00	BRL

GENERAL | LINES

Sender		Receiver	
Sender ID	Sender Type	Receiver ID	Receiver Type
HPBR1	Site	HPBR2	Site
Sender Address	Branch	Receiver Delivery Address	Receiver Delivery Address Name
BR-MAIN	BR1	EAST SITE	East Site no 1
Brazil Specifics		Receiver Document Address	
Business Transaction ID		SITE2	
101 - Domestic Sales		Single Occurrence	
Tax Document Text		No	

## 17.6 Tax Calculations

Tax Calculation Structure is manually added to each Tax Document line. That together with price and quantity will be the basis for tax calculations. The average cost from the inventory transactions SHIPODSIT- or SHIPODWHS- will be used as the price in Tax Document line.

## 17.7 Print Tax Document

Printing the Tax Document will trigger postings. If the postings are successful, the Tax Document will reach Posted state. If the postings have errors, the Tax Document will reach Printed state. Note that no printout is available in this release.

## 17.8 Postings

Following basic data are used when posting the Tax Document:

- Voucher Type: MPT
- Function Group: LT
- Business Events: ICBS-TAX - Intracompany Tax – Sender

Posting Type	Posting Type Description	Debit/Credit	Control type
M297	Tax Disbursed, Intracompany Part Movements	Credit	AC7 – Tax Code
M298	Counter Posting, Tax Disbursed, Intracompany Part Movements	Debit	AC1 – Fixed Value

In *Tax Document Posting Analysis* page both successful and erroneous postings can be viewed.

### Tax Document Posting Analysis 22 ▾ 1 of 1

⏪ 🔍 ▾

Tax Document No 22	Sender HPBR1	Receiver HPBR2	<span style="background-color: #007bff; color: white; padding: 2px 5px; border-radius: 3px;">Outgoing</span>
Currency BRL	Error <span style="background-color: #6c757d; color: white; padding: 2px 5px; border-radius: 3px;">No</span>		

Amounts		
Net Amount 20,00	Tax Amount 8,60	Gross Amount 28,60

#### Posting Information

☰ 🔍 🔗 ▾

		Voucher No	Voucher Type	Voucher Date	Posting Type	Posting Event	Account	Cost Center	Co
<input type="checkbox"/>	:	2022000002	MPT	2022-01-18	M297	ICBS-TAX	2610		
<input type="checkbox"/>	:	2022000002	MPT	2022-01-18	M298	ICBS-TAX	2699		
<input type="checkbox"/>	:	2022000002	MPT	2022-01-18	M297	ICBS-TAX	2610		
<input type="checkbox"/>	:	2022000002	MPT	2022-01-18	M298	ICBS-TAX	2699		

## 17.9 Delimitations

This functionality is under development and the following enhancements are planned:

- Rerun process of erroneous postings
- Printout of Tax Document
- Integrate Tax Document with 3<sup>rd</sup> party external tax system
- Integrate Tax Document with Fiscal Note functionality
- Create Incoming Tax Document (based on Outgoing Tax Document)
- Tax reporting scenarios for Incoming Tax Document

## 18 Incoming Nota Fiscal

### 18.1 Overview Legal Requirement

In Brazil, it's a legal requirement to issue a Nota Fiscal for the business transactions related to sales, procurement, transfer of goods and other non-billable operations. The Nota Fiscal must be authorized by the Brazilian Tax Authority prior to shipment of goods and the printed version of Nota Fiscal (DANFE – Auxiliary Document for e-Nota Fiscal) is used to support the transportation of goods to the recipient's locations.

The Nota Fiscal must be received by the goods recipient before the goods is received into inventory.

All inventory transactions created from procurement must be identified by the Nota Fiscal number and Nota Fiscal item. These references are used when submitting tax reporting to the tax authority at the end of tax period. These references might also be required in Tax Audits. The references are also widely used in the daily operations in Brazilian companies.

### 18.2 Process Overview

Incoming Nota Fiscal could be receiving to the IFS Application in two ways,

- a. Receive Incoming Nota Fiscal Automatically (NF-e) – Using External Supplier Invoice Flow

IFS application core *External Supplier Invoice* flow is used to upload the received Incoming Nota Fiscal XML file (NF-e). Once uploaded by using the IFS Application core functionalities, Incoming Nota Fiscal could be created automatically.

- b. Enter Incoming Nota Fiscal Manually (DANFe) – Using Incoming Nota Fiscal Page

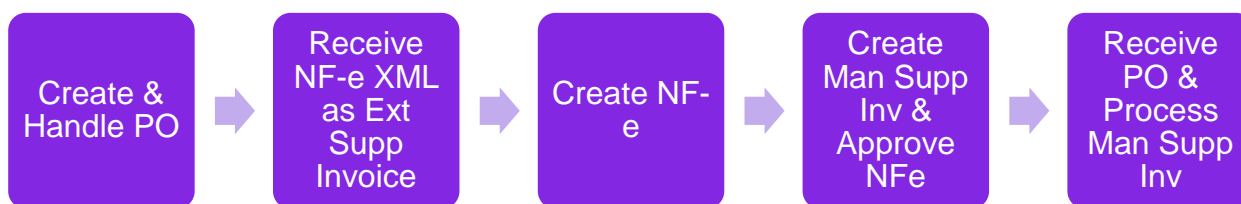
User can enter the DANFe document received from the supplier using Incoming Nota Fiscal client page.

Once created the Incoming Nota Fiscal user can create Manual Supplier Invoice & Approve the Incoming Nota Fiscal.

Finally, user can do the inventory transactions & process Manual Supplier Invoice.

**Note:** User can do the inventory transactions before creating the Manual Supplier Invoice or Incoming Nota Fiscal depending on the requirement)

#### 18.2.1 Receive Incoming Nota Fiscal Automatically (NF-e) – Using External Supplier Invoice Flow

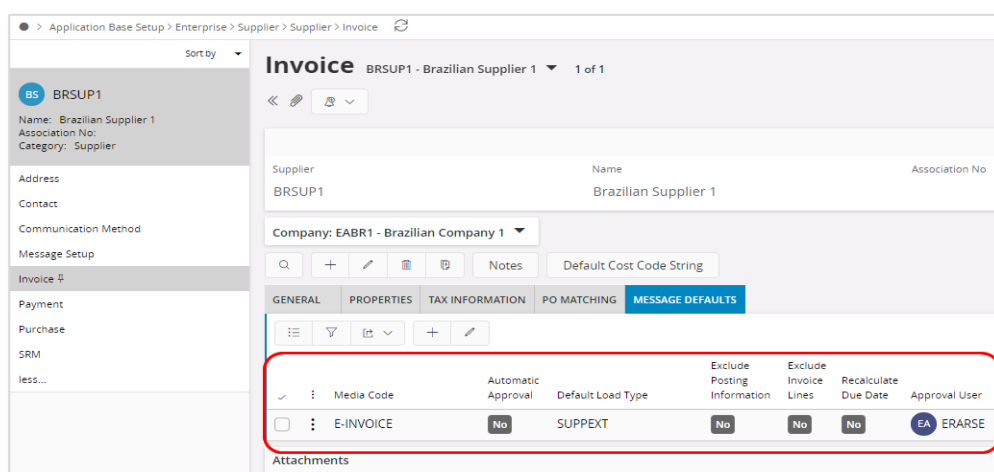


### 18.2.2 Enter Incoming Nota Fiscal Manually (DANFe) – Using Incoming Nota Fiscal Page



### 18.3 Prerequisites

- The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the “Incoming Nota Fiscal” parameter must be enabled.
- The “Address Specific Tax Registration Numbers” parameter must be enabled. Read the chapter “Address Specific Tax Registration Numbers” and setup Supplier and Company CNPJ accordingly.
- Media Code “E-INVOICE” and Default Load Type “SUPPEXT” must be set up on the Supplier in page Application Base Setup/Enterprise/Supplier/Supplier/Invoice, tab “Message Defaults”. This set-up is defined per Company ID.



- The core functionality *External Supplier Invoice Tax Codes* must be defined and make sure that the correct Tax Type Category is connected with each tax code. In this page the Brazilian tax types categories have been added. Enter “\*” for both Supply and Delivery Country.



Financials > Supplier Invoice > External Invoice > External Supplier Invoice Tax Codes

### External Supplier Invoice Tax Codes

Incoming Tax (%)	Supplier	Supply Country	Delivery Country	Tax Type Category	Tax Code	Tax (%)
15	BRSUP1 - Brazilian Supplier 1	*	*	IPI	IPI15 - IPI 15%	15
17	BRSUP1 - Brazilian Supplier 1	*	*	ICMS	ICMS17 - ICMS 17%	17

- Go to Financials/Supplier Invoice/External Invoice/External Supplier Invoice Parameters & enable "Used for Incoming Nfe"

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Parameters

### External Supplier Invoice Parameters

Load Type	Invoice Type	Default	Changeable	Deletable	Check When Loaded	Create When Checked	Allow Partial Create	Create Posting Proposal if Postings Exist	Create Image	Enforce Project Unique Procurement	Use Code String Completion	Base For Transaction Date	Tax Recalculation Method	Do Not Recalculate Amounts	Validate Payment Address ID	Used for Incoming Nfe
SUPPEXT	SUPPEXT	Yes	Yes	Yes	No	No	No	No	No	No	No	System Date	None	No	No	Yes

- Enable/Disable the "Manually Process Incoming Nota Fiscal" toggle in Application Base Setup/Enterprise/Company/Company/Invoice/NF-E COMPLIANCE tab.

Application Base Setup > Enterprise > Company > Company > Invoice

### Invoice SARKBRAZIL - SARK BRAZIL COMPANY 2 of 2

Company Name: SARK BRAZIL COMPANY

Address: SARK BRAZIL COMPANY

Communication Method

Message Setup

Employees

Accounting Rules

Tax Control

Invoice

GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | **NF-E COMPLIANCE**

Manually Process Incoming Nota Fiscal  | Manually Process Outgoing Nota Fiscal

## 18.4 Receive Incoming Nota Fiscal Automatically (NF-e) – Using External Supplier Invoice Flow

IFS Cloud standard External Supplier Invoice flow is used in this scenario to upload the received Incoming Nota Fiscal XML file. Once uploading the NFe XML in External Supplier Invoice flow, Incoming Nota Fiscal could be created automatically.

Please see the details in the process described step by step in below chapters.

### 18.4.1 Create and Handle Purchase Order

Follow the IFS standard Core process to enter a purchase order for inventory purchase parts in the *Procurement/Order/Purchase Order* page. Release and confirm purchase order.

#### Note

Since AVALARA Brazilian integration is not available with this release, Brazilian specific taxes in PO level need to be handled manually.

### 18.4.2 Receive Incoming NF-e XML file and create the Incoming Nota Fiscal

Use IFS Core External Supplier Invoice flow to load the incoming NF-e XML and create the NFe using “Create Nota Fiscal” command.

#### Note

This activity is used to read an external input file, unpack the file data and call a dedicated interface (API) that will continue with the further processing of data.

#### **Correct Company and the Supplier Identification**

When NE-e XML is loaded from the Core External Supplier Invoice interface, the correct Company and the Supplier Identified from the CNPJ numbers.

Company and Supplier CNPJ Nos are defined in the NF-e XML in below tags:

- a) Supplier CNPJ No

```
<emit>  
    <CNPJ>21816476000175</CNPJ>
```

- b) Company CNPJ No

```
<dest>  
    <CNPJ>45504618000127</CNPJ>
```

Please note that the CNPJ number of the destination/receiving company is the key when mapping the incoming XML file to a Company ID in IFS. No External Supplier Invoice Load ID can be created without this match.

#### **Fiscal Note No as Supplier Invoice No**

Receiving NF-e XML contains the Fiscal Note No which is loaded in the IFS Application as the Supplier Invoice No.

Below is the tag containing the Fiscal Note No,

```
<ide>  
    <serie>S09</serie>  
    <nNF>S00000003</nNF>
```

From the External Supplier invoice page below, you can see that the Fiscal Note “Series” and “No” both concatenated and inserted as the Supplier Invoice No.

Financials > Supplier Invoice > External Invoice > External Supplier Invoices

## External Supplier Invoices

✓		Load ID	Invoice No	Supplier
<input type="checkbox"/>	:	225	109100000171	SB SARKBRAZILSUP - SA

### PO Reference on Supplier Invoice

PO No is included in the NF-E XML file in the below tag, (<xPed>PO No</xPed>)

From the External Supplier invoice page below, you can see that the PO No received in relation to the Nota Fiscal is visible.

Financials > Supplier Invoice > External Invoice > External Supplier Invoices

## External Supplier Invoices


✓		Load ID	Invoice No	Supplier	Invoice Type	PO Reference
<input type="checkbox"/>	:	225	109100000171	SB SARKBRAZILSUP - SA	SUPPEXT	P101050

### Nota Fiscal Line information as Supplier Invoice Lines

Nota Fiscal Line information are included in the below NF-e XML tags,

```
<det nItem="1">
  <prod>
    <cProd>SARKBRPART1</cProd>
    <xProd>BR-Inventory Part</xProd>
    <NCM>24012020</NCM>
    <CEST>2899900</CEST>
    <EXTIPI/>
    <CFOP/>
    <uCom>PCS</uCom>
    <qCom>1.0000</qCom>
    <VunCom>186.0500</VunCom>
    <vProd>186.05</vProd>
    <cEANtrib>SEM GTIN</cEANtrib>
    <uTrib>PCS</uTrib>
    <qTrib>1.0000</qTrib>
    <vUnTrib>100</vUnTrib>
    <indTot>1</indTot>
  </prod>
  <imposto>
    <vTotTrib>76.13</vTotTrib>
    <COFINS>
      <COFINS1iq>
        <CST>01</CST>
        <vBC>164.61</vBC>
      </COFINS1iq>
    </COFINS>
  </imposto>
</det nItem="1">
```

Each of the NF-e XML Lines received in relation to the Nota Fiscal are inserted into the *External Supplier invoice Line Information* page as the separate invoice lines. Correspondent Invoice line information contains Qty, Price...ect extracted directly from the NF-E XML.

External Supplier Invoice Line Information 33 - S09S00000003 - SUPPEXT										
Load ID	Invoice No	Invoice Type	Supplier	Invoice Load Status						
33	S09S00000003	SUPPEXT	 DU:BR:SUP:1 - DU:BR:SUP:1	<span>Created</span>						
External Supplier Invoice Lines										
Line ID	Income Type Identity	Delivery Type	Tax Code	Tax (%)	Net Amount	Tax Amount	Net Amount in Accounting Currency	Tax Amount in Accounting Currency		
1					100.00	21.11			21.11	
2					100.00	21.11			21.11	

### Nota Fiscal Tax information as Supplier Invoice Tax Lines

Nota Fiscal tax information is included in the below NF-e XML tags:

```

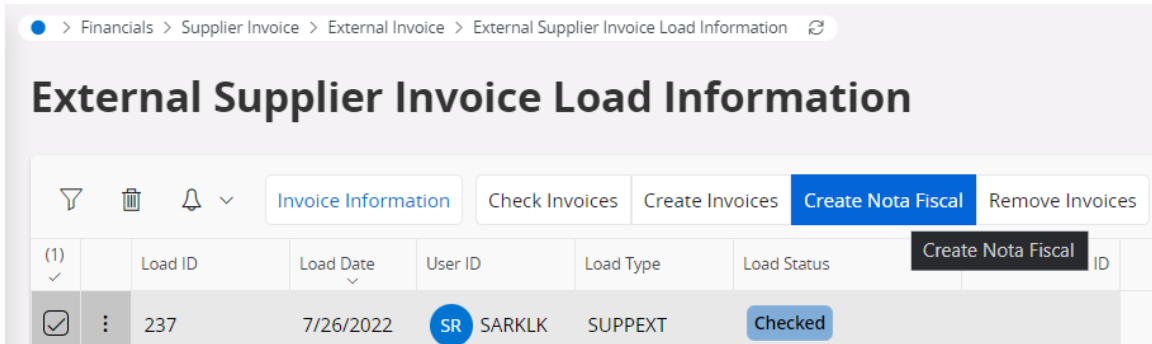
26 |         </prod>
27 |         <imposto>
28 |             <vTotTrib>21.11</vTotTrib>
29 |             <ICMS>
30 |                 <ICMS00>
31 |                     <pICMS>10</pICMS>
32 |                     <vICMS>11.11</vICMS>
33 |                 </ICMS00>
34 |             </ICMS>
35 |             <IPI>
36 |                 <CENQ/>
37 |                 <IPITrib>
38 |                     <pIPI>10</pIPI>
39 |                     <vIPI>10</vIPI>
40 |                 </IPITrib>
41 |             </IPI>
42 |         </imposto>

```

Each of the NF-e XML Tax Lines received in relation to the Nota Fiscal is inserted into the *External Supplier invoice Tax Information* page as separate tax lines.

## Create Incoming Nota Fiscal using External Supplier Invoice

- Go to Financials/Supplier Invoice/External Invoice/External Supplier Invoice Load Information & select the command “Create Nota Fiscal”.



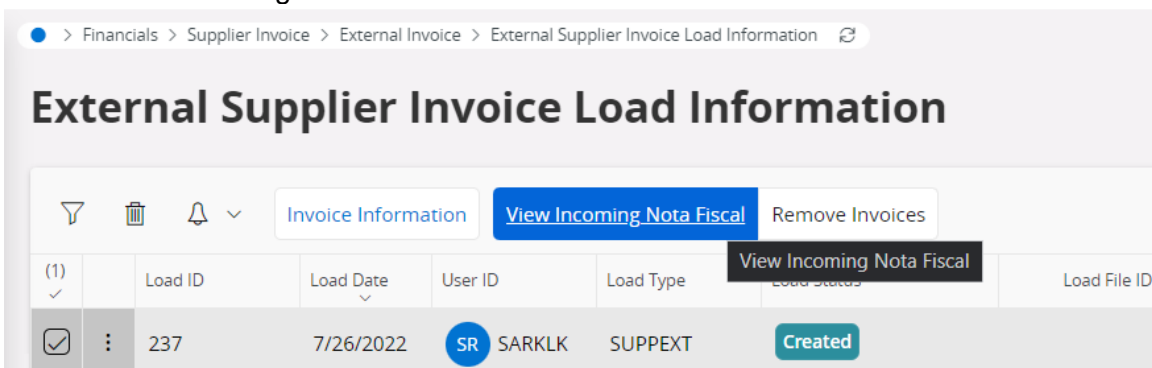
Financials > Supplier Invoice > External Invoice > External Supplier Invoice Load Information

### External Supplier Invoice Load Information

Invoice Information | Check Invoices | Create Invoices | **Create Nota Fiscal** | Remove Invoices

(1)	Load ID	Load Date	User ID	Load Type	Load Status	ID
✓	237	7/26/2022	SR SARKLK	SUPPEXT	Checked	

- View Incoming Nota Fiscal



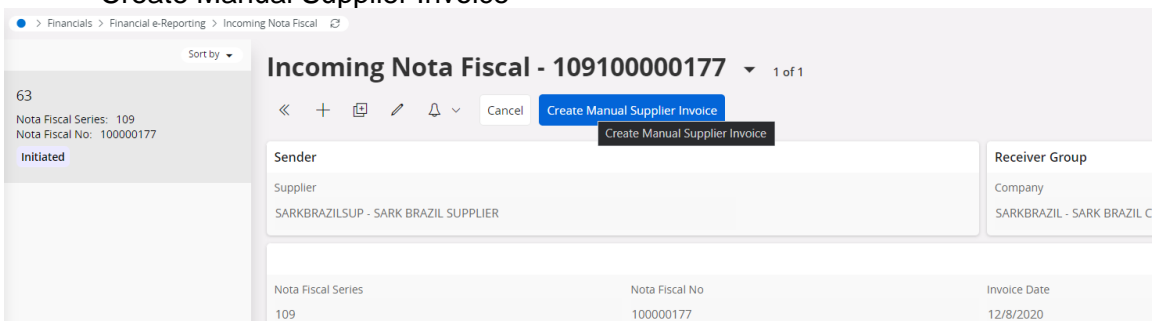
Financials > Supplier Invoice > External Invoice > External Supplier Invoice Load Information

### External Supplier Invoice Load Information

Invoice Information | **View Incoming Nota Fiscal** | Remove Invoices

(1)	Load ID	Load Date	User ID	Load Type	Load Status	Load File ID
✓	237	7/26/2022	SR SARKLK	SUPPEXT	Created	

- Create Manual Supplier Invoice



Financials > Financial e-Reporting > Incoming Nota Fiscal

### Incoming Nota Fiscal - 10910000177

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 100000177  
Initiated

Sender: SARKBRAZILSUP - SARK BRAZIL SUPPLIER

Receiver Group: SARKBRAZIL - SARK BRAZIL CC

Nota Fiscal Series: 109 | Nota Fiscal No: 100000177 | Invoice Date: 12/8/2020

Note: Manual Supplier Invoice will create automatically when creating the Incoming Nota Fiscal, if user disables the "Manually Process Incoming Nota Fiscal" toggle in Application Base Setup/Enterprise/Company/Company/Invoice/NF-E COMPLIANCE tab

- Approve Nota Fiscal



Financials > Financial e-Reporting > Incoming Nota Fiscal

### Incoming Nota Fiscal - 10910000177

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 100000177  
Initiated

Approve | Cancel | Manual Supplier Invoice

Sender: SARKBRAZILSUP - SARK BRAZIL SUPPLIER

## 18.5 Enter Incoming Nota Fiscal Manually (DANFe) – Using Incoming Nota Fiscal Page

Create Incoming Nota Fiscal manually using *Financials/Financial e-Reporting/Incoming Nota Fiscal* page. For this purpose, you can use DANFE document received with goods.

**Incoming Nota Fiscal -** ▾

Save Cancel New

**Sender**

Supplier

**Receiver Group**

Company  
SARKBRAZIL - SARK BRAZIL COMPANY

---

Nota Fiscal Series  
Nota Fiscal No  
Invoice Date  
Object Type

7/25/2022  
Manual Supplier Invoice

Object Reference  
Object Reference Status  
Business Transaction Id  
Payment Terms

Currency Code  
BRL

Nota Fiscal Text

PO Reference

---

**Amounts**

Gross Amount	Net Amount	Tax Amount
	0.00	0.00

**LINES** ADDRESS GENERAL

Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	Gross Curr Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	PO Reference	PO Line No	PO Release No
(No data)											

- Ensure the Purchase Order number is referenced in field **PO Reference**.
- Columns **Goods/Services Statistical Codes**, **Business Operation** and **Acquisition Origin** are available also on the line level.

Create Manual Supplier Invoice using the command “Create Manual Supplier Invoice”

Financials > Financial e-Reporting > Incoming Nota Fiscal

Sort by ▾

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 10000177  
Initiated

**Incoming Nota Fiscal - 10910000177** ▾ 1 of 1

Cancel Create Manual Supplier Invoice

**Sender**

Supplier  
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

**Receiver Group**

Company  
SARKBRAZIL - SARK BRAZIL CC

---

Nota Fiscal Series  
Nota Fiscal No  
Invoice Date

109  
10000177  
12/8/2020

Approve the Nota Fiscal.

Financials > Financial e-Reporting > Incoming Nota Fiscal

Sort by ▾

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 10000177  
Initiated

**Incoming Nota Fiscal - 10910000177** ▾ 1 of 1

Cancel Approve Manual Supplier Invoice

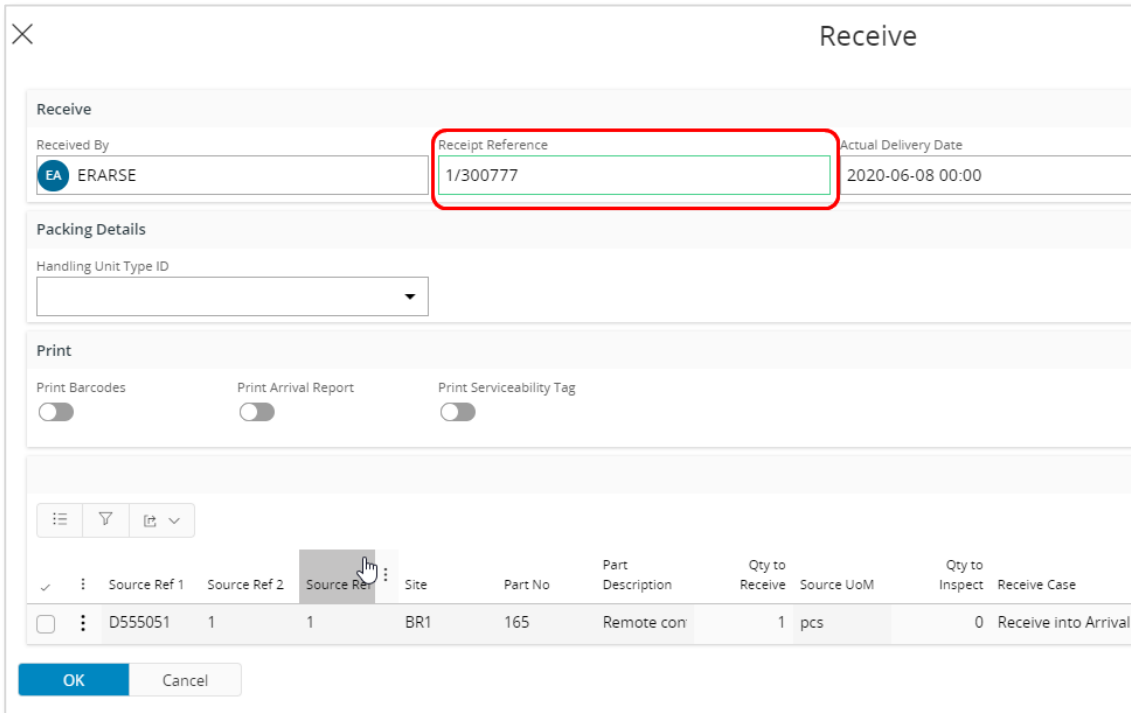
**Sender**

Supplier  
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

## 18.6 Receive Purchase Order

Receive the Purchase Order by selecting “Receive” in the *Financials/Supplier Invoice/Manual Supplier Invoice/Lines* page (IFS standard). This option will be available for supplier invoice lines with reference to a Purchase Order number, line and release no.

Ensure the Fiscal Note number is entered as Receipt Reference.

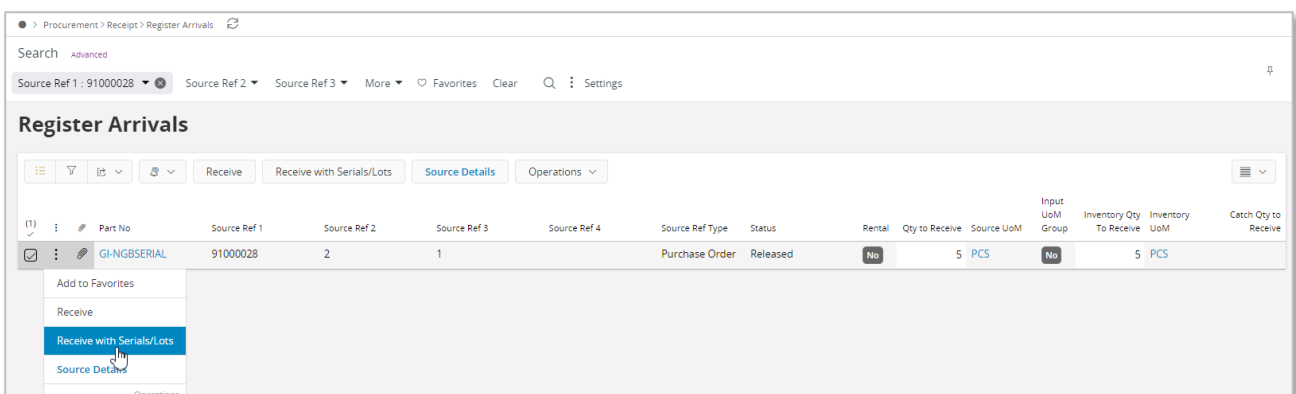


Source Ref 1	Source Ref 2	Source Ref 3	Site	Part No	Part Description	Qty to Receive	Source UoM	Qty to Inspect	Receive Case
D555051	1	1	BR1	165	Remote con	1	pcs	0	Receive into Arrival

The goods arrival can also be registered before the Manual Supplier Invoice is created using IFS standard functions “Register Arrival” and via “Incoming Dispatch Advice”. Enter the Nota Fiscal number as Receipt Reference. Then create the Manual Supplier Invoice and match to the PO receipt.

Receive with Serials/Lots can be handled with the existing core functionality.

### Receipt Serials/Lots via Generic receipt



Part No	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Source Ref Type	Status	Rental	Qty to Receive	Source UoM	Input UoM Group	Inventory Qty To Receive	Inventory UoM	Catch Qty to Receive
GH-NGBSERIAL	91000028	2	1		Purchase Order	Released	No	5	PCS	No	5	PCS	





## Receipt Serials/Lots via Supplier Invoice

**Manual Supplier Invoice** SX - S09500000024 1 of 1 Preliminary

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installation Plan And Discounts](#)
[Post Invoice](#)
[Purchasing](#)
[Copy and Cancel](#)

PO Reference D555077	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier BS - GI-BRSUP - Brazilian Supplier
Invoice Type SUPPEXT	Reference Series SX	Invoice No S09500000024	Currency BRL	Currency Rate 1	Invoice Date 11/1/2021
Pay Term Base Date 11/1/2021	Payment Terms 0 - Due Immediately	Due Date 11/1/2021	Plan Pay Date 11/1/2021	Payment Reference	Arrival Date 11/1/2021
Authorizer ID *	Notes No	Advance Invoice No	Period Allocation No	Pre-posting No	Voucher Type Reference
Gross Amount 188.24	Net Amount 128.00	Tax Amount 60.24	Received Attachments No	On Hold Installation No	Voucher No Reference
					Posting Proposal No

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
188.24	128.00	60.24	0.00	128.00

**Lines**

[Match PO Receipts Per Line](#)
[Price Adjustment Purchase Per Line](#)
[Receive](#)
[Receive With Serials/Lots](#)
[Tax Lines](#)

(1)	PO Reference	Receipt Reference	PO Line No	PO Release No	Quantity	Supplier Part No	Line ID	Delivery Type	Income Type Identity	Tax Code
☑	D555077		1	1	4		1			

Go to the *Warehouse Management/Transaction History/Inventory Transactions History* page. Ensure the new fields **Nota Fiscal Number** and **Nota Fiscal Item** are enabled for the page. These will present reference to Fiscal Note number and Fiscal Note item (line).

**Inventory Transactions History**

Transaction ID	Transaction Code	Part	Site	Configuration ID	Direction	Quantity	Fiscal Note Number	Fiscal Note Item
215292	ARRIVAL - Receipt of Purchase Order	165 - Remote control, ...	BR1 - Brazilian Site 1	*	+	1 pcs	1/300777	1

## 18.7 Post Invoice

Follow the IFS standard process to post the invoice.

## 18.8 Delimitations

Brazilian specific tax needs to be handled manually since 3<sup>rd</sup> party tax calculation service is not integrated in these flows.

## 19 Boleto – Bank Collection Bill

### 19.1 Overview Legal Requirement

Boleto is an accounts receivable document used to receive money from customers. This is not a legal requirement but is a widely used business requirement. This document is a copy of the customer invoice and can be paid in any institution or bank, until the due date.

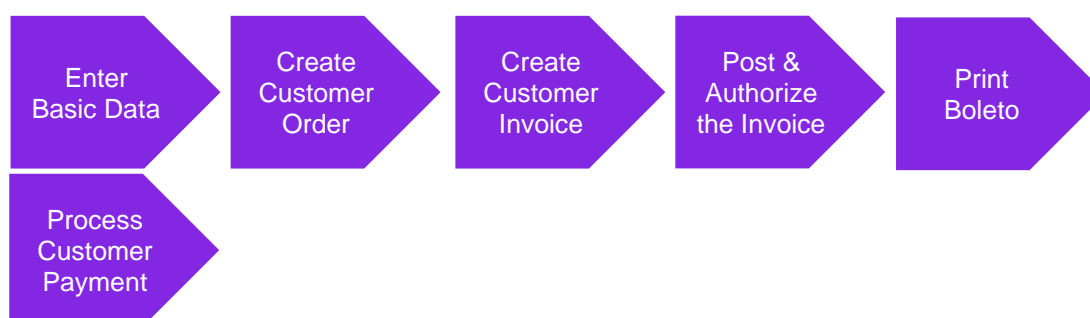
There are enough key elements in the Boleto so the payer can easily identify all data needed to make the right compensation of the amounts.

It is estimated that 50 million of Boletos are paid monthly in Brazil.

### 19.2 Solution Overview

- Boleto functionality should be enabled on company level and the Payment basic data for specific bank should be defined.
- Boleto could be printed soon after the Customer Invoice is set to the status “PostedAuth”.
- The amount is compensated in the company’s bank account just after the customer process the Boleto’s payment and can be identified manually or automatically by using a file integration (core process).
- Boleto’s layout - Each bank has a specific layout for the Boleto printout. This document describes the solution for bank Bradesco.

### 19.3 Process Overview



### 19.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. The ‘Boleto – Bank Collection Bill’ parameter under the **Localization Control Center tab** must be enabled on the *Company/Localization Control Center* tab. The **Customer Invoice Creation Method** field should be set to ‘Brazilian Boleto’ on the *Company/Invoice/General* tab.

## 19.5 Define basic data

Payment Format per Company:

Select the Customer Payment Format Id that will be used to print the Boletto. After selection, the Payment Format it will be available for use in the company.

**Payment Formats per Company**

Payment Format ID	Format Description	Used in Company	Allowed Currencies	Payment Party Type	Input/Output Type	Repeatable Output	Format Instruction	Incoming File Template	Outgoing File Template	Payment Advice as a Single Print Job	Generate Payment Advice	Allow Negative Amount
BR237CUST	Brazilian format for bank BRADE	Yes	BRL	Customer	FILE	Yes	On Plan or Spec Date	CUP_BR_23	CUST_GEN_	No	No	No

Payment Method:

Enter a new Payment Method and connect to Payment Format in *Financials/Payment Basic Data/Cash Book/Payment Methods* page.

**Payment Methods**

Payment Method	Description	Format ID	Generate Trace Information	Cash Account In Any Currency
BR237CUST	Brazilian format for bank BRADESCO, customer	BR237CUST - Brazilian format for bank BRADESCO, customer	Yes	No

Payment Institutes:

Define Payment Institute for bank in *Financials/Payment Basic Data/Cash Book/Payment Institutes* page. The field **Our Identity** should be filled with the number of the bank and respective control digit because it is important information to be printed in the Boletto.

Company: SARK BRAZIL COMPANY

**Payment Institutes**

Payment Institute	Our Identity	Description	Use Value Date For Matching	Cash Box
BANK	237-7	Bank	Yes	No

Payment Institute Offices:

Define a Payment Institute Office to be used in the Cash Account that will be used to print the Boletto in *Financials/Payment Basic Data/Cash Book/Payment Institute Offices*.

**Payment Institute Offices**

Payment Institute	Office Code	Description	Address1	Address2	Address3
BANK	1234	Bradesco Office			

### Cash Account:

After creating Payment Institute and Payment Institute Office it is necessary to create the Cash Account that will be used to print the Boleto in *Financials/Payment Basic Data/Cash Book/Cash Account* page. The field **Short Name** can be used to define the unique identifier of the Cash Account in the system. Fill the **Office Code** column using LOV, the **Account Number** column should be filled with the account number and the control digit of the account, as the picture below:

Cash Accounts											
✓	⋮	Short Name	Description	Payment Institute	Office Code	Currency	Account Number	Account Reference	BIC/Swift Code	Default Flag	International Cash Account
<input type="checkbox"/>	⋮	BANK	Bank	BANK	1234	BRL	123456-7			Yes	No

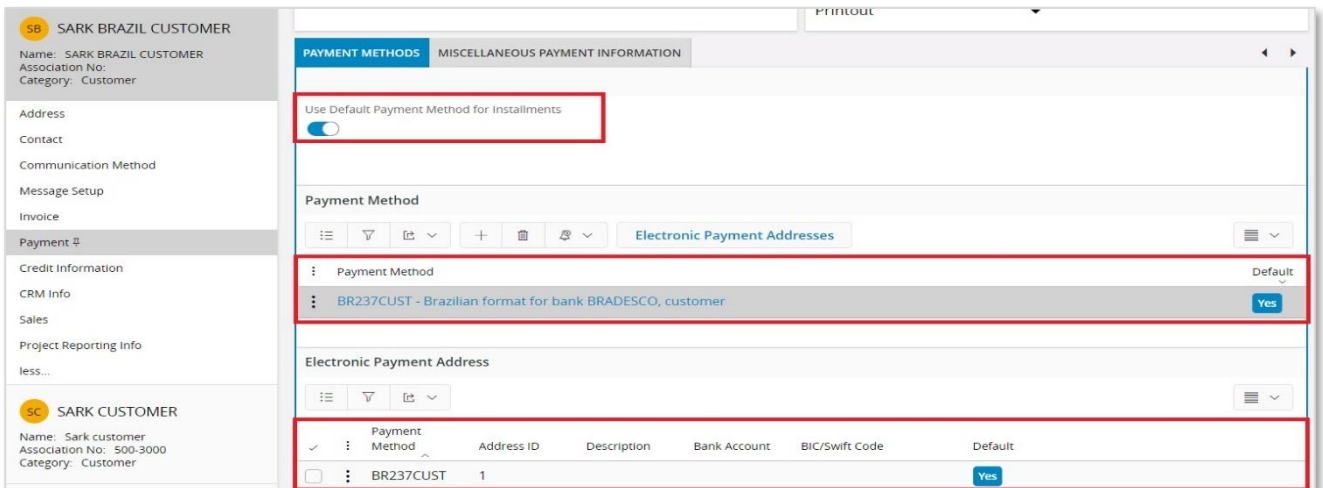
### Format Specific Info per Institute:

Make sure that all Boleto definitions are filled in *Financials/Payment Basic Data/Cash Book/Payment Institutes/Payment Methods per Institute/Format Specific Information per Institute*. Enter record in *Format Specific Info per Institute* page using cash account defined previously. This definition can be found in the Bank's documentation related to the layout of the Boleto. Start value mentioned here is the "Our Number" in Boleto layout.

Format Specific Information per Institute - BANK - BR237CUST							
Format ID	License No	Security Type No	Instruction 1	Instruction 2	Control File Seq No	File Seq No	
BR237CUST	190	1			<input checked="" type="checkbox"/>	12	
Accepted	Document Type 1	Document Type 2	Cash Account	Digit Calc. Method	Start Value	End Value	Next Value
N	Real	DT2	BANK	M1	000001	999999	000059

### Customer Master Data:

Attach Payment Method to the customer on *Customer/Payment* tab. Make sure that the option **Use Default Method for Installments** is enabled. Further add a line to "Electronic Payment Address" as shown in the screenshot below.



**SARK BRAZIL CUSTOMER**  
Name: SARK BRAZIL CUSTOMER  
Association No:  
Category: Customer

Address  
Contact  
Communication Method  
Message Setup  
Invoice

**Payment**

Credit Information  
CRM Info  
Sales  
Project Reporting Info  
less...

**SARK CUSTOMER**  
Name: Sark customer  
Association No: 500-3000  
Category: Customer

**PAYMENT METHODS** MISCELLANEOUS PAYMENT INFORMATION

Use Default Payment Method for Installments

**Payment Method**

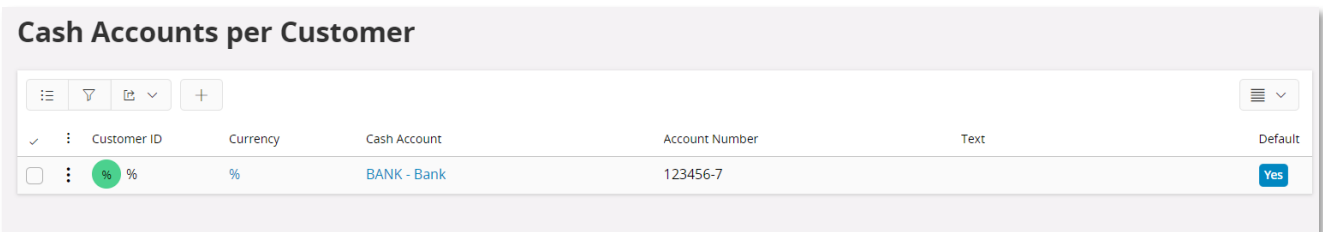
- Payment Method Default
- BR237CUST - Brazilian format for bank BRADESCO, customer Yes

**Electronic Payment Address**

Payment Method	Address ID	Description	Bank Account	BIC/Swift Code	Default
<input checked="" type="checkbox"/>	BR237CUST	1			Yes

### Cash Account per Customer:

Define Cash Account per customer in *Financials/Payment Basic Data/Cash Book/Cash Accounts/Cash Account per Customer* page. Make sure that the Cash Account that will be responsible for the Boleto's printout is enabled as **Default**.



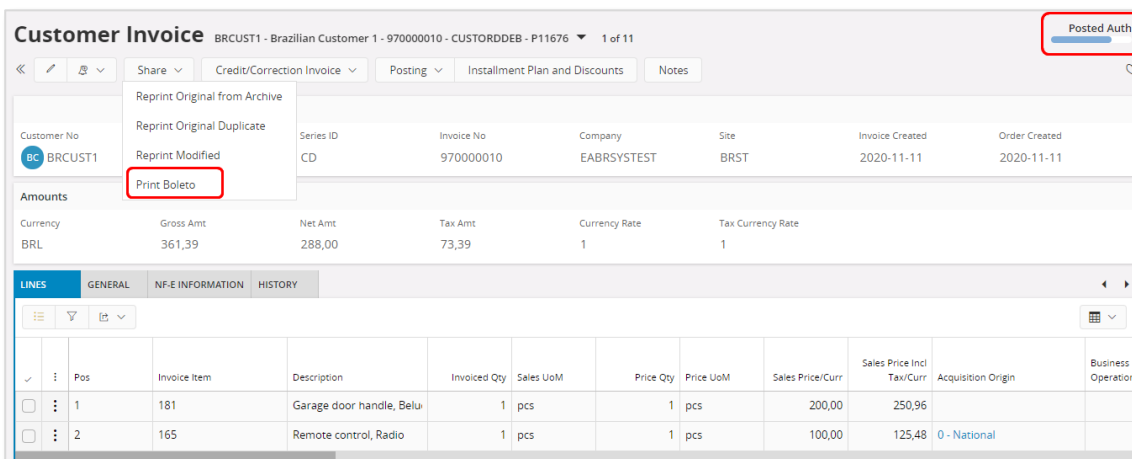
**Cash Accounts per Customer**

Customer ID	Currency	Cash Account	Account Number	Text	Default
<input checked="" type="checkbox"/>	%	BANK - Bank	123456-7		Yes

## 19.6 Boleto printout

### 19.6.1 Print Boleto from Customer Invoice

When Customer Invoice is in the "PostedAuth" state the "Print Boleto" button is enabled and user can print the Boleto.



**Customer Invoice** BRCUST1 - Brazilian Customer 1 - 970000010 - CUSTORDDEB - P11676 1 of 11 Posted Auth

Share Credit/Correction Invoice Posting Installation Plan and Discounts Notes

Customer No: BRCUST1


Series ID: CD Invoice No: 970000010 Company: EABRSYSTEST Site: BRST Invoice Created: 2020-11-11 Order Created: 2020-11-11

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	361,39	288,00	73,39	1	1

**LINES** GENERAL NF-E INFORMATION HISTORY

Pos	Invoice Item	Description	Involved Qty	Sales UoM	Price Qty	Price UoM	Sales Price/Curr	Sales Price Incl Tax/Curr	Acquisition Origin	Business Operation
1	181	Garage door handle, Belu	1	pcs	1	pcs	200,00	250,96		
2	165	Remote control, Radio	1	pcs	1	pcs	100,00	125,48	0 - National	

<b>Bank</b>						<b>Payer Receipt</b>	
Payer Name: <b>SARK BRAZIL CUSTOMER</b>							
Beneficiary		CNPJ / CPF		Guarantor		Due Date	
<b>SARK BRAZIL COMPANY</b>		<b>78.733.562/0001-31</b>				<b>16-NOV-20</b>	
Address of Company <b>Caljunto Nova 1024 Bairro 08190-145 São Paulo SP</b>							
Portofolio / Our Number		Portofolio	Currency	Quantity	Amount	Office / Payee Code	
<b>190/00000000060-5</b>		<b>190</b>	<b>Real</b>			<b>1234/123456-7</b>	
Doc Date	Document No	Currency Document	Accepted	Processing Date	Installment Amount		
<b>16-NOV-20</b>	<b>333000001027-1</b>	<b>DT2</b>	<b>N</b>	<b>24-NOV-20</b>	<b>87.33</b>		
Authentication mechanics							
<b>Bank</b> <span style="font-size: 1.2em; font-weight: bold;"> 237-7 </span> 23791.23413 90000.000001 60012.345603 7 84410000008733							
Paying Place Can be paid in any Bank Agency.						Due Date <b>16-NOV-20</b>	
Beneficiary		CNPJ / CPF		Office / Payee Code			
<b>SARK BRAZIL COMPANY</b>		<b>78.733.562/0001-31</b>		<b>1234/123456-7</b>			
Address of Company <b>Caljunto Nova 1024 Bairro 08190-145 São Paulo SP</b>							
Doc Date	Document No	Currency Document	Accepted	Processing Date	Portofolio / Our Number		
<b>16-NOV-20</b>	<b>333000001027-1</b>	<b>DT2</b>	<b>N</b>	<b>24-NOV-20</b>	<b>190/00000000060-5</b>		
Bank Use	Portofolio	Currency	Quantity	Amount	(*) Document Amount		
	<b>190</b>	<b>Real</b>			<b>87.33</b>		
Intruccion (All information in this boleto are the sole responsibility of the Beneficiary).						(-) Discounts / Reductions	
						(+*) Interest and Fine	
						(*) Total Amount	
Payer Name:		<b>SARK BRAZIL CUSTOMER</b>		CNPJ / CPF:		<b>58.265.036/0001-87</b>	
Address:		<b>Rua Alhandra 70 08190-145 São Paulo SP BRAZIL</b>					
Guarantor:		CNPJ:		<b>Code of Payment:</b>			
Authentication mechanics / COMPENSATION FORM							
							

### 19.6.2 BOLETOS management

The *Boletos Management* page was created to facilitate the use of the Boleto printing functionality, allowing to manage Boleto related data, even if it is already printed and to cancel or print again if necessary. The path is *Financials/Accounts Receivable/Boleto - Bank Collection Bill/ Boletos Management*.

In this page both the IFS Customer Invoice number as well as the Official Invoice number (represented by Fiscal Note series concatenated with Fiscal Note number) can be used when searching for Boletos.

Boletos Management											
✓	:	✎	Customer	Customer Name	Series ID	Invoice No	Official Invoice No	Installment ID	Payment Date	Due Date	Currency
<input type="checkbox"/>	:	✎	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	CD	970000010	333000001008	1	10/5/2020	10/5/2020	BRL
<input type="checkbox"/>	:	✎	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	CD	970000011	333000001010	1	10/13/2020	10/13/2020	BRL
<input type="checkbox"/>	:	✎	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	CD	970000012	333000001011	1	10/13/2020	10/13/2020	BRL

### 19.6.3 BOLETOS history

*Boletos History* is a page that contains all the history actions performed on the *Boletos Manager* page. Once a Boletto document is printed, canceled or reprinted, it is possible to follow all the actions and have a complete history simply by analyzing this page.

Boletos History													
✓	:	✎	History ID	User ID	Hist Date	Customer	Customer Name	Printed	Series ID	Invoice No	Official Invoice No	Installment ID	Currency
<input type="checkbox"/>	:		135	SARKLK	11/19/20, 3:55 PM	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	Yes	CD	970000030	333000001029	1	BRL
<input type="checkbox"/>	:		134	SARKLK	11/18/20, 10:29 AM	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	Yes	CD	970000027	333000001026	1	BRL
<input type="checkbox"/>	:		133	SARKLK	11/18/20, 10:29 AM	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	No	CD	970000027	333000001026	1	BRL
<input type="checkbox"/>	:		132	SARKLK	11/16/20, 11:54 AM	SB SARK BRAZIL CUSTOMER	SB SARK BRAZIL CUSTOMER - SARK B	Yes	CD	970000027	333000001026	1	BRL

### 19.7 Delimitations

Only bank Bradesco is covered in this release.

## 20 Appendix

### 20.1 Appendix:01

The NF-e XML mapping to IFS Cloud is described in DocMan document “NF-e xml mapping to IFS (Brazil)”.

### 20.2 Appendix:02

#### 20.2.1 AVALARA Integration: Tax Base Amount: **Net**

**Scenario: 01** Tax Base Amount: Net Amount – Excluding Tax: IPI

Let’s have a look into the scenario below explaining a Brazilian tax calculation based on Net Amount and excluding the tax, IPI.

#### Net Amount calculation and Tax calculation

▪ Net Amount	=	72.75
Tax Base Amount	=	$\frac{72.75 \times 100}{100 - (18 + 1.65 + 7.6)}$
	=	100.00
▪ Tax: ICMS 18%	=	18.00
PIS 1.65%	=	1.65
COFINS 7.6%	=	7.60
Total Tax	=	<u>27.25</u>
Gross Amount (72.75 + 27.25)	=	<u>100.00</u>

#### AVALARA: Response File

Tax Base: Net

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "net",
  "companyLocation": "12.345.678/9012-34",

```

Net Amount from the Response file

```

entityIcmsSubstitui
},
"lineNetFigure": 72.75,
"taxDetails": [
  {

```

Complete AVALARA Response file for the reference



AEFD93BF.json



### IFS Application Tax Code Mapping

External Tax Codes Mapping					
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
✓	:	Tax Code	Tax Type Category	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS-0-BR - COFINS Tax 0%	COFINS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	ICMS-0-BR - ICMS Tax 0%	ICMS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	PIS-0-BR - PIS Tax 0%	PIS	0	<input type="button" value="Yes"/>

### Customer Invoice Postings

✓	:	✎	Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount
<input type="checkbox"/>	:	✎	IP2		BRL	<input type="button" value="No"/>	100.00		100.00
<input type="checkbox"/>	:	✎	IP4	PIS-0-BR	BRL	<input type="button" value="No"/>		1.65	-1.65
<input type="checkbox"/>	:	✎	IP4	COFINS-0-BR	BRL	<input type="button" value="No"/>		7.60	-7.60
<input type="checkbox"/>	:	✎	IP4	IPI-0	BRL	<input type="button" value="No"/>		0.00	0.00
<input type="checkbox"/>	:	✎	IP4	ICMS-0-BR	BRL	<input type="button" value="No"/>		18.00	-18.00
<input type="checkbox"/>	:	✎	M28		BRL	<input type="button" value="No"/>		72.75	-72.75
<input type="checkbox"/>	:	✎	M295	COFINS-0-BR	BRL	<input type="button" value="No"/>		7.60	-7.60
<input type="checkbox"/>	:	✎	M296	COFINS-0-BR	BRL	<input type="button" value="No"/>	7.60		7.60
<input type="checkbox"/>	:	✎	M295	ICMS-0-BR	BRL	<input type="button" value="No"/>		18.00	-18.00
<input type="checkbox"/>	:	✎	M296	ICMS-0-BR	BRL	<input type="button" value="No"/>	18.00		18.00
<input type="checkbox"/>	:	✎	M295	PIS-0-BR	BRL	<input type="button" value="No"/>		1.65	-1.65
<input type="checkbox"/>	:	✎	M296	PIS-0-BR	BRL	<input type="button" value="No"/>	1.65		1.65

**Scenario: 02** Tax Base Amount: Net Amount – Including Tax: IPI

Let's have a look into the scenario below explaining a Brazilian tax calculation based on Net Amount and including the tax, IPI.

Net Amount calculation and Tax calculation

▪ Net Amount	=	78.75
Tax Base Amount	=	$\frac{78.75 \times 100}{100 - (7.6 + 1.65 + 12)}$
	=	100.00
▪ Tax: ICMS 12%	=	12.00
PIS 1.65%	=	1.65
COFINS 7.6%	=	7.60
IPI 30%	=	30.00 (100 X 30%)
Total Tax	=	<u>51.25</u>
Gross Amount (78.75 + 51.25)	=	<u>130.00</u>

AVALARA: Response File

Tax Base: Net

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "net",
  "companyLocation": "12.345.678/9012-

```

Net Amount

```

},
"lineNetFigure": 78.75,
"taxDetails": [

```

Total Line Amt & Total Invoice Amt

```

"summary": {
  "numberOfLines": 1,
  "totalLineAmounts": 100,
  "totalTaxedDiscounts": 0,
  "totalUntaxedDiscounts": 0,
  "totalInsurances": 0,
  "totalFreights": 0,
  "totalOtherCosts": 0,
  "totalUnTaxedOtherCosts": 0,
  "totalInvoice": 130,

```

ICMS 12%= 12.00

```
"taxType": "icms",  
"citation": "ICMS/AC Decreto nº 8/1998, Artigo  
"citationId": "ac789807-2fab-49ff-b921-be0682ec  
"subtotalTaxable": 100,  
"rate": 12,  
"tax": 12,
```

COFINS 7.6% = 7.60

```
"taxType": "cofins",  
"citation": "PIS/COFINS Lei nº 10.833/2003,  
"citationId": "670e7148-b125-46f6-837f-3bb4e  
"subtotalTaxable": 100,  
"rate": 7.6,  
"tax": 7.6,
```

PIS 1.65% = 1.65

```
"taxType": "pis",  
"citation": "PIS/COFINS Lei nº 10.637/2002,  
"citationId": "bfb5ddd3-00ca-42f7-a170-a9c4a  
"subtotalTaxable": 100,  
"rate": 1.65,  
"tax": 1.65,
```

IPI 30% = 30.00 (100 X 30%)

```
"taxType": "ipi",  
"citation": "IPI Decreto nº 8950/2016",  
"citationId": "56b13fd9-18fb-4d35-91dd-908  
"subtotalTaxable": 100,  
"rate": 30,  
"tax": 30,
```

[Complete AVALARA Response file for the reference](#)



E87B5159.json

### IFS Application Tax Code Mapping

External Tax Codes Mapping					
<input type="checkbox"/>	:	Tax Code	Tax Type Category	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS-0-BR - COFINS Tax 0%	COFINS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	ICMS-0-BR - ICMS Tax 0%	ICMS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	IPI-0 - IPI Tax 0%	IPI	0	<input type="button" value="No"/>
<input type="checkbox"/>	:	PIS-0-BR - PIS Tax 0%	PIS	0	<input type="button" value="Yes"/>

### Customer Invoice Postings

<input type="checkbox"/>	:		Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount	Currency Rate
<input type="checkbox"/>	:		IP2		BRL	<input type="button" value="No"/>	130.00		130.00	1
<input type="checkbox"/>	:		IP4	PIS-0-BR	BRL	<input type="button" value="No"/>		1.65	-1.65	1
<input type="checkbox"/>	:		IP4	COFINS-0-BR	BRL	<input type="button" value="No"/>		7.60	-7.60	1
<input type="checkbox"/>	:		IP4	IPI-0	BRL	<input type="button" value="No"/>		30.00	-30.00	1
<input type="checkbox"/>	:		IP4	ICMS-0-BR	BRL	<input type="button" value="No"/>		12.00	-12.00	1
<input type="checkbox"/>	:		M28		BRL	<input type="button" value="No"/>		78.75	-78.75	1
<input type="checkbox"/>	:		M295	COFINS-0-BR	BRL	<input type="button" value="No"/>		7.60	-7.60	1
<input type="checkbox"/>	:		M296	COFINS-0-BR	BRL	<input type="button" value="No"/>	7.60		7.60	1
<input type="checkbox"/>	:		M295	ICMS-0-BR	BRL	<input type="button" value="No"/>		12.00	-12.00	1
<input type="checkbox"/>	:		M296	ICMS-0-BR	BRL	<input type="button" value="No"/>	12.00		12.00	1
<input type="checkbox"/>	:		M295	IPI-0	BRL	<input type="button" value="No"/>		30.00	-30.00	1
<input type="checkbox"/>	:		M296	IPI-0	BRL	<input type="button" value="No"/>	30.00		30.00	1
<input type="checkbox"/>	:		M295	PIS-0-BR	BRL	<input type="button" value="No"/>		1.65	-1.65	1
<input type="checkbox"/>	:		M296	PIS-0-BR	BRL	<input type="button" value="No"/>	1.65		1.65	1

### 20.2.2 Avalara Request File Mapping

Refer **Avalara Request mapping V3.xlsx** to see the Avalara Request File Mapping details.



Avalara Request mapping V3.xlsx