



# Country Solution Brazil

IFS Cloud 23 R1

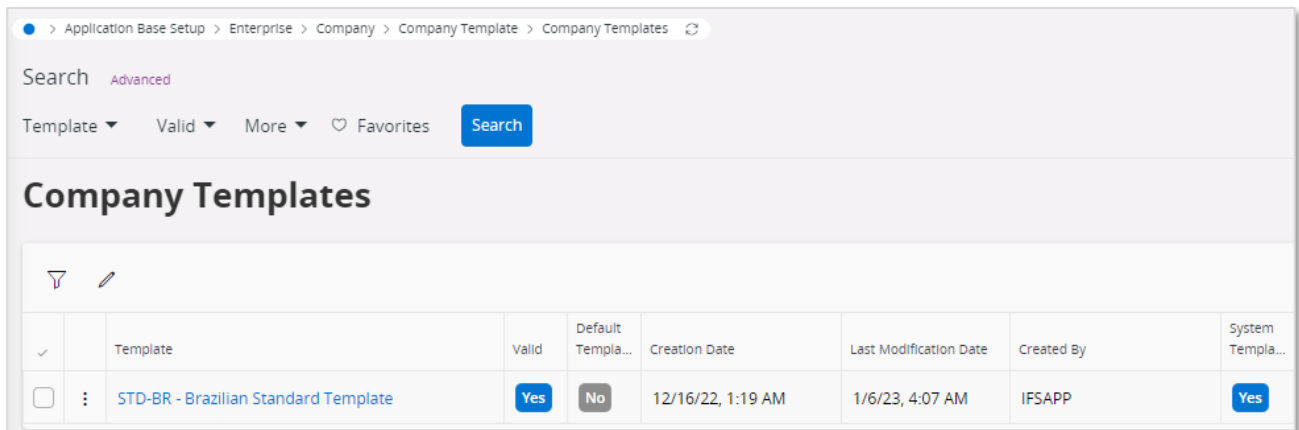
## Table of Contents

<b>1</b>	Company Set-up .....	2
<b>2</b>	Business Operation.....	5
<b>3</b>	Acquisition Origin .....	7
<b>4</b>	Goods/Services Statistical Codes definition per company.....	10
<b>5</b>	Goods/Services Statistical Codes set-up .....	11
<b>6</b>	Brazilian specific fiscal attributes.....	14
<b>7</b>	Company and Customer basic data for tax calculation and Nota Fiscal .....	19
<b>8</b>	Address specific tax registration numbers.....	22
<b>9</b>	Automatic generation of official invoice number .....	26
<b>10</b>	Extended Tax Codes and Tax Calculation Structures set-up.....	35
<b>11</b>	Integration to Brazilian External Tax System – Tax Determination .....	44
<b>12</b>	Outgoing Nota Fiscal.....	59
<b>13</b>	Outgoing Nota Fiscal – Supplier Returns for credit.....	95
<b>14</b>	Integration to Brazilian External Tax System – NF-e Communication.....	116
<b>15</b>	Gross Revenue Accounting.....	126
<b>16</b>	Nota Fiscal issue date as applied date on inventory transactions for goods issue .....	131
<b>17</b>	Cancel PostedAuth Customer Order Invoices .....	133
<b>18</b>	Taxes in intracompany goods movement .....	134
<b>19</b>	Incoming Nota Fiscal.....	148
<b>20</b>	Incoming Nota Fiscal – Customer Returns for credit.....	161
<b>21</b>	Incoming Nota Fiscal – Bill of Lading.....	169
<b>22</b>	Boleto – Bank Collection Bill.....	178
<b>23</b>	Appendix .....	184

# 1 Company Set-up

## 1.1 Overview

Create a new Brazilian company. The company can be created based on the Brazilian Standard Template (STD-BR).




Template	Valid	Default Templa...	Creation Date	Last Modification Date	Created By	System Templa...
STD-BR - Brazilian Standard Template	Yes	No	12/16/22, 1:19 AM	1/6/23, 4:07 AM	IFSAPP	Yes



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.


Application Base Setup > Enterprise > Company > Company > 

## Company EABR1 - Brazilian Company 1

  [Update Company](#) [Update Company Translation](#) [New Company](#)

Company	Name
EABR1	Brazilian Company 1

### General Information

Default Language	Country	Localization
English	BRAZIL	Brazil
Form of Business	Creation Date	Activity Start Date
	2019-09-25 	
Source Company	Source Template ID	Template Company
	STD	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 Nota Fiscal).

### 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			Company
Business Operation	Description	Validity	Brazilian Company 1
<input checked="" type="checkbox"/>	Business Operation	Description	
<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

Amounts

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

LINES GENERAL HISTORY

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 Nota Fiscais* 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

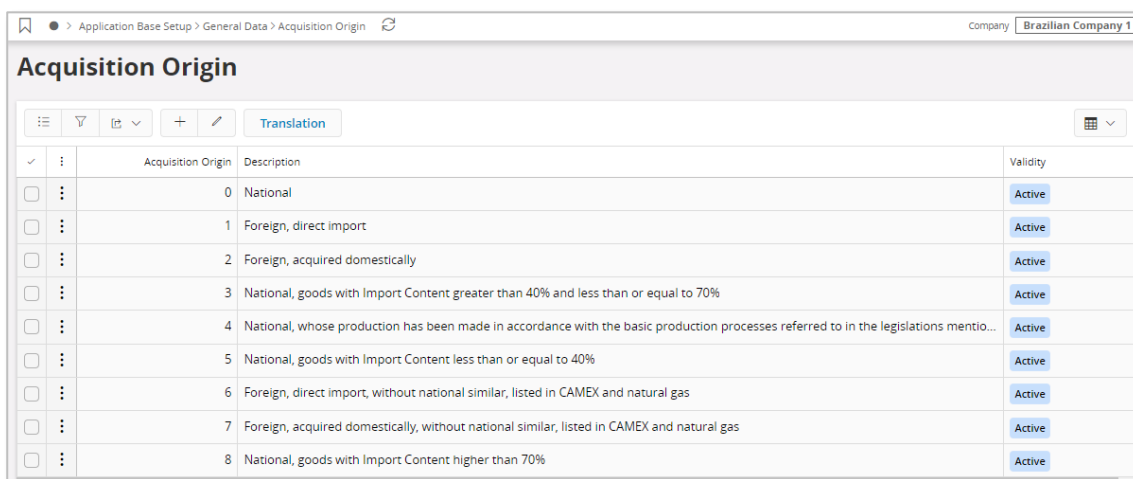


### 3.3 Prerequisites

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		Taxable	Use Price Incl Tax	Acquisition Origin
0,00 BRL	0,00 BRL		<input type="checkbox"/>	<input type="checkbox"/>	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

**Order Amounts**

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 Nota Fiscais* 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



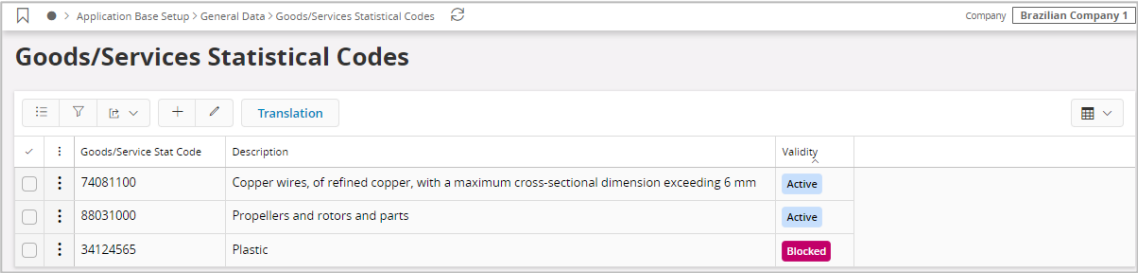
Enter Goods/Services Statistical Codes per Company

### 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

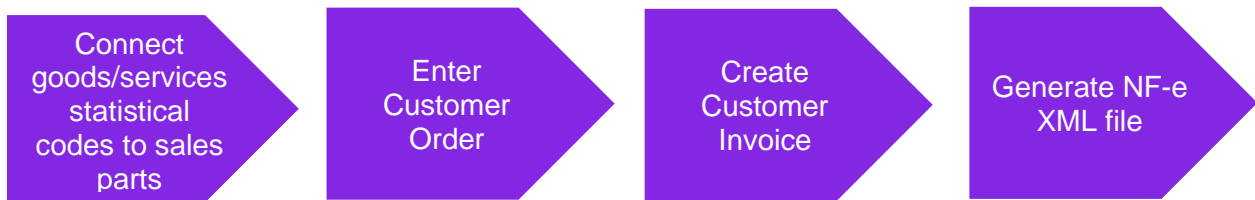
Note that this chapter only describes the functionality to define the codes per Company. Parameter “Goods/Services Statistical Codes Set-Up” enables the set-up of statistical codes on sales parts, non-inventory sales parts, sales charges, sales objects, project report codes, package parts and purchase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

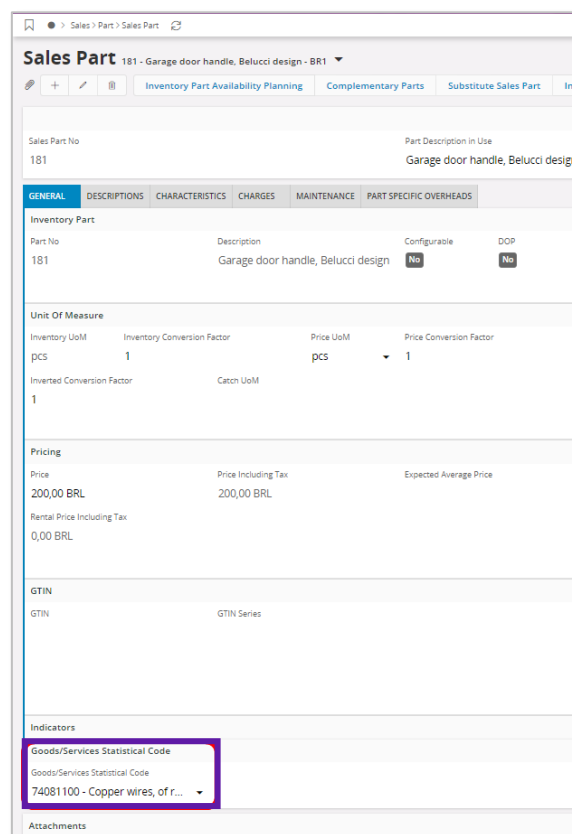


### 5.3 Prerequisites

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 'GENERAL' tab is active, showing various fields for the part. A red box highlights the 'Goods/Services Statistical Code' field, which is currently set to '74081100 - Copper wires, of r...'.

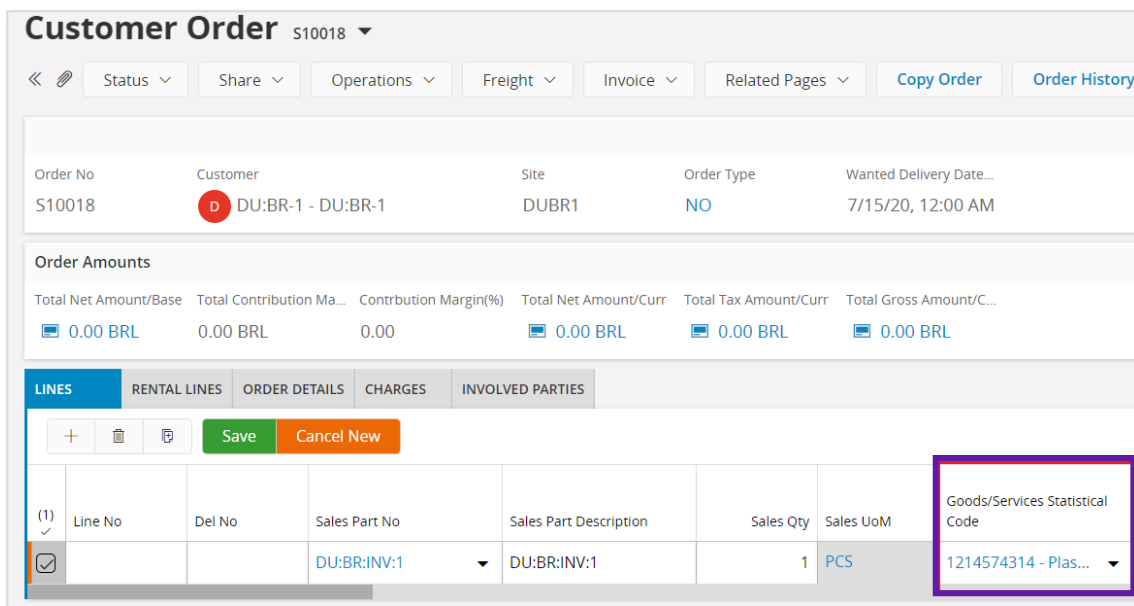
Inventory Part			
Part No	Description	Configurable	DOP
181	Garage door handle, Belucci design	No	No
Unit Of Measure			
Inventory UoM	Inventory Conversion Factor	Price UoM	Price Conversion Factor
PCS	1	pcs	1
Inverted Conversion Factor	Catch UoM		
1			
Pricing			
Price	Price Including Tax	Expected Average 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

✓	Type	Tax Code	Tax Calculation Structure	Business Operation	Acquisition Origin	Goods/Services Statistical Code	Tax (%)	Multiple Tax Lines
<input type="checkbox"/>	:		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 *Outgoing Nota Fiscal* page 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 Nota Fiscales* 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 Nota Fiscais 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 Nota Fiscal 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.

● > Application Base Setup > General Data > Acquisition Reason ↻

### Acquisition Reason

☰ ▾ ⌵ + ✎ Translation

✓	:	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 Refresh

### Posting Control

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

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 Refresh

### Posting Control Details

IP4 - Account - C128 | 1 of 1

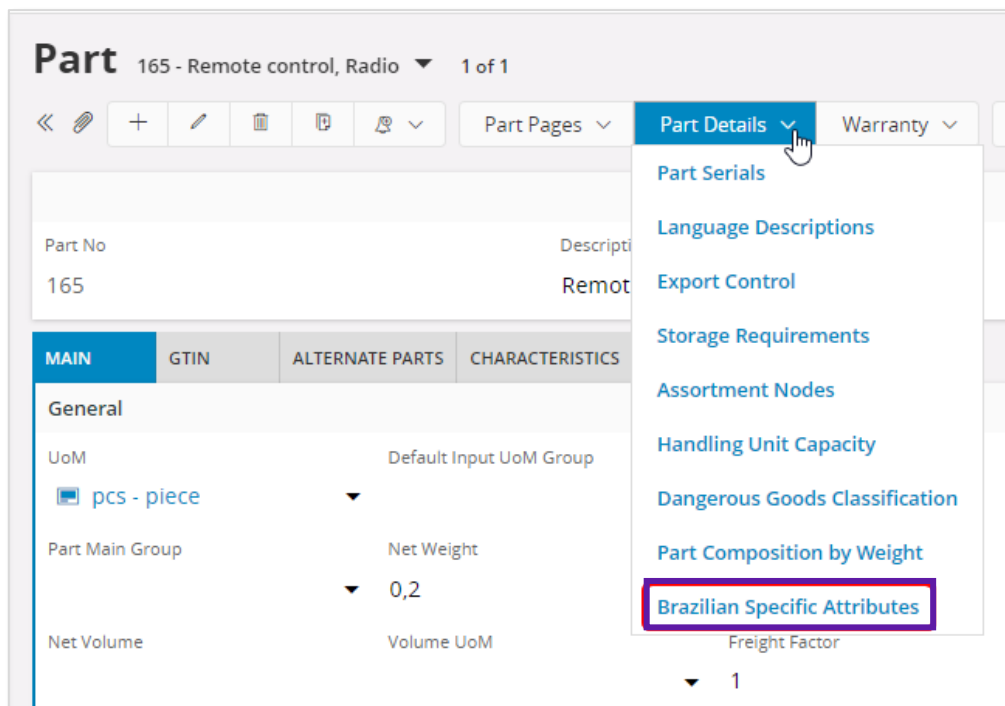
IP4  
Code Part Name: Account  
Control Type: C128

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

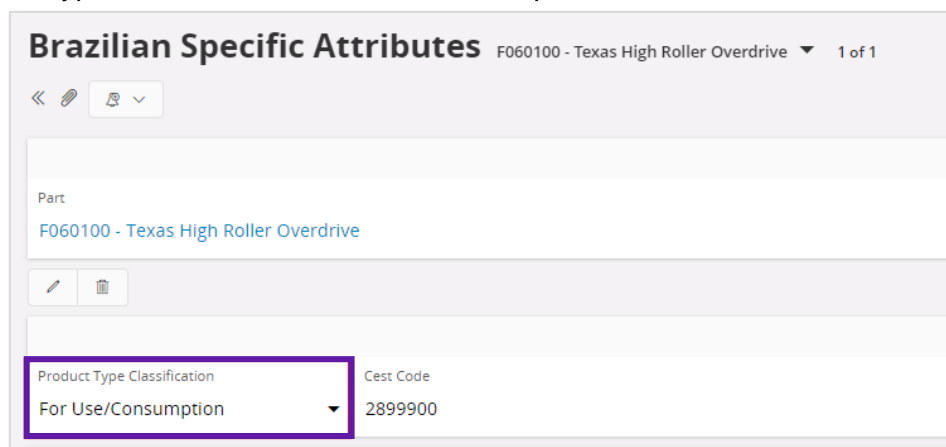
Business Transaction Code	Description	Account
100	Standard Sales	2610 - Output VAT, not reduced
120	Exportation	2611 - Output VATon sales in Sweden, not reduced



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

Acquisition Reason: RS - Goods for Resale

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

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 Business Transaction Id defined for the Customer Order.

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

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

LINES										
RENAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES										
Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Price/Curr	Acquisition Reason Id	Price Incl Tax/Curr		
1	1	F060100	Texas High Roller Overdr	1	pcs	250,00	RS - Goods for Resale	250,00		
2	1	F060200	Smoking Blues Reverb	1	pcs	180,00	RS - Goods for Resale	180,00		
3	1	F060300	Killing Floor Fuzz	1	pcs	210,00	RS - Goods for Resale	210,00		
4	1	F060400	Dirty Blues Chorus	1	pcs	275,00	RS - Goods for Resale	275,00		
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 Nota Fiscal

### 7.1 Overview Legal Requirement

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

- 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 Cloud 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 Cloud 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)

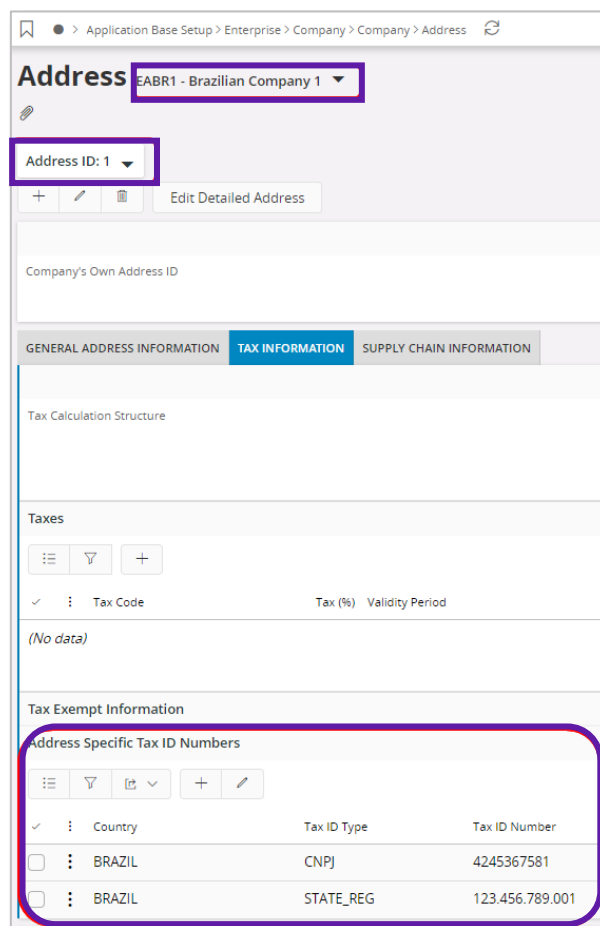
### Tax ID Types

✓	:	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
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 supported if the Forwarder is connected with a Supplier.

## 9 Automatic generation of official invoice number

### 9.1 Overview Legal Requirement

In Brazil, Nota Fiscal series are needed to segregate and control the Nota Fiscal numbering. Nota Fiscal number intervals are assigned to companies by the tax authority and there is a legal requirement to use the assigned numbers for the issued Nota Fiscals. Each series has its own Nota Fiscal 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 Nota Fiscal series are separating goods and services.

Nota Fiscal 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 Nota Fiscal 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: Nota Fiscal Number

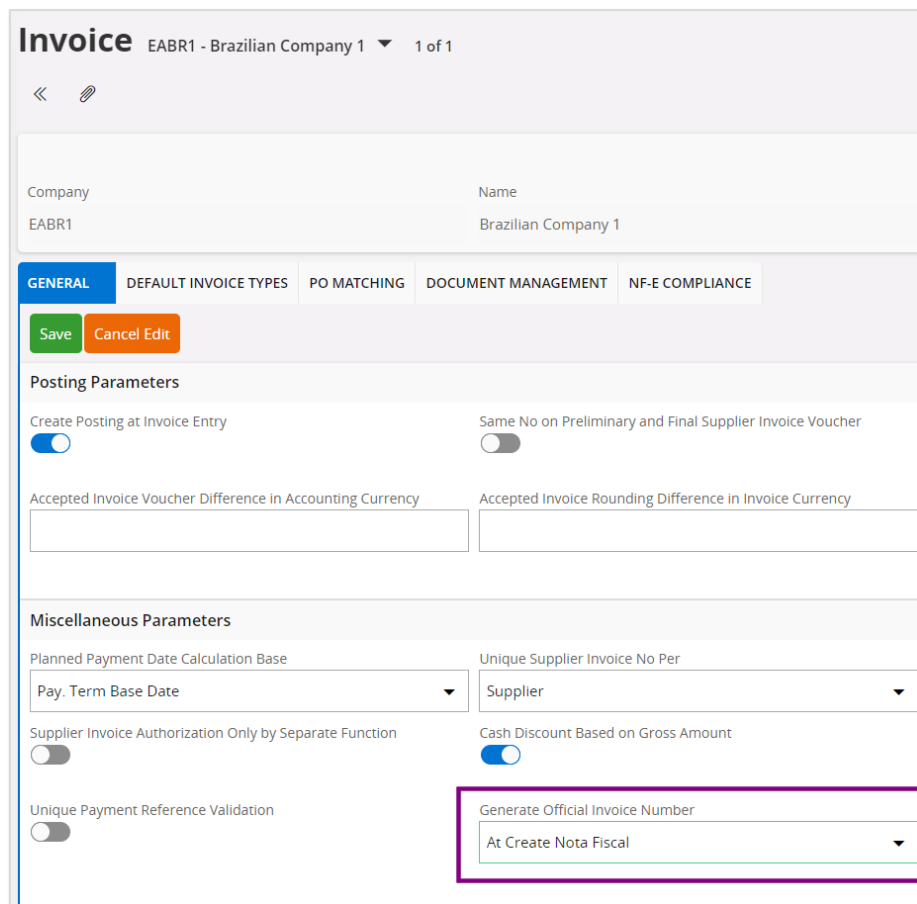
### Official Invoice Number Components

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	Nota Fiscal Number	Nota Fiscal Number

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 Nota Fiscals.

The “Generate Official Invoice Number” parameter should be set to “At Create Nota Fiscal”.



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

Company: EABR1 Name: Brazilian Company 1

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

Save Cancel Edit

**Posting Parameters**

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

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

**Miscellaneous Parameters**

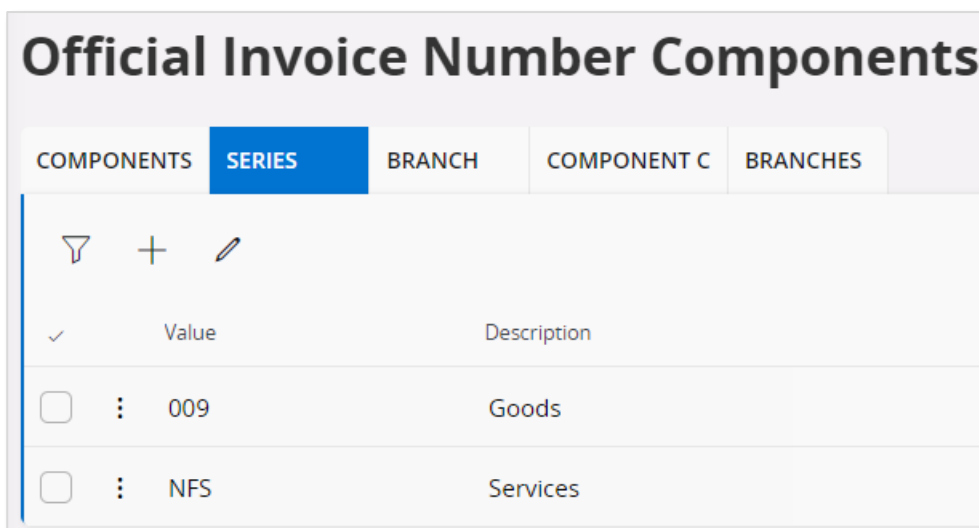
Planned Payment Date Calculation Base: Pay. Term Base Date Unique Supplier Invoice No Per: Supplier

Supplier Invoice Authorization Only by Separate Function:  Cash Discount Based on Gross Amount:

Unique Payment Reference Validation:  Generate Official Invoice Number: **At Create Nota Fiscal**

### 9.4.2 DEFINE NOTA FISCAL SERIES

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



## Official Invoice Number Components

COMPONENTS | **SERIES** | BRANCH | COMPONENT C | BRANCHES

Filter, Add, Edit icons

Value	Description
<input checked="" type="checkbox"/> : 009	Goods
<input type="checkbox"/> : NFS	Services

### 9.4.3 HDEFINE NOTA FISCAL NUMBER SERIES PER BRANCH

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

✓	:	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 Nota Fiscal numbers to be generated.

Official Invoice Number Components																												
COMPONENTS	SERIES	COMPONENT B	COMPONENT C	BRANCHES																								
<div style="border: 1px solid #ccc; padding: 5px;"> <div style="display: flex; justify-content: space-between; align-items: center;"> <span>Filter</span> <span>+</span> <span>Copy</span> <span>Edit</span> <span>Delete</span> <span>Alert</span> </div> <div style="margin-top: 5px;"> <p>Branch</p> <p> <input checked="" type="checkbox"/> B-1 - BR Branch 1         </p> </div> </div>																												
<div style="border: 1px solid #ccc; padding: 5px;"> <div style="display: flex; justify-content: space-between; align-items: center;"> <span>Filter</span> <span>+</span> <span>Copy</span> <span>Edit</span> <span>Delete</span> <span>Alert</span> </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>(1)</th> <th>Series</th> <th>Valid From</th> <th>Component B</th> <th>Component C</th> <th>Start Value</th> <th>End Value</th> <th>Next Value</th> <th>Length</th> <th>Default Series</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="checkbox"/></td> <td>009 - Goods</td> <td>5/5/2022</td> <td></td> <td></td> <td>1000001</td> <td>1009999</td> <td>1000015</td> <td>9</td> <td style="text-align: center;">Yes</td> </tr> </tbody> </table> </div>									(1)	Series	Valid From	Component B	Component C	Start Value	End Value	Next Value	Length	Default Series	<input checked="" type="checkbox"/>	009 - Goods	5/5/2022			1000001	1009999	1000015	9	Yes
(1)	Series	Valid From	Component B	Component C	Start Value	End Value	Next Value	Length	Default Series																			
<input checked="" type="checkbox"/>	009 - Goods	5/5/2022			1000001	1009999	1000015	9	Yes																			
<div style="border: 1px solid #ccc; padding: 5px;"> <p><input type="checkbox"/> B-2 - BR Branch 2</p> </div>																												

Select a Branch in the Financials/Customer Invoice/Basic Data/Official Invoice Number Components page, tab “Branches”. Use the drop-down list to connect Nota Fiscal Series and enter the Nota Fiscal number interval (start and end value) for the series. The length of the Nota Fiscal 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

Create Internal Customer Create Internal Supplier

**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
Priority	Forwarder ID	Replicate Doc Text
Reserve from Transport Task	Create CO in Released Status <input checked="" type="checkbox"/>	Use Part Catalog Description for Sales Part <input type="checkbox"/>
Use Inventory Default		

## 9.5 Create customer order

When the Customer Order is created, the default Nota Fiscal 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.

**Customer Order** V10060 1 of 1

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

Order No	Customer	Site	Order Type	Wanted Delivery Date/Time
V10060	BC BRCUST1 - Brazilian customer	BRA	NFE	8/3/22, 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
500.00 BRL	350.00 BRL	70.00	500.00 BRL	127.41 BRL	627.41 BRL

**ORDER DETAILS**

Coordinator	Currency	Customer's PO No	Additional Discou...	Priority
HH DEDEMO07 - Harald Hess	BRL		0	
Reference	Agreement ID	Language Code	Final Consumer	
		en - English	No	
Salesperson	Add Rebate Customer	Main Representative		
Ordering Region	Ordering District	Market	Classification Stan...	Created
				8/3/2022
Limit Sales to Ass...	Order Net Weight	Order Volume	Document Text	Notes
No	2	0.5	No	

**Delivery Address**

Delivery Address  
1 - Brazilian customer

**Document Address**

Document Address  
1 - Brazilian customer

**Invoice**

Tax ID	Tax ID Validated ...	Tax Liability
		TAX
Invoice Customer	Addr ID	
Required Prepay ...	Advance/Prepay...	Supply Country
0	No	BRAZIL
Customer Tax Usage Type	Series	
	009 - Goods	

**Delivery Settings**

Deliver-from Supplier	Ship-Via	Delivery Terms
	SV1 - Ship Via 1	301 - Free on Board - Origin
Del Terms Location	Route	Forwarder
Customer Calendar	External Transport Calendar	Backorder Option

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

## 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.

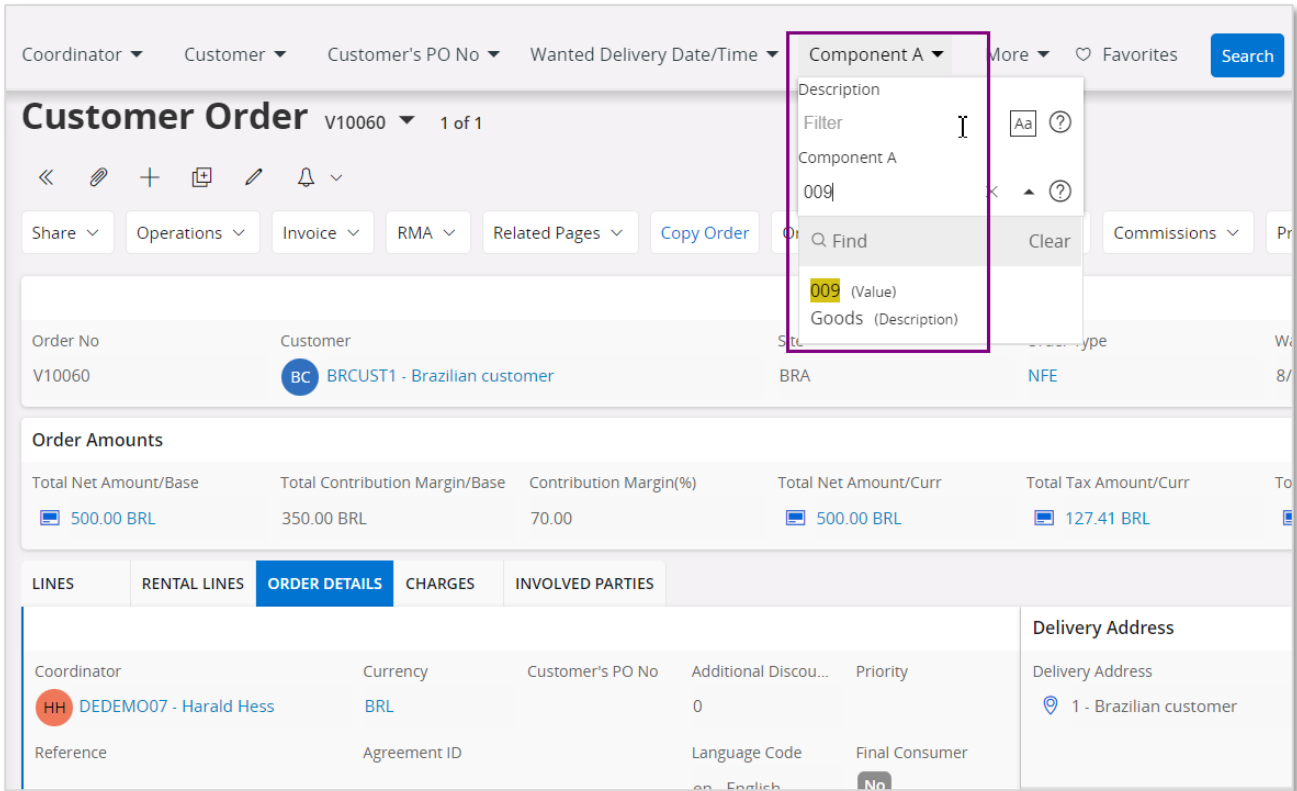
In the scenario where several Customer Orders are delivered using the IFS Cloud Shipment functionality, follow the standard process to create a Shipment Invoice. It will result in a created Customer Order Collective debit invoice.

The customer orders connected to a Shipment might not have the same value for “Series” but they are delivered from the same site. The Nota Fiscal 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 Orders with a specific Nota Fiscal series. “Sequence Number” is the field to use when searching for Nota Fiscal Number.



The screenshot displays the IFS Customer Order interface. At the top, there are navigation tabs: Coordinator, Customer, Customer's PO No, Wanted Delivery Date/Time, and Component A. A search bar is visible on the right. Below the navigation, the main header shows "Customer Order V10060 1 of 1". A search dropdown menu is open, showing a list of items with a search filter. The dropdown menu includes a "Filter" section with a search icon and a "Component A" section with a search icon. The search results show "009" (Value) and "Goods (Description)".

Order No	Customer	Site	Country	Language	Website
V10060	BC BRCUST1 - Brazilian customer	BRA	NFE	8/	

Order Amounts					
Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Tax Amount/Curr
500.00 BRL	350.00 BRL	70.00	500.00 BRL	127.41 BRL	

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES	Delivery Address
Coordinator	Currency	Customer's PO No	Additional Discou...	Priority	Delivery Address
HH DEDEMO07 - Harald Hess	BRL	0			1 - Brazilian customer
Reference	Agreement ID	Language Code	Final Consumer		
		en - English	No		

## 9.7 Create Outgoing Nota Fiscal and generate NF-e XML

Create the Outgoing Nota Fiscal from the Customer Invoice and generate the NF-e XML file.

## Outgoing Nota Fiscal - 009101000011 1 of 1

Send Cancel Request
Customer Invoice
Customer Invoice Postings Analysis

Sender		Receiver
Company	Company Name	Customer
EABR1	Brazilian Company 1	BRCUST1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	101000011	8/3/2022
Object Reference	Object Reference Status	Business Transaction Id
009101000011	Posted Auth	100
Currency Code		
BRL		
Nota Fiscal Text		
additional info for tax		

Amounts		
Gross Amount	Net Amount	Tax Amount
627.41	500.00	127.41

LINES	ADDRESS	GENERAL	NF-E INFORMATION							
<div style="display: flex; align-items: center;"> <input type="checkbox"/> <span style="margin-left: 10px;">Line ID</span> <span style="margin-left: 20px;">Quantity</span> <span style="margin-left: 20px;">Price</span> <span style="margin-left: 20px;">Net Amount</span> <span style="margin-left: 20px;">Net Dom Amount</span> <span style="margin-left: 20px;">Tax Amount</span> <span style="margin-left: 20px;">Tax Amount in Accounting Currency</span> <span style="margin-left: 20px;">Tax Code</span> </div>										
<input type="checkbox"/>	:	1	1	500.00	500.00	500.00	127.41	127.41		

The Nota Fiscal series, Nota Fiscal number and the IFS Invoice No for the preliminary invoice is fetched to the below XML tags:

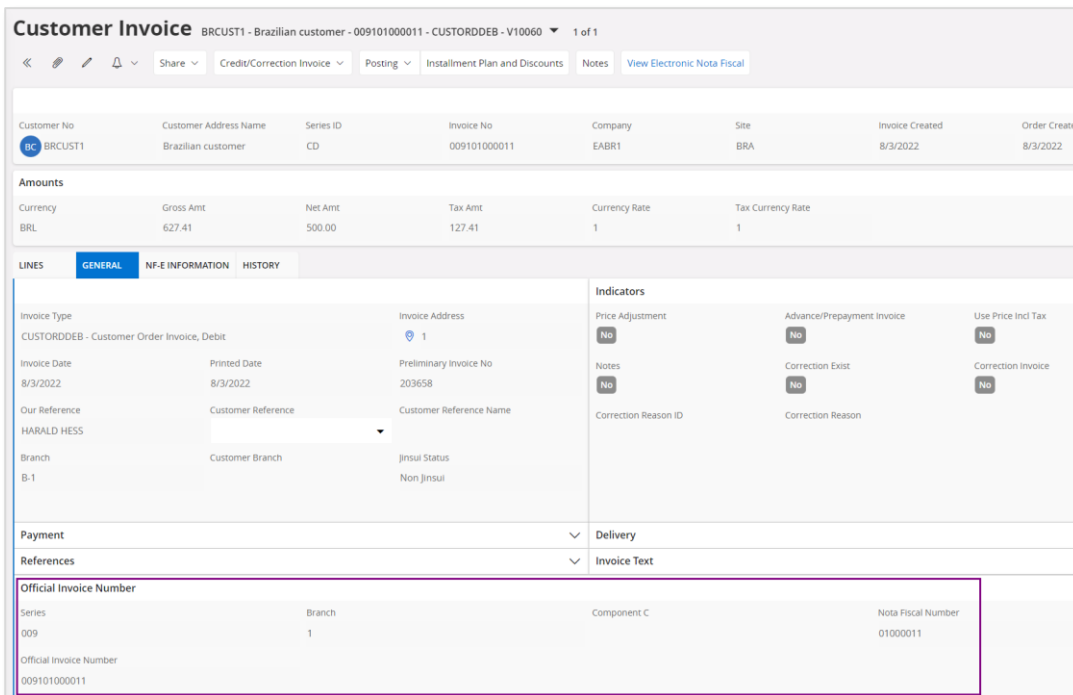
```

- <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>00000003</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 - Nota Fiscal 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)

The Customer Invoice is updated with the Official Invoice Number references.



**Customer Invoice** BRCUST1 - Brazilian customer - 009101000011 - CUSTORDDEB - V10060 1 of 1

Customer No: BRCUST1 | Customer Address Name: Brazilian customer | Series ID: CD | Invoice No: 009101000011 | Company: EABR1 | Site: BRA | Invoice Created: 8/3/2022 | Order Created: 8/3/2022

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	627.41	500.00	127.41	1	1

**Official Invoice Number**

Series	Branch	Component C	Nota Fiscal Number
009	1		01000011

Official Invoice Number: 009101000011

## 9.8 Delimitations

No delimitations defined.

## 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.

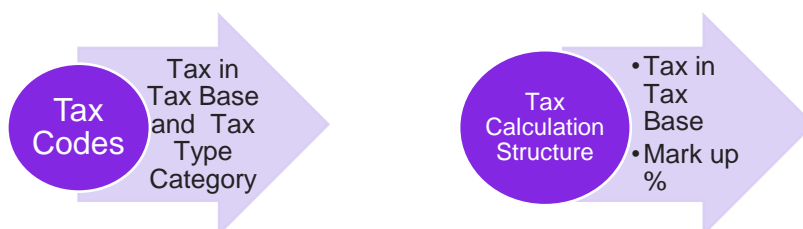
For legal tax reporting purposes, a tax type category must be defined for each tax code.

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										
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>										
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>						
Tax Code	Description	Tax Type	Tax in Tax Base	More	♥ Favorites	Clear 🔍 ⋮ Settings
(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)

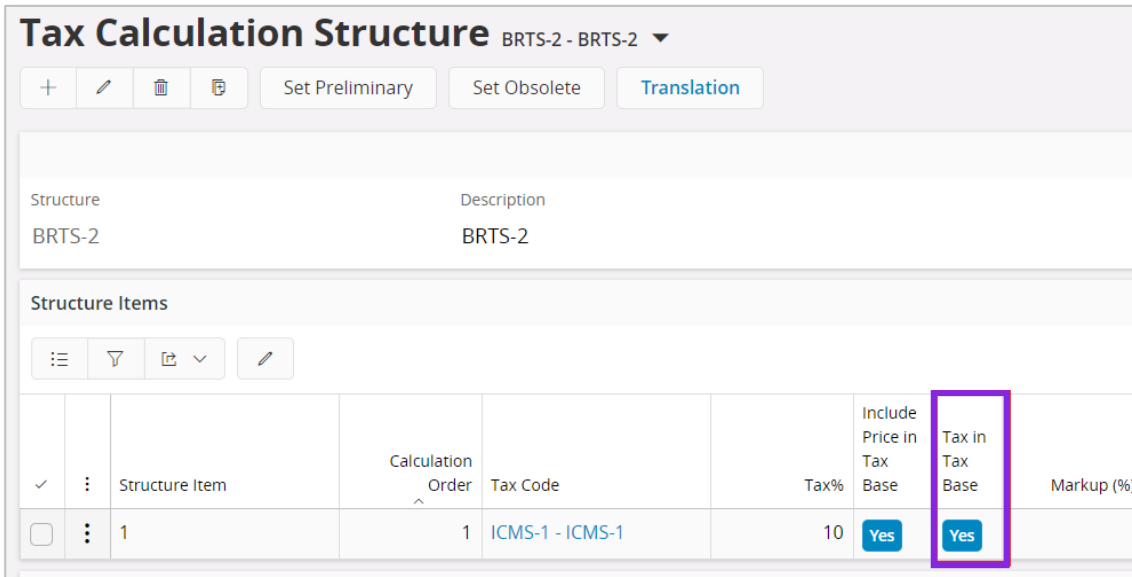
$$TB = \frac{100 \times 100}{100 - 10} = 111.11$$

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

### 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.



Structure	Description	Structure Items						
BRTS-2	BRTS-2							
Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)		
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								
<span>+</span> <span>✎</span> <span>🗑️</span> <span>📄</span> <span>Set Preliminary</span> <span>Set Obsolete</span> <span>Translation</span>								
Structure	Description							
DU:BR:TCS1	DU:BR:TCS1							
Structure Items								
<span>☰</span> <span>🔍</span> <span>📄</span> <span>✎</span>								
<input checked="" type="checkbox"/>	:	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

☰
🔍
🔄
Set Default

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base
⋮	137.50	ICMS 20%	Tax	20	27.50	27.50

OK
Cancel

### 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,

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

$p - \text{Net Amount} = 100.00$

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

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

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

$$\text{Tax Base Amount} = 133.33$$

- 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 Integration to Brazilian External Tax System – Tax Determination

## 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 Cloud 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 functional flows in IFS:

- Customer Order
- Customer Order Invoice
- Outgoing Tax Document

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.

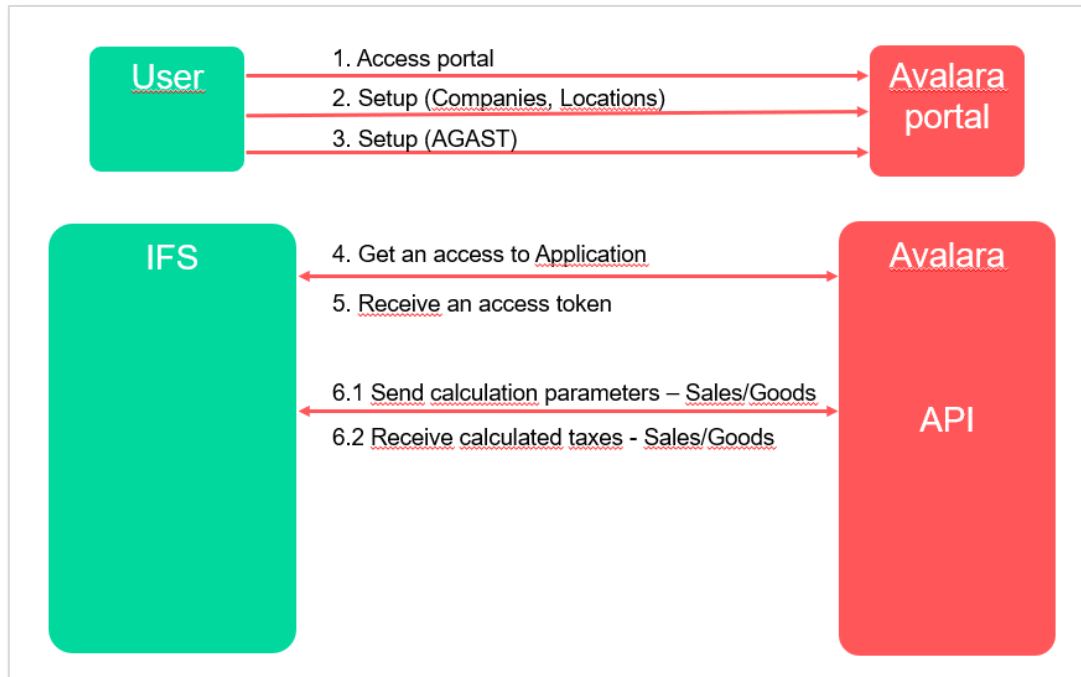
When a tax call is initiated from IFS Cloud, a call is made to the AvaTax Brazil software to fetch the correct tax types and tax rates based on the information on the customer, customer order invoice or tax document. Following main parameters are used to identify the correct tax rate:

- 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, Customer Order Invoice Tax Lines etc.

## 11.2 Process Overview

### Integration Overview



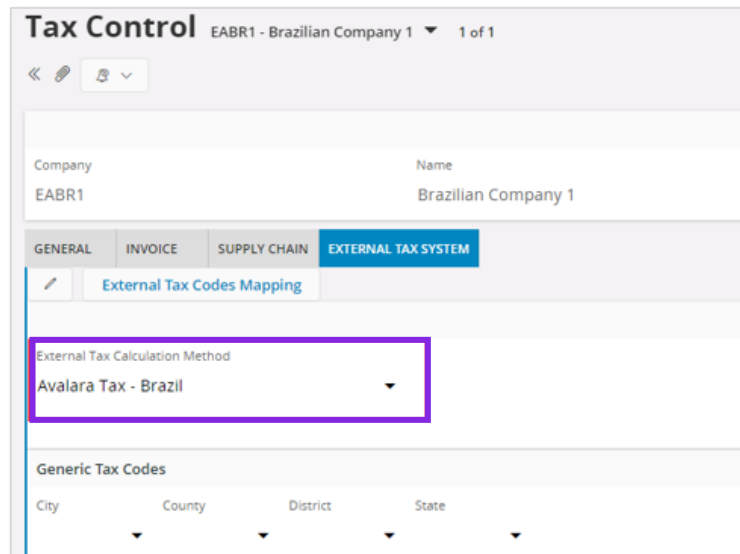
### Process Overview with Customer Order sales of goods



## 11.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “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 Nota Fiscales” 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 Nota Fiscal 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**

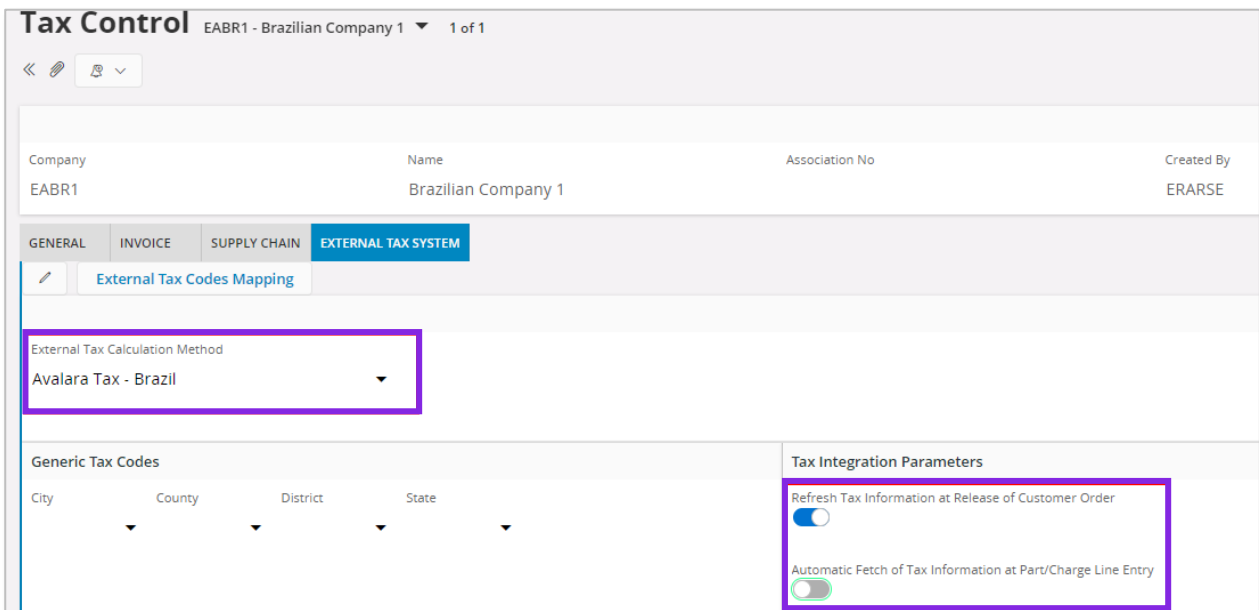
Level in Percent Level in Accounting Currency

#### 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

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

External Tax Calculation Method: Avalara Tax - Brazil

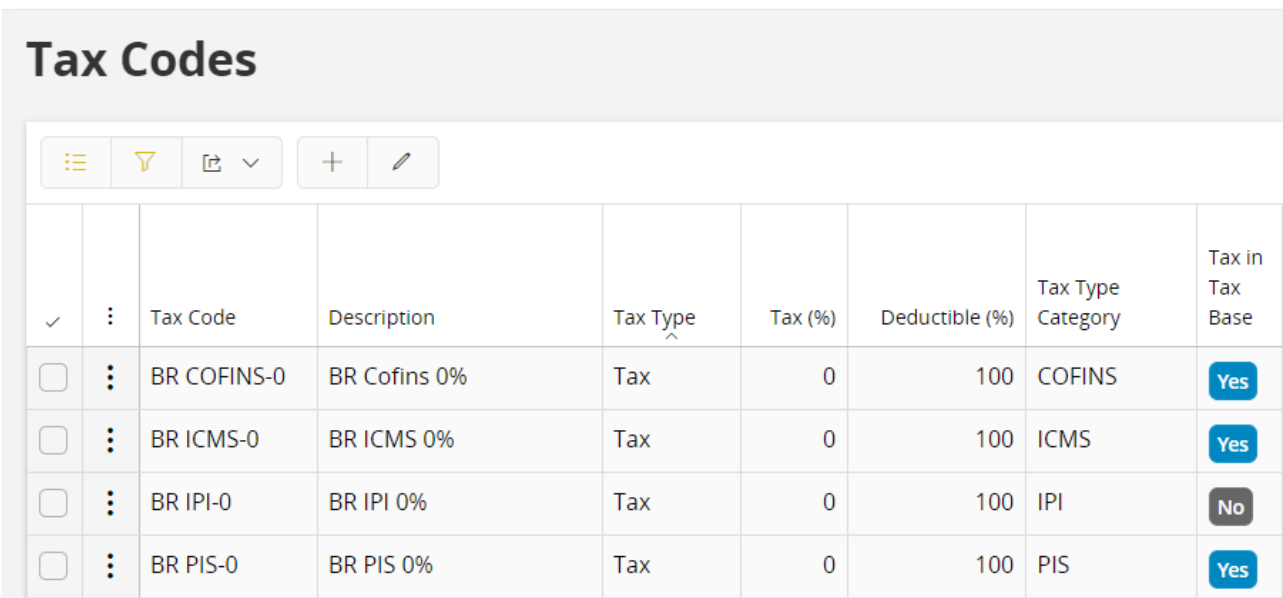
Generic Tax Codes: City, County, District, State

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 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	Yes
<input type="checkbox"/>	:	BR ICMS-0	BR ICMS 0%	Tax	0	100	ICMS	Yes
<input type="checkbox"/>	:	BR IPI-0	BR IPI 0%	Tax	0	100	IPI	No
<input type="checkbox"/>	:	BR PIS-0	BR PIS 0%	Tax	0	100	PIS	Yes

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

		Tax Type Category	Tax Code	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	⋮	COFINS	BR COFINS-0 - BR Cofins 0%	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	⋮	ICMS	BR ICMS-0 - BR ICMS 0%	0	<input 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 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 Cloud 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:

GENERAL INVOICE SUPPLY CHAIN **EXTERNAL TAX SYSTEM**

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  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

**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":"4345245000116"
  "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":"0470d0d8-2442-4430-8854-307948910de7"
  "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

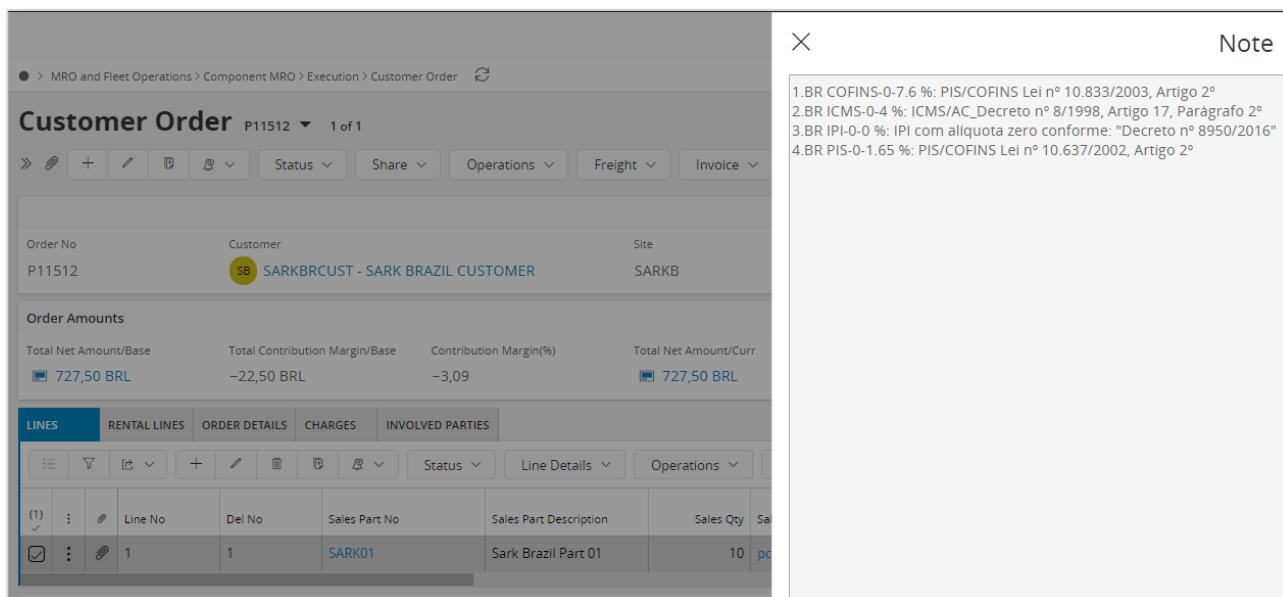
📍 HEAD OFFICE - SARK BRAZIL CUSTOMER

**Invoice**

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

Country Solution Brazil 55





The screenshot displays the IFS Customer Order interface for order P11512. The order is associated with customer SARKBRUCST - SARK BRAZIL CUSTOMER and site SARKB. The order amounts are: Total Net Amount/Base 727,50 BRL, Total Contribution Margin/Base -22,50 BRL, Contribution Margin(%) -3,09, and Total Net Amount/Curr 727,50 BRL. The order lines table shows one line with Line No 1, Del No 1, Sales Part No SARK01, Sales Part Description Sark Brazil Part 01, and Sales Qty 10. A 'Note' dialog is open on the right, listing four tax items:

- 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

**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 for Brazilian country specifics, 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 Nota Fiscal.

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",
  "tnIm": "1"
},
"additionalInfo": {
  "complementaryInfo": "IPI com alíquota zero conforme: \\\"Decreto nº 8950/2016\\\"\\n\\\"PIS/COFINS Lei nº 10.637/2002, Artigo 2º\\n\\\"PIS/COFINS Lei nº 10.833/2003, Artigo 2º\\n\\\"ICMS/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

**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
2021-06-16		202978		Notes	Correction Exist	Correction Invoice
ALAIN PRESTON		Customer Reference Name		No	No	No
A		Jinsui Status		Correction Reason		
A		Non Jinsui				

Payment Delivery

References Invoice Text

Invoice Text ID Invoice Text

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

## 11.6.2 Handle Outgoing Nota Fiscals

Please read chapter “Outgoing Nota Fiscals” 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, Customer Order invoicing of goods transactions and Intersite movement of goods within same company. 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 Nota Fiscal

### 12.1 Overview Legal Requirement

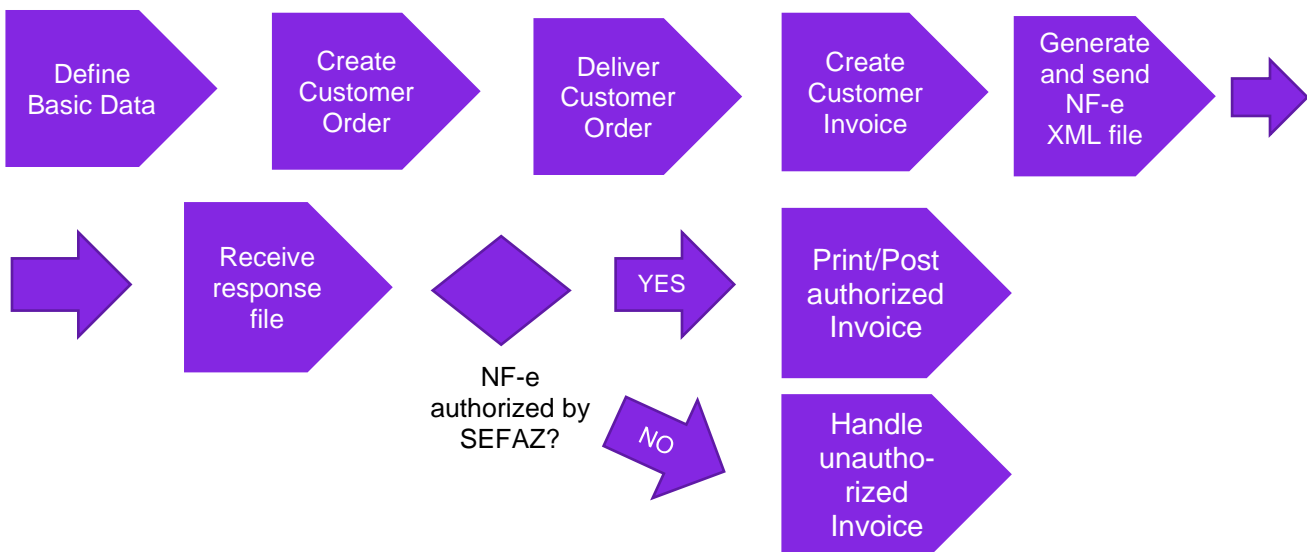
In Brazil the Nota Fiscal is a mandatory official document that must be issued to prove the existence of a commercial act, e.g. sale of goods. It's a tax document that registers transfer of ownership or possession of a good or commercial activity provided by a company to an individual or another company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

The NF-e is the Nota Fiscal 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 Nota Fiscal has been accepted by SEFAZ. A printed version of the Nota Fiscal (DANFE) must accompany the goods during transportation.

The Notas Fiscais must always be issued in Brazilian Real (BRL).

### 12.2 Process Overview

#### Customer Order sales of goods



### 12.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the "Outgoing Nota Fiscais" parameter must be enabled.

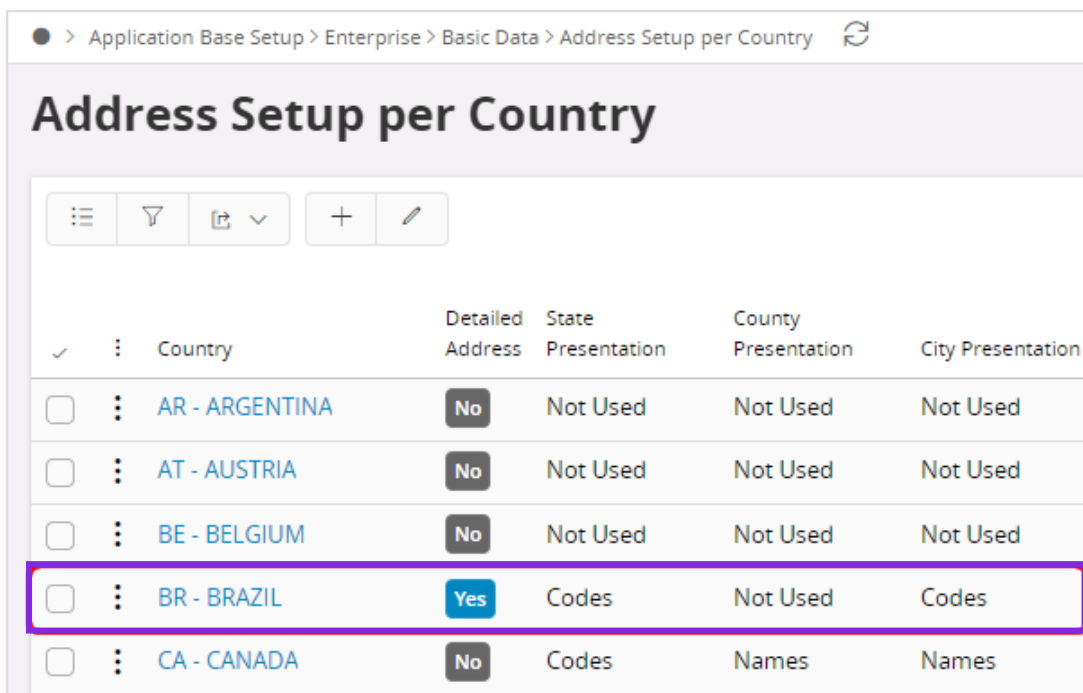
Note that also parameters "Acquisition Origin", "Business Operation", "Address Specific Tax ID Numbers", "Goods/Services Statistical Codes", "Extended Tax Codes Tax Calculation Structures set-up", "Use Automatic Generation of Official Invoice Numbers" and "Cancel PostedAuth Customer Order Invoices" must 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.

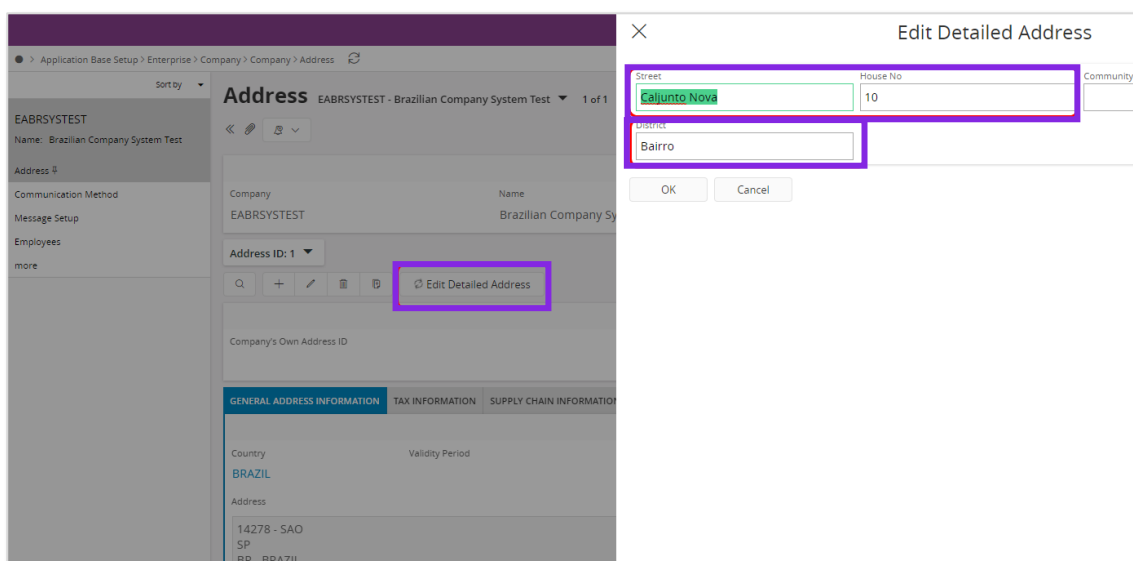
### 12.4.1 Address Setup Brazil

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 Nota Fiscal.



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: [empty]

District: Bairro

OK Cancel

**Edit Detailed Address** (button highlighted in purple)

Company: EABRSYSTEST Name: Brazilian Company System Test

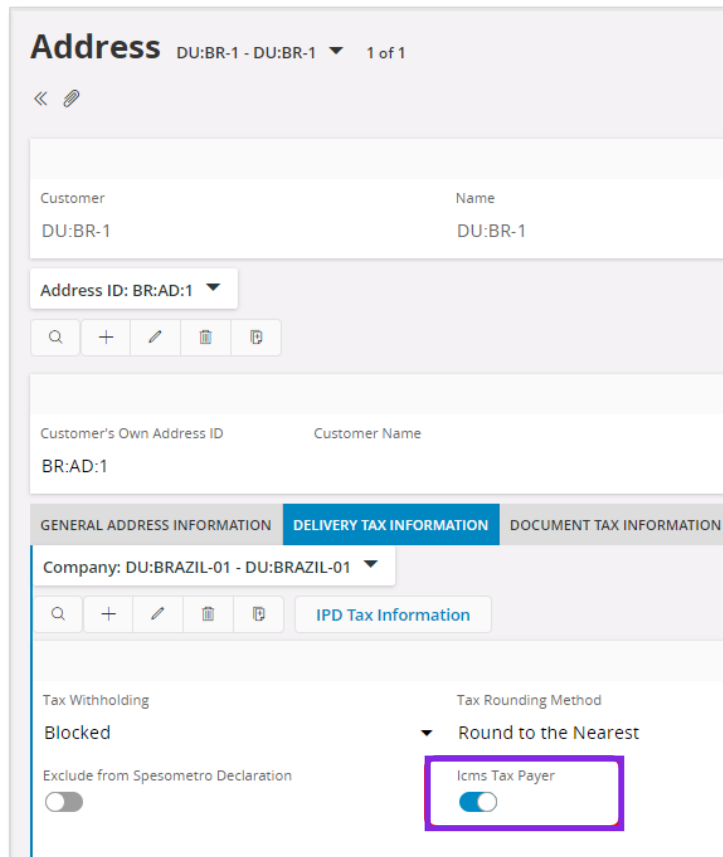
Address ID: 1

Country: BRAZIL

Address: 14278 - SAO SP BR - BRAZIL

### 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 - DU:BR-1'. The 'DELIVERY TAX INFORMATION' tab is active. Under 'Tax Withholding', the 'Icms Tax Payer' toggle switch is turned on and highlighted with a purple 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>
  <IE/>
  <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

☑ (1) ✓	☰	Country Code	Description	Country Name
☑	☰	AR	ARGENTINA	Argentine Republic
☑	☰	MX	MEXICO	United Mexican States
☑	☰	US	UNITED STATES	United States of America
☑	☰	BR	BRAZIL	Federative Republic of Brazil

**ALTERNATE COUNTRY CODES**

☰ ☹ 📄 ▾ + ✎ 🗑

☑	☰	Country Class	Alternative Country ID
☑	☰	BACEN	1058

#### 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.



**States** BR - Federative Republic of Brazil 1 of 1

Country: BR - Federative Republic of Brazil  
State Presentation: Codes

**State Codes**

✓	:	State Code	State Name	Numeric State Code
<input type="checkbox"/>	:	AC	Acre	12
<input type="checkbox"/>	:	AM	Amazonas	13
<input type="checkbox"/>	:	RJ	Rio de Janeiro	17
<input type="checkbox"/>	:	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.

**Cities** \*.\* 1 of 2

Country: BR - FEDERATIVE REPUBLIC OF BRAZIL  
State: SP - SÃO PAULO

**Cities**

✓	:	City Code	City Name	Numeric City Code
<input type="checkbox"/>	:	BAR	Barueri	6213
<input type="checkbox"/>	:	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+

Share Operations Invoice RMA Related Pages Copy Order

---

Order No	Customer	Site	Order Type
P10452	BRCUST1 - Brazilian Customer 1	BR1	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

---

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES	
Coordinator	Currency	Customer's PO No	Additional Discou...	Priority	Delivery Address
ALAIN - Alain Prost	BRL	0			Delivery Address 1 - Brazilian Custo
Reference	Agreement ID	Language Code	Final Consumer <input type="checkbox"/> No		Document Address
Salesperson	Add Rebate Customer	Main Representative			Document Address

```

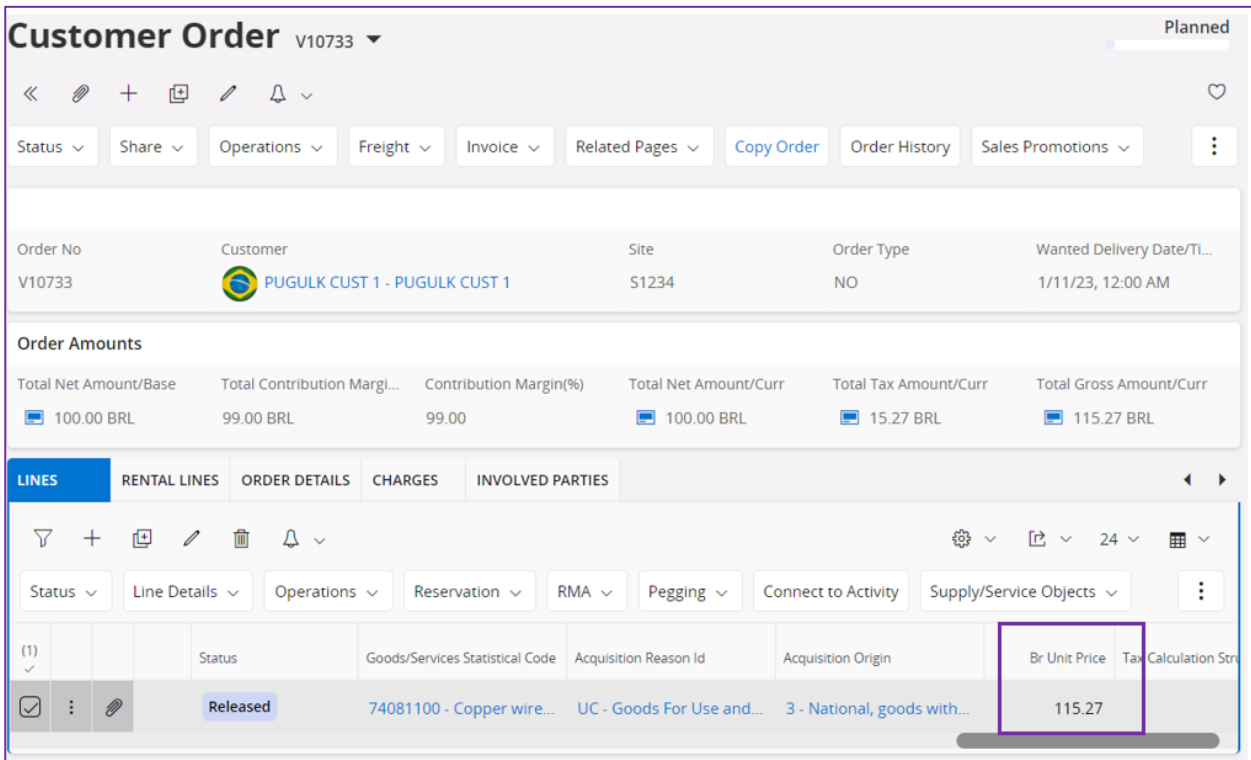
- <NFe xmlns:xs="http://www.w3.org/2001/XMLSchema" xmlns:xsi="http://www.w
- <infNFe versao="4" Id="35210612345679123450650090000100021002029788">
  - <ide>
    <cUF>35</cUF>
    <cNF>00202978</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010002</nNF>
    <dhEmi>2021-06-21T15:55:00+00:00</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>

```

### Placeholder – “BR Unit Price”

In Brazilian context, some taxes are included in the price of a product (in Brazilian way of explaining). This means that the tax amounts are included in the tax base amount. The tax % is expressed for the tax base amount which includes the tax amount as well. However, the logic used to embed the tax amounts in the price for Brazil considers some specific taxes (ex: ICMS, PIS and COFINS). Some taxes are not a part of this (ex: IPI), as these taxes are always separated from the price in the Nota Fiscal.

This is the placeholder in the Customer Order Line level – “**BR Unit Price**” in order to be the placeholder for the amount returned by Avalara in the attribute line “Unit Price” of Json file., This will be sent as the unit price for Outgoing Nota Fiscal line and xml file item – “**VunCom**”.



**Customer Order** V10733 Planned

Order No: V10733 | Customer: PUGULK CUST 1 - PUGULK CUST 1 | Site: S1234 | Order Type: NO | Wanted Delivery Date/Time: 1/11/23, 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	99.00 BRL	99.00	100.00 BRL	15.27 BRL	115.27 BRL

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

(1)	Status	Goods/Services Statistical Code	Acquisition Reason Id	Acquisition Origin	Br Unit Price	Tax Calculation Str
✓	Released	74081100 - Copper wire...	UC - Goods For Use and...	3 - National, goods with...	115.27	

```

<enderDest>
  <xLgr>No 12</xLgr>
  <nro>15/B</nro>
  <xBairro>Rio</xBairro>
  <CMun>1200401</cMun>
  <xMun>Rio Branco</xMun>
  <UF>AC</UF>
  <CEP>69900-000</CEP>
  <cPais>1058</cPais>
  <xPais>BRAZIL</xPais>
  <fone/>
</enderDest>
<indIEDest>1</indIEDest>
<IE>12347543</IE>
<email/>
</dest>
<det nItem="1">
  <prod>
    <CProd>SALES PART 01</cProd>
    <CEAN>SEM GTIN</cEAN>
    <xProd>Sales Part 01</xProd>
    <NCM>74081100</NCM>
    <CEST>2899900</CEST>
    <EXTIPI/>
    <CFOP>6101</CFOP>
    <uCom>"</uCom>
    <vUnCom>115.2700</vUnCom>
    <vUnCom>115.27</vUnCom>
    <CEANtrib>SEM GTIN</cEANtrib>
    <uTrib>pcs</uTrib>
    <qTrib>1.0000</qTrib>
    <vUnTrib>115.27</vUnTrib>
    <indTot>1</indTot>
  </prod>

```

**Note:** When Avalara isn't used to calculate the relevant taxes, “**BR Unit price**” will be calculated manually as follows.

## Calculation

$$\text{Br Unit Price} = \frac{(\text{Line Net Amount} + \text{Total Line tax Amount Without IPI Taxes})}{\text{Line Quantity}}$$

Example: Br Unit Price =  $((1000 + (87.61+46.11+19.02)) / 10 = 115.27$

Gross Amount	Net Amount	Tax Amount
1498.56	1000.00	498.56

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code
: 1152.74	COFINS	Tax	7.6	87.61	87.61	
: 1152.74	ICMS-4	Tax	4	46.11	46.11	
: 1152.74	PIS	Tax	1.65	19.02	19.02	
: 1152.74	IPI	Tax	30	345.82	345.82	

### 12.4.7 Presence Type

In the NF-e XML file there is a mandatory tag for “Presence Type” (indPres). The “Presence Type” is fetched from the Business Transaction Code defined in the Customer Order which is connected to the Customer Order Invoice.

## Business Transaction Codes

Business Transaction Id	Description	Direction	Presence Type	Acquisition Reason Id
100	Domestic Sales - Use and	Outbound	Presence-Onsite	2
110	Sales without taxes	Outbound	Internet	
130	Triangular sales	Outbound	Phone	

Not Applied: 0

Presence-Onsite: 1

Internet: 2

Phone: 3

Presence-Offsite: 5

Non-Presence: 9

```

- <NFe xmlns:xs="http://www.w3.org/2001/XMLSchema" xmlns:xsi="http://www.w
- <infNFe versao="4" 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 Nota Fiscal 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

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
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			Invoice Address			Indicators		
CUSTORDDEB - Customer Order Invoice, Debit			1			Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
2021-05-10			Preliminary Invoice No: 202310			No	No	No
Our Reference: ALAIN PRESTON			Customer Reference Name			Notes	Correction Exist	Correction Invoice
Branch: A			Jinsui Status: Non Jinsui			No	No	No
Payment			Delivery			Invoice Text		
References			Invoice Text ID			Invoice Text		
Order No: P10596			General complementary text to be included in all fiscal n...			<input type="text"/>		
Debit/Corr Invoice Series			<input type="text"/>			<input type="text"/>		
SBI Ref No			Rebate Settlement			<input type="text"/>		

**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
BC 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 NF-E 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: 202978			No	No	No
Our Reference: ALAIN PRESTON			Customer Reference Name			Notes	Correction Exist	Correction Invoice
Branch: A			Jinsui Status: Non Jinsui			No	No	No
Payment			Delivery			Invoice Text		
References			Invoice Text ID			Invoice Text		
Order No: P10608			Material segue para amostra, sem retorno.;Isento de IC...			<input type="text"/>		

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.

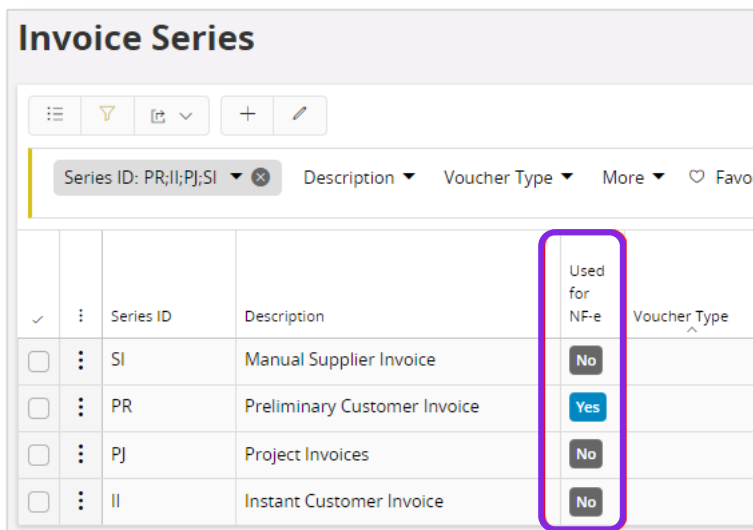
```

- <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

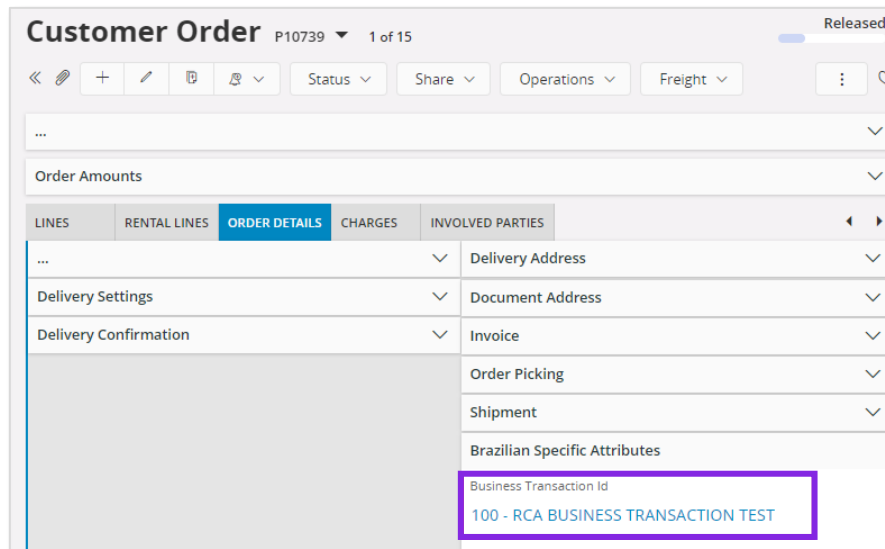
Enable the toggle “Used for NF-e” in the *Financials/Customer Invoice/Basic Data/Invoice Series* page for the invoice series used for invoicing of customer order delivery of goods. This setting will add value “55 = NF-e” in the corresponding xml tag for generated electronic Nota Fiscais.



Series ID	Description	Voucher Type	Used for NF-e
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.



The screenshot shows the 'Customer Order' interface for order P10739. The 'ORDER DETAILS' tab is active, and the 'Brazilian Specific Attributes' section is expanded. The 'Business Transaction Id' field is highlighted with a red box and contains the value '100 - RCA BUSINESS TRANSACTION TEST'.

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES
...				Delivery Address
		Delivery Settings		Document Address
		Delivery Confirmation		Invoice
				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.



<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>			
<input checked="" type="checkbox"/>	⋮	Events	Stop After
<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 Nota Fiscal 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.

**Shipment Type** BR - Brazil 1 of 1

Translation

---

Shipment Type: BR    Description: Brazil    Confirm Shipment Location:     Online Processing:     Approve before Delivery:

Keep Manual Gross Weight and Volume:     Packing Proposal:

---

**Shipment Creation**

Customer Order: At Order Release    Shipment Order: Not Automatic    Receipt Return: Not Automatic

**Consolidation Parameters**

Consolidate Source Lines by

Reference ID

---

SHIPMENT EVENTS    **CUSTOMER ORDER EVENTS**    SHIPMENT ORDER

Event	Stop After
CREATE INVOICE	<input type="checkbox"/>
PRINT INVOICE	<input checked="" type="checkbox"/>

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

## 12.8 Create Outgoing Nota Fiscal

As Notas Fiscais must always be issued in Brazilian Real, Customer Orders/Invoices for sales in foreign currencies will be converted into accounting currency BRL when the Outgoing Nota Fiscal is created.

Company level parameter, “*Manually Process Nota Fiscal*” determines whether the Outgoing Nota Fiscal is automatically created when creating the Customer Invoice or manually created from the Outgoing Nota Fiscal page.

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

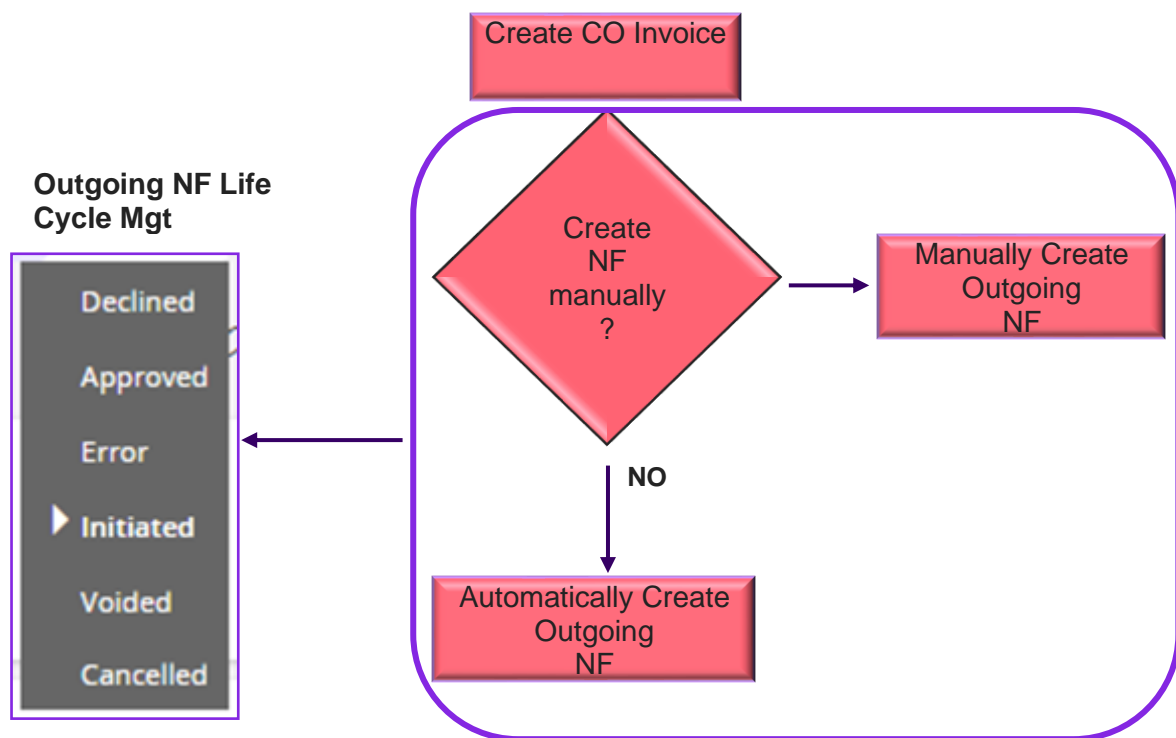
Company: DU-BR      Name: DU-BR Company      Association No:      Created By: DUDALK

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

Manually Process Incoming Nota Fiscal:       Manually Process Outgoing Nota Fiscal:

Attachments

Process Overview



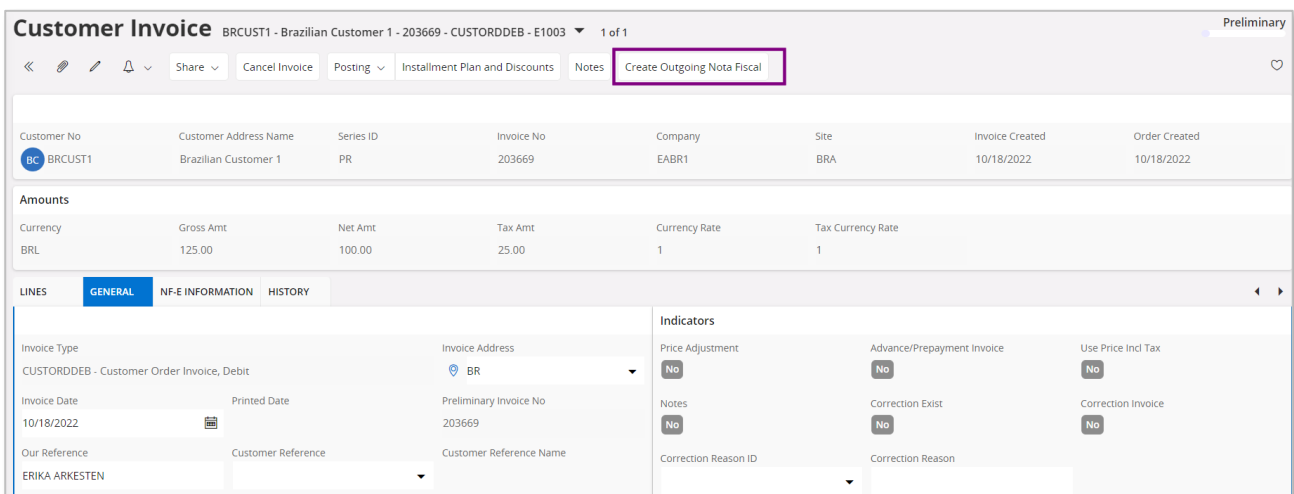
Below table shows, how this Company level parameter, “*Manually Process Nota Fiscal*” works with Customer Order Invoice, *Outgoing Nota Fiscal* and the NFe XML generation.

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 command, “ <i>Create Outgoing Nota Fiscal</i> ”.	NFe XML need to be manually generated by using the command “ <i>Send Nota Fiscal</i> ” in the Outgoing NF page.
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.
	*Both the Outgoing NF object and the NFe XML is automatically generated	

## 12.9 Outgoing Nota Fiscal Life Cycle Management

### 12.9.1 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, command “*Create Outgoing Nota Fiscal*” is enabled on CO Invoice.



The screenshot displays the 'Customer Invoice' interface for a Brazilian customer. The top navigation bar includes a 'Create Outgoing Nota Fiscal' button, which is highlighted with a red rectangular box. Below the navigation bar, the invoice details are shown, including Customer No (BRCUST1), Customer Address Name (Brazilian Customer 1), Series ID (PR), Invoice No (203669), Company (EABR1), Site (BRA), Invoice Created (10/18/2022), and Order Created (10/18/2022). The 'Amounts' section shows Currency (BRL), Gross Amt (125.00), Net Amt (100.00), Tax Amt (25.00), Currency Rate (1), and Tax Currency Rate (1). The 'LINES' section is currently set to 'GENERAL' and shows the Invoice Type (CUSTORDDEB - Customer Order Invoice, Debit), Invoice Address (BR), Invoice Date (10/18/2022), and Our Reference (ERIKA ARKESTEN). The 'Indicators' section shows various flags such as Price Adjustment (No), Advance/Prepayment Invoice (No), Use Price Incl Tax (No), Notes (No), Correction Exist (No), and Correction Invoice (No).

**Customer Invoice** BRCUST1 - Brazilian Customer 1 - 203669 - CUSTORDDEB - E1003 1 of 1 Preliminary

View Outgoing Nota Fiscal

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
BRCUST1	Brazilian Customer 1	PR	203669	EABR1	BRA	10/18/2022	10/18/2022

Amounts						
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate	
BRL	125.00	100.00	25.00	1	1	

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

Invoice Type		Invoice Address		Indicators	
CUSTORDDEB - Customer Order Invoice, Debit	BR	Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax	
Invoice Date: 10/18/2022	Printed Date	Notes	Correction Exist	Correction Invoice	
Our Reference: ERIKA ARKESTEN	Customer Reference	Correction Reason ID	Correction Reason		

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.

Outgoing 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

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\$ 0,00 Valor 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 integrator, Outgoing Nota Fiscal status is automatically set as “Sent Request”.

ing 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.

### 12.9.2 Outgoing NF Automatically created

When the Company parameter, "Manually Process Nota Fiscal" is disabled, the Outgoing Nota Fiscal Object is automatically created the Customer Order Invoice process,. Once the Outgoing Nota Fiscal Object is created in the Customer Order Invoice process, also the NFe XML is automatically generated based on the Outgoing NF object and send to the third party system intergrator to communicate with the Brazilian 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 created in "Sent Request" state. The connected CO Invoice is in "Preliminary" state and the associated CO is in "Closed" state.

Outgoing NF Status	CO Invoice Status	CO Status
Sent Request	Preliminary	Closed

ing 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	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

### 12.9.3 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 Outgoing Nota Fiscal/ NF-e Information tab, field “NF-e Key”. With this key every individual Nota Fiscal can be identified, and it’s also used to match the SEFAZ response to the right IFS Nota Fiscal.

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 Nota Fiscal	4
CNPJ	CNPJ registration of Issuer	14
Mod	Nota Fiscal model from Nota Fiscal	2
Serie	Nota Fiscal Series from Nota Fiscal	3 (left zeros are used if series is less than 3 positions)
nNF	Nota Fiscal Number from Nota Fiscal	9 (left zeros are used if series is less than 9 positions)
tpEmis	Emission Type from Nota Fiscal (=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 Nota Fiscal 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.

**Outgoing Nota Fiscal - 009101000013** Sent Request

Customer Invoice

Sender		Receiver	
Company	Company Name	Customer	Customer Name
EABR1	Brazilian Company 1	BRCUST1	Brazilian customer

Nota Fiscal Series	Nota Fiscal No	Invoice Date	Object Type
009	101000013	8/3/2022	Customer Order Invoice
Object Reference	Object Reference Status	Business Transaction Id	Payment Terms
203662	Preliminary		10
Currency Code	Nota Fiscal Text		
BRL	add info on taxes		

Amounts		
Gross Amount	Net Amount	Tax Amount
2800.00	2640.00	160.00

LINES ADDRESS GENERAL **NF-E INFORMATION**

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
8/3/2022	13220812457891414789650091010000131002036626		
NF-e Status Code	Return Message		

## 12.9.4 Generation of 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>

```

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.

## 12.9.5 Outgoing NF Approved

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

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

### Receive Response File

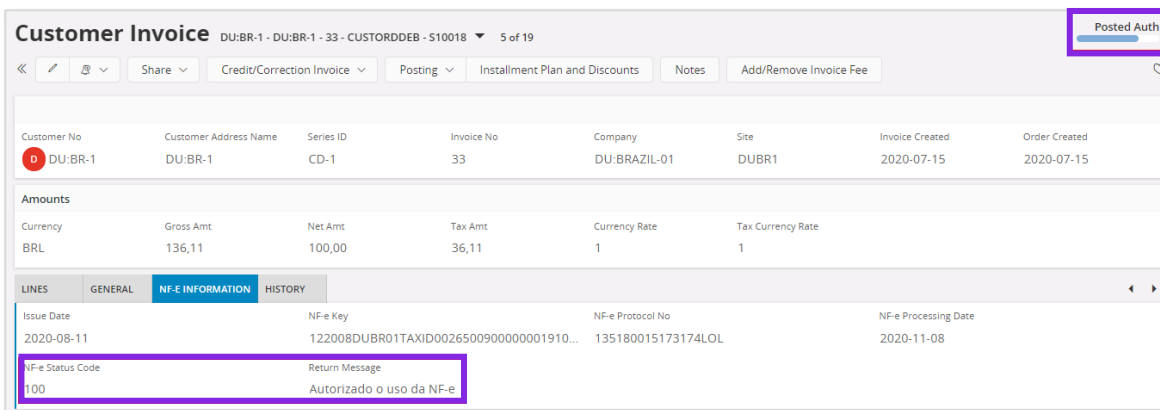
The Brazilian tax authority SEFAZ will in real time validate the received NF-e XML file and send back a response XML which must be received by IFS prior to the physical release of goods.

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 Nota Fiscal by validating the “NF-e Key”.

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

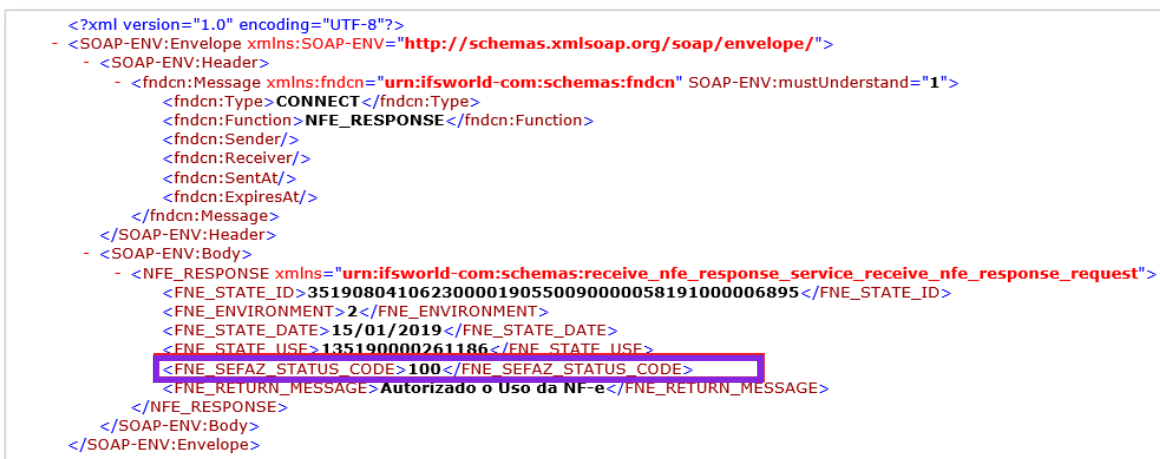
SEFAZ Status Code “100” indicates the response file is approved and these invoices are automatically printed and set to status “PostedAuth”.



The screenshot shows the 'Customer Invoice' interface. 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	122008DUBR01TAXID0026500900000001910...	135180015173174LOL	2020-11-08

Below this, the 'NF-e Status Code' is 100 and the 'Return Message' is 'Autorizado o uso da NF-e'.



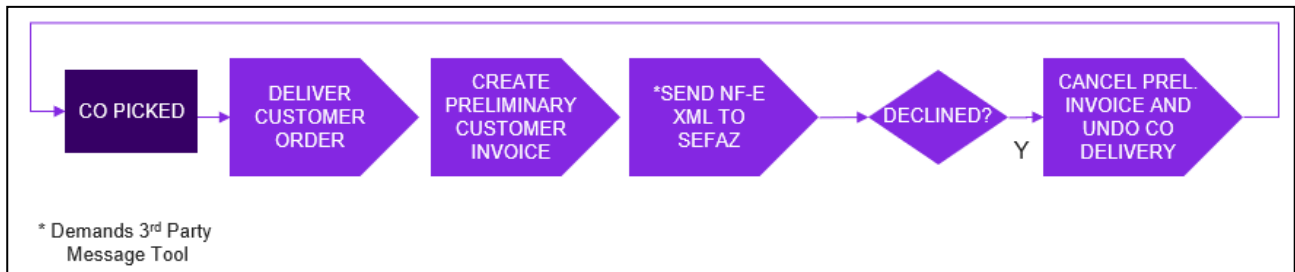
```

<?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 (neither automatically nor through manual commands) and the Customer Invoice will remain in status “Preliminary”. Handling all these scenarios are described in chapters below.

## 12.9.6 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 Nota Fiscal is declined it can not be voided or cancelled and the Nota Fiscal number cannot be used again.

**Outgoing Nota Fiscal - 00910000029** 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	10000029	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice		Cancelled
Business Transaction Id	Payment Terms	Currency Code

Once IFS Cloud 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 Nota Fiscal is declined.

Subsequently, the connected CO Invoice get “Cancelled”.

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

Share Posting Installment Plan and Discounts Notes View Electronic Nota Fiscal

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				

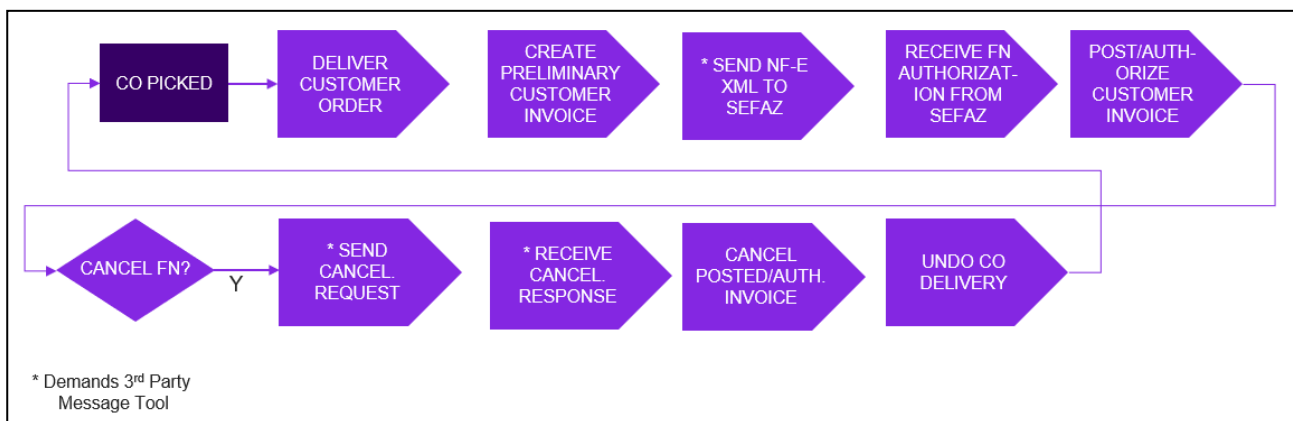
Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	176.13	100.00	76.13	1	1

Outgoing NF Status	CO Invoice Status	CO Status
Declined	Cancelled	Picked

In this scenario, it's always the "Preliminary" CO Invoice which is get Cancelled 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).

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

The general rule stated by Brazilian government says that companies are allowed to Cancel Authorized Nota Fiscales 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).



Outgoing NF Status	CO Invoice Status	CO Status
Cancelation Request Sent	Authorized	Closed

The "Send Cancel Request" command will generate an outgoing xml file representing the request to cancel the referenced Nota Fiscal 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>

```

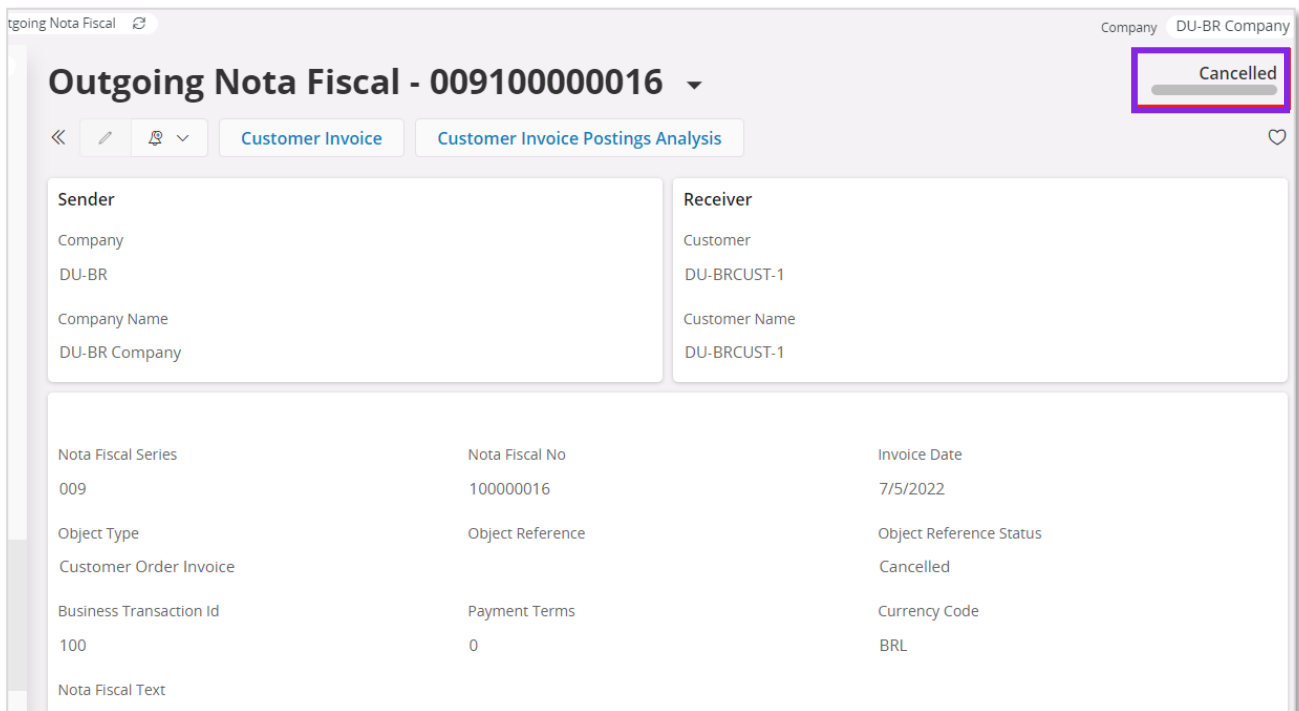
In the above scenario, Outgoing Nota Fiscal status is set to the “Cancellation Request Sent” while connected CO is still Authorized and CO status is Closed.

### 12.9.8 Cancel Approved Outgoing NF

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

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

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



The screenshot shows the IFS Cloud interface for an 'Outgoing Nota Fiscal' document. The document ID is '009100000016'. The status is 'Cancelled', which is highlighted with a red box. The interface includes a 'Sender' section with 'Company: DU-BR' and 'Company Name: DU-BR Company'. The 'Receiver' section shows 'Customer: DU-BRCUST-1' and 'Customer Name: DU-BRCUST-1'. Below these are fields for 'Nota Fiscal Series' (009), 'Nota Fiscal No' (100000016), 'Invoice Date' (7/5/2022), 'Object Type' (Customer Order Invoice), 'Object Reference', 'Object Reference Status' (Cancelled), 'Business Transaction Id' (100), 'Payment Terms' (0), and 'Currency Code' (BRL). There is also a 'Nota Fiscal Text' field at the bottom.

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		35220712345678901234650091000001610020696...	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								Cancelled
SARKBRUCST - SARK Brazil Customer - 970000034 - CUSTORDDEB - P10864								1 of 1
Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created	
SB SARKBRUCST	SARK Brazil Customer	CD	970000034	SARKBRUCOM	SARKB	2022-01-12	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			
LINES	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		Return Message						
135		Cancelamento Homologado						
Attachments								

The referenced Customer Order will change status back to "Picked".

Customer Order										Picked	
P10864										1 of 1	
Order No	Customer	Site	Order Type	Wanted Delivery Date/Time							
P10864	SB SARKBRUCST - SARK Brazil Customer	SARKB	NO	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 Nota Fiscal, 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.

### 12.9.9 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 integrator. There could be 2 types of Errors as described below,

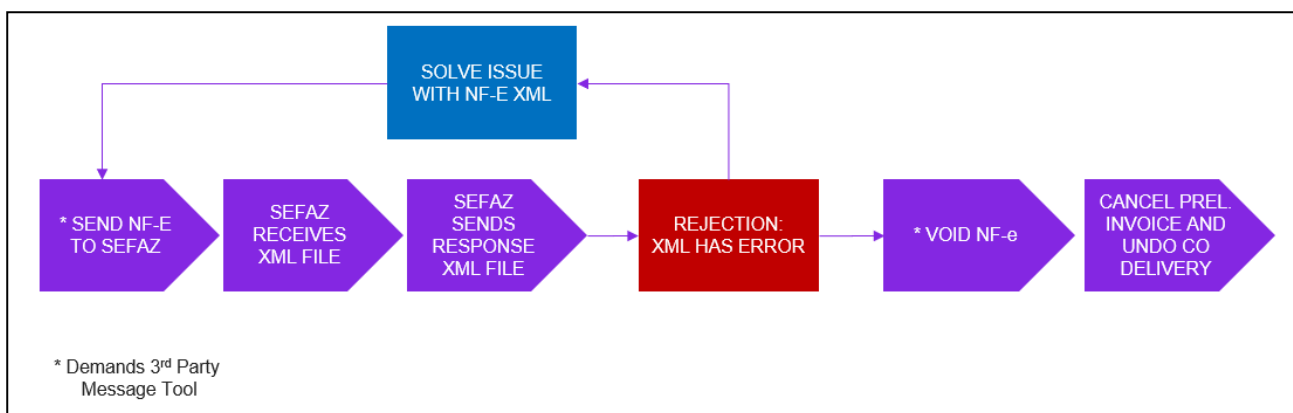
-Receive an Error Response which could be rectified

Outgoing 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

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



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

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

Sender **Send Void Request** Receiver

Company DU-BR  
DU-BR  
Company Name DU-BR Company  
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 Nota Fiscal 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**

Sender Receiver

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

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*”.

ping Nota Fiscal Company DU-BR Company

## Outgoing Nota Fiscal - 009100000028 1 of 1

Voided

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	100000028	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		352207123456789012346500910000002810020850...	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

[Share](#) [Posting](#) [Installation Plan and Discounts](#) [Notes](#) [View Electronic Nota Fiscal](#)

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site
<span style="color: red;">D</span> 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
CUSTORDDEB - Customer Order Invoice - Debit	Price Adjustment No

The referenced Customer Order will change status back to "Picked".

### Customer Order

V10260 1 of 1 Picked

[+](#) [Share](#) [Operations](#) [Freight](#) [Invoice](#) [Related Pages](#)

Order No	Customer	Site	Order Type	Wanted Delivery Date/Ti...
V10260	<span style="color: red;">D</span> DU-BRCUST-1 - DU-BRCUST-1	DUBR1	NO	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

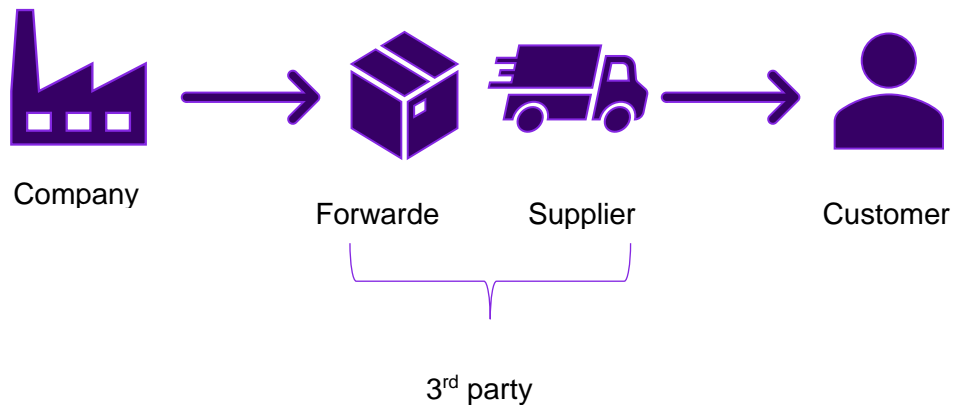
[LINES](#) [RENTAL LINES](#) [ORDER DETAILS](#) [CHARGES](#) [INVOLVED PARTIES](#)

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

## 12.10 Handling of transport related attributes in outgoing nota fiscal for deliveries handled by 3rd party forwarders/suppliers

In here we consider about outgoing nota Fiscal behaviour if the Transportation process happen with 3<sup>rd</sup> party(Forwarder).Mainly Brazilian tax authority SEFAZ request details of Transportation including Forwarder,Delivery info,weights and Volume etc.

### 12.10.1 Process Overview



### 12.10.2 Basic data

From the functional point of view, forwarder is not the actual transport service provider and most of the time they will get a service supplier to arrange the delivery. So basically, forwarder coordinate the shipment with their customer and service supplier.

Connect a Supplier to the Forwarder in the *Application Base Setup/Enterprise/Forwarder* page. Brazilian tax details can be defined in the *Application Base Setup/Enterprise Supplier* page under Address/Document Tax Information tab.

**Forwarder** UPS - United Parcel Service - ▾

⏪ ✎ + 📄 🗑️ 🔔 ▾

Forwarder	Name	Association No
UPS	United Parcel Service	

Supplier

**UP** UPS - UPS-Delivery partner ▾

Supplier	Name
UPS	UPS-Delivery partner

Address ID: UPS AD1 ▾

🔍 + 📄 ✎ 🗑️

Supplier's Own Address ID	Supplier Name

GENERAL ADDRESS INFORMATION | DELIVERY TAX INFORMATION | **DOCUMENT TAX INFORMATION**

🔍 + 📄 ✎ 🗑️ 🔔 ▾

▼	(1) ✓	Company	Tax ID Type	Tax ID Number
⤴	<input checked="" type="checkbox"/>	RCCOM2		

**ADDRESS SPECIFIC TAX ID NUMBERS**

🔍 + ✎

✓	Tax ID Type	Tax ID Number
<input type="checkbox"/>	CNPJ	19940987654321
<input type="checkbox"/>	STATE_REG	20220804

### 12.10.3 Transportation details in NFe

User need to enter below new attributes manually in outgoing nota Fiscal just before sending it to Brazilian tax authority SEFAZ.


Vehicle & Package details :

Attributes
Vehicle License Plate
Vehicle Country
Vehicle State
Volume Numbers
Volume Labels

Below attributes are fetched from the customer invoices or outgoing tax document according to the below mentioned criteria.

Attributes	Data entry method in customer order	Data entry method in Shipment order
Forwarder	Fetched from Customer invoice	Fetch from Shipment/General/Delivery informati
Forwarder address	retrieve from Forwarder basic data (default document address) & possible to change via LOV.	
Supplier	Fetched forwarder connected Supplier.	
Supplier address	retrieve supplier's default document address, possible to change via LOV.	
CNPJ	retrieve from document tax information from supplier under connected company.	
State Reg	retrieve from document tax information from supplier under connected company.	
Net weight	Total net weight of all lines from master part data.	Fetched from Shipment/general/weight/net weight
Gross Weight	If Outgoing nota Fiscal going to make via shipment, it can fetch from the Shipment. If else values fetched from reserved parts data	Fetched from Shipment/general/weight/Operativ
Volume	Total volume of all lines from master part data	Fetched from Shipment/general/Volume/operati
Delivery Terms	Fetch directly from Customer invoice	Fetched from Shipment
Ship via code	Fetch directly from Customer invoice	Fetched from Shipment

The details of 3<sup>rd</sup> party, coming to the Outgoing Nota Fiscal under the address tab.

LINES	ADDRESS	GENERAL	NF-E INFORMATION
<b>Sender</b>			
Document Address ID	Delivery Address ID	CNPJ	State Registration
ADCOM2	ADCOM2	12345678901234	1111111
<b>Receiver</b>			
Document Address ID	Delivery Address ID	CNPJ	State Registration
CUSAD1	CUSAD1	10010010010012	100100
<b>Forwarder</b>			
Forwarder	Forwarder Document Address	Supplier	Supplier Document Address
 DE - DHL	11	DHL	SUP AD1
CNPJ	State Registration		
9940123456789	00040008		

Other details are coming under General tab as follow.

LINES		ADDRESS	GENERAL	NF-E INFORMATION
<b>Delivery Information</b>				
Ship Via	Delivery Terms	Vehicle License Plate	Vehicle Country	
test	TEST	VEH1234	BR - BRAZIL	
Vehicle State				
SP				
<b>Weight</b>		<b>Volume</b>		
Net Weight	Gross Weight	Volume	Volume Numbers	Volume Labels
10 kg	10 kg	10 m3	N11	V11

#### 12.10.4 Transportation details in NF- XML file

According to format of NFe file, 3<sup>rd</sup> party and other transportation details are passed to xml under “transp” element.

```

<transp>
  <modFrete>9</modFrete>
  <transporta>
    <CNPJ>13.339.532/0001-08</CNPJ>
    <xNome>IP - BRSU1</xNome>
    <IE> 65369841653658</IE>
    <xEnder>BRSA1,,-----BR</xEnder>
  </transporta>
  <veicTransp>
    <placa>123</placa>
    <UF>RS</UF>
  </veicTransp>
  <vol>
    <qVol>0</qVol>
    <esp>m3</esp>
    <marca>2</marca>
    <nVol>1</nVol>
    <pesoL>5</pesoL>
    <pesoB>5</pesoB>
  </vol>
</transp>

```

#### 12.11 Delimitations

- In this version, Outgoing Nota Fiscal is not supported in *Instant Invoice* and *Project Invoice* flows.
- Outgoing Nota Fiscal is supported only in the CO flow (and supports only the basic functionalities in CO flow), Supplier Returns for Credit and Intra company goods movements.

## 13 Outgoing Nota Fiscal – Supplier Returns for credit

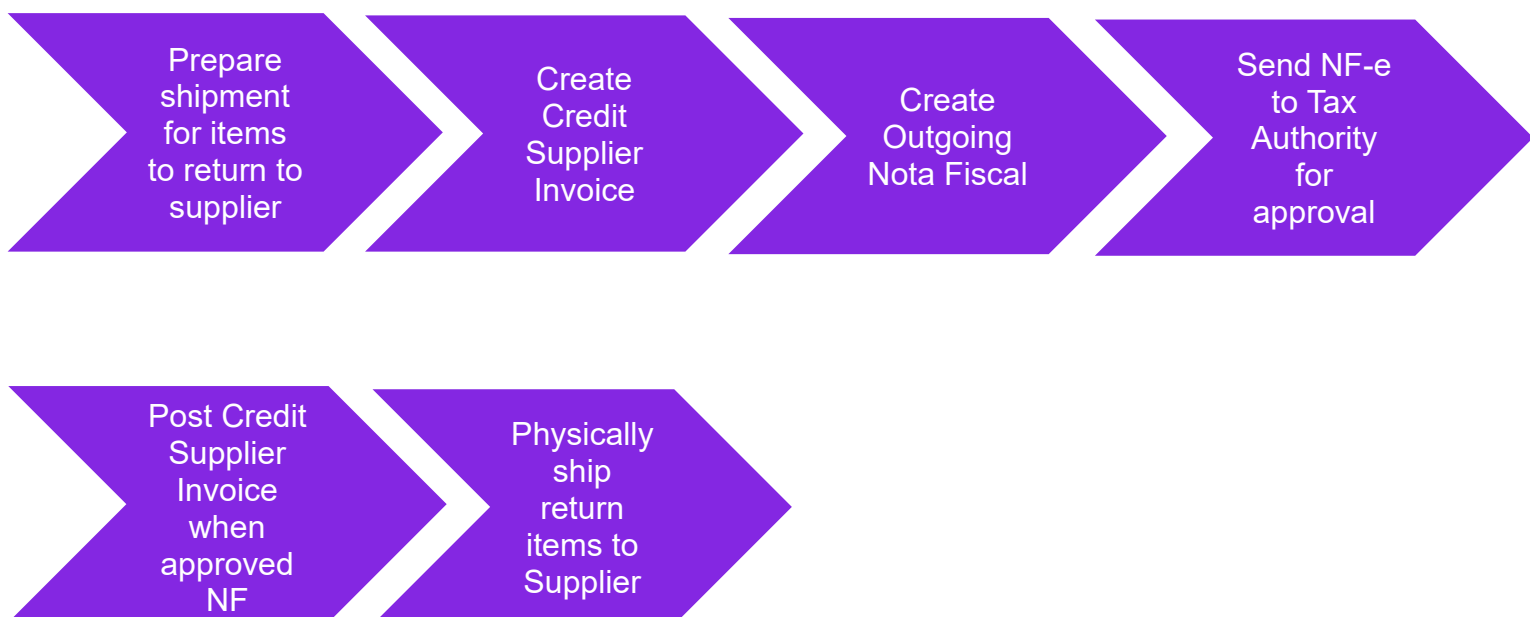
### 13.1 Overview Legal Requirement

Brazilian law requires that companies 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 Nota Fiscal to Supplier Returns transaction, following rules must be 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





- Creating a Credit Supplier Invoice will automatically generate an Outgoing Nota Fiscal Object.
- Generate Nfe-xml and communicate with the third party system integrator
- Outgoing Nota Fiscal lifecycle management is applied (Explained more in detail in the *Outgoing Nota Fiscals* chapter)
- Credit Supplier Invoice could be processed 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 Outgoing Nota Fiscal is automatically created when generating the Credit Supplier Invoice or manually processed.

### 13.4 Prepare shipment for items to return to Supplier

Use IFS Cloud generic functionality to register inspection results, set the Receipt Return Type = Return Credit and connect return items to Shipment.

### 13.5 Create Credit Supplier Invoice

#### 13.5.1 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 Preliminary state.

Once the Outgoing Nota Fiscal is generated , Outgoing Nota fiscal Number will automatically get assigned to the Credit Supplier Invoice as Credit Supplier Invoice No and replace the system generated Credit Supplier Invoice preliminary number.

To have a system generated and unique number series used in Credit Supplier Invoice flow, use the IFS Cloud core functionality “Print Debit/Credit Notes” as described below.

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

Go to the *Financials/Supplier Invoice/Basic Data/Invoice Series* page and define a new invoice series to use in Credit Supplier Invoice flow.

### Invoice Series

✓		Series ID	Description	Voucher Type
<input type="checkbox"/>	:	SX	External Supplier Invoice	
<input type="checkbox"/>	:	SR	Supplier returns	
<input type="checkbox"/>	:	SI	Manual Supplier Invoice	
<input type="checkbox"/>	:	SF	Supplier Difference Item	
<input type="checkbox"/>	:	SD	Customer Order Self-Billing Invoice, Debit	
<input type="checkbox"/>	:	SCR	Supplier Credit Invoice	
<input type="checkbox"/>	:	SC	Customer Order Self-Billing Invoice, Credit	

Then define an Invoice No series to be used.

### Invoice Number Series

SCR - Supplier Credit Invoice 1 of 1

✓	Valid From	Start Value	End Value	Next Value
<input type="checkbox"/>	8/4/2022	5000	5999	5001

**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 assigning of 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
SUPRECINV	Recurring Supplier Invoice		No	No	No	RS		No
SUPPINV_CR	Credit Supplier Invoice		No	No	No	SCR		Yes
SUPPINVRET	Supplier returns		No	No	No	SR		No
SUPPINV	Manual Supplier Invoice		No	No	No	SI		No
SUPPEXT	External Supplier Invoice		No	No	No	SX		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, to have a unique Credit Supplier Invoice No in Priliminary 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 and during the process of Credit Supplier Invoice generation, Invoice No is automatically assigned.

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

As per the Brazilain 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 establish a connection between the original Nota Fiscal received from the Supplier with the outgoing Nota Fiscal generated based on the new Credit Supplier Invoice. IFS Cloud core functionality "Reference Series" and "Reference Invoice No" is used to established the connection.

When a Credit Supplier Invoice is created for a Brazilian company, it's a must to connect the original Supplier Debit invoice as follows:

### 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	7/25/2022	2022	7	AC	I	

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier
91000177					DU-BRSUP1 - DU-BRS

Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	Arrival Date
SUPPINV_CR	SCR		BRL	1	7/25/2022	7/25/2022

Payment Terms	Due Date	Plan Pay Date	Payment Reference	Automatic Payment Authorization
0 - Due Immediately	7/25/2022	7/25/2022		No

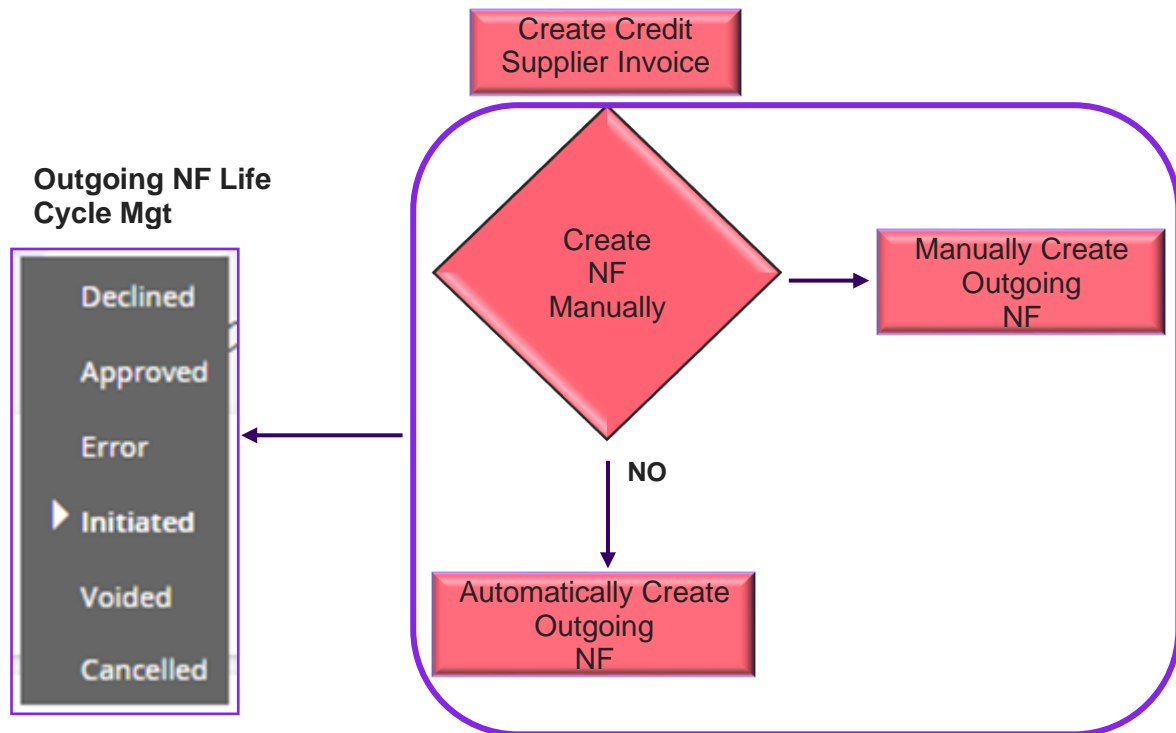
Advance Invoice:  Gross Amount: Net Amount: Tax Amount:

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

### 13.5.3 Create Outgoing Nota Fiscal Manually/Automatically

Create the Credit Supplier Invoice in Preliminary state using IFS standard functionality, then create an "Outgoing Nota Fiscal" object in the application. Once the Outgoing Nota Fiscal is created, the preliminary Credit Supplier Invoice number will be replaced by the Outgoing Nota Fiscal number.

Process Overview



13.5.4 Basic Data setting – Outgoing Nota Fiscal

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

## Invoice

DU-BR - DU-BR Company ▼ 1 of 5

⏪
📎
🔔 ▼

Company	Name	Association No
DU-BR	DU-BR Company	
Created By		
DUDALK		

✎
🗑️

GENERAL
DEFAULT INVOICE TYPES
PO MATCHING
DOCUMENT MANAGEMENT
NF-E COMPLIANCE

Manually Process Incoming Nota Fiscal

Manually Process Outgoing Nota Fiscal

Attachments

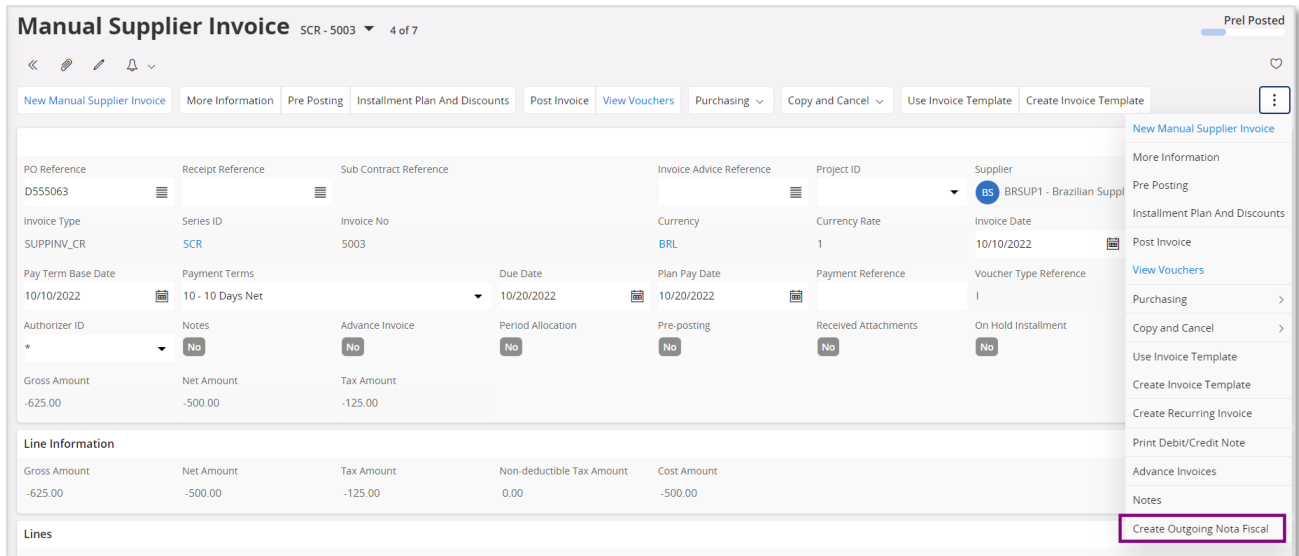
Below table shows, how this Company level parameter “ *Manually Process Nota Fiscal* ” works with *Credit Supplier Invoice*, *Outgoing Nota Fiscal* and the NFe XML generation.

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 command, “ <i>Create Outgoing 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 is automatically generated</i>		

## 13.6 Outgoing Nota Fiscal Life Cycle Management

### 13.6.1 Outgoing NF Manually created

When Company level parameter “Manually Process Nota Fiscal” is enabled, the Outgoing Nota Fiscal needs to be manually created in the Credit Supplier Invoice process. To support this manual process, command “*Create Outgoing Nota Fiscal*” is enabled on Credit Supplier Invoice.



The screenshot shows the 'Manual Supplier Invoice' form for SCR - 5003. The form includes fields for PO Reference (DS55063), Invoice Type (SUPPINV\_CR), Invoice No (5003), Currency (BRL), and Invoice Date (10/10/2022). A dropdown menu is open on the right side, listing various actions, with 'Create Outgoing Nota Fiscal' highlighted at the bottom.

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier	
DS55063					BS - BRSUP1 - Brazilian Suppl	
Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	
SUPPINV_CR	SCR	5003	BRL	1	10/10/2022	
Pay Term Base Date	Payment Terms	Due Date	Plan Pay Date	Payment Reference	Voucher Type Reference	
10/10/2022	10 - 10 Days Net	10/20/2022	10/20/2022		I	
Authorizer ID	Notes	Advance Invoice	Period Allocation	Pre-posting	Received Attachments	On Hold Installment
*	No	No	No	No	No	No
Gross Amount	Net Amount	Tax Amount				
-625.00	-500.00	-125.00				
Line Information						
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount		
-625.00	-500.00	-125.00	0.00	-500.00		
Lines						

Once the Outgoing Nota Fiscal is created from the Credit Supplier Invoice, command “View Outgoing Nota Fiscal” is enabled.

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

Outgoing 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 “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 intergrator for Brazilian Tax Authority approval.

### Manual Supplier Invoice

SCR - 0091000010006 5 of 7 Prel Posted

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installment Plan And Discounts](#)
[View Vouchers](#)
[Purchasing](#)
[Use Invoice Template](#)
[Create Invoice Template](#)
[Advance Invoices](#)
[Notes](#)
[View Outgoing Nota Fiscal](#)

PO Reference 200137	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier BS - BRSUP1 - Brazilian Supplier 1
Invoice Type SUPPINV_CR	Series ID SCR	Invoice No 0091000010006	Currency BRL	Currency Rate 1	Invoice Date 10/10/2022
Pay Term Base Date 10/10/2022	Payment Terms 10 - 10 Days Net	Due Date 10/20/2022	Plan Pay Date 10/20/2022	Payment Reference	Voucher Type Reference I
Authorizer ID *	Notes No	Advance Invoice No	Period Allocation No	Pre-posting No	Received Attachments No
Gross Amount -125.00	Net Amount -100.00	Tax Amount -25.00			On Hold Installment No
					Posting Proposal No
					Voucher No Reference 2022000006
					Arrival Date 10/10/2022

### Outgoing Nota Fiscal - 009100000036

1 of 1 Initiated

[Send Nota Fiscal](#)
[Manual Supplier Invoice](#)

**Sender**

Company  
DU-BR

Company Name  
DU-BR Company

**Receiver**

Supplier  
DU-BRSUP1

Supplier Name  
DU-BRSUP1

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

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



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

### 13.6.2 Outgoing NF Automatically created

When Company level parameter "Manually Process Nota Fiscal" is disabled, then the Outgoing Nota Fiscal Object is automatically created in the Credit Supplier Invoice process. Once the Outgoing Nota Fiscal Object is created, also NFe XML is automatically generated (based on the Outgoing NF object) and sent to the third party system intergrator to communicate with the Brazilian Tax Authority.

Since both the Nota Fiscal Object and the NFe XML are automatically generated and sent to the Tax Authority for Approval, *Outgoing Nota Fiscal* is created in "Sent Request" state. The connected Credit Supplier Invoice is in "Preliminary" state.

Outgoing NF Status	Credit Supplier Invoice Status
Sent Request	Preliminary

ing Nota Fiscal  Company DU-BR Company

## Outgoing Nota Fiscal - 00910000036 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

### 13.6.3 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 is generated and communicated with the third party service provider. In this process, NF-e-Key is also generated and assigned to the Outgoing Nota Fiscal object and added in 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			35220712345678901234650091000003610020951...
NF-e Processing Date			NF-e Status Code
			Return Message

### 13.6.4 Generation of NF-e XML

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).

```

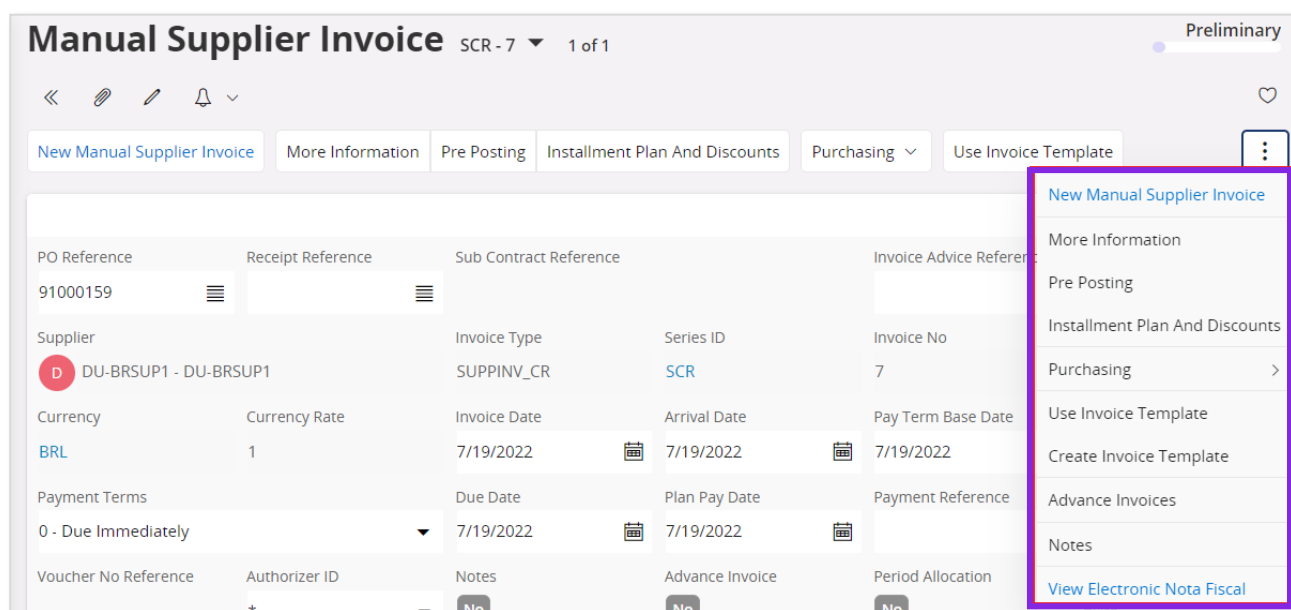
<NFe xmlns="http://www.portalfiscal.inf.br/nfe" xmlns:xsi="http://www.w3.org/200
- <infNFe Id="35201115257504000105650090000100161002104318" versao="4">
  - <ide>
    <cUF>35</cUF>
    <cNF>00210431</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010016</nNF>
    <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>Caljunta 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>
</infNFe>

```

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

### 13.6.5 Credit supplier invoice with Outgoing Nota Fiscal

Once the Outgoing Nota Fiscal is set to the status "Initiated" and "Sent Request", connected Credit Supplier Invoice couldn't be processed. Which means that 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 dependent on the Outgoing Nota Fiscal status and all possible status are described in detail in below chapters.

### 13.6.6 Outgoing NF Approved

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

Outgoing 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".

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

ing Nota Fiscal Company DU-BR Company

## Outgoing Nota Fiscal - 00910000041 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		35220712345678901235650091000004110020962...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
10/7/2020		100	Autorizado o uso da NF-e

```

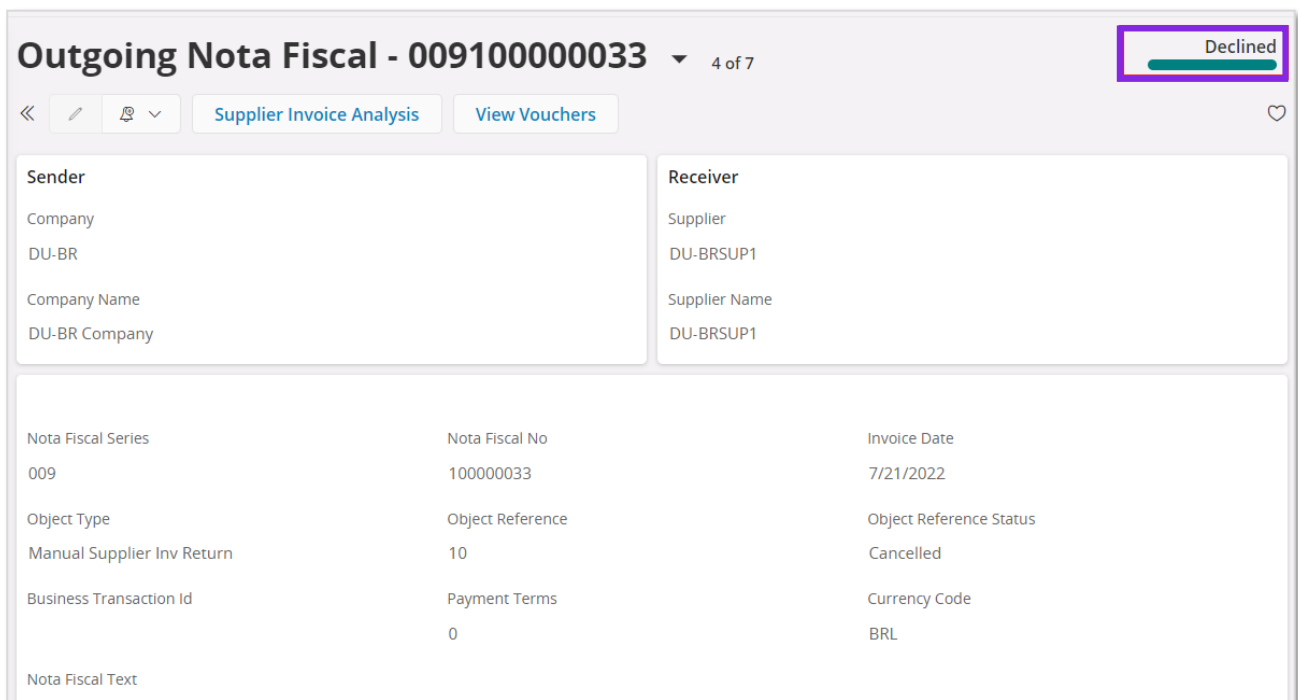
<?xml version="1.0" encoding="UTF-8"?>
- <SOAP-ENV:Envelope xmlns:SOAP-ENV="http://schemas.xmlsoap.org/soap/envelope/">
  - <SOAP-ENV:Header>
    - <fndcn:Message xmlns:fndcn="urn:ifsworld-com:schemas:fndcn" SOAP-ENV:mustUnderstand="1">
      <fndcn:Type>CONNECT</fndcn:Type>
      <fndcn:Function>NFE_RESPONSE</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" (these scenarios are descibed in chapters below).

### 13.6.7 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 Nota Fiscal is declined it can not be voided or cancelled and the Nota Fiscal number cannot be used again.



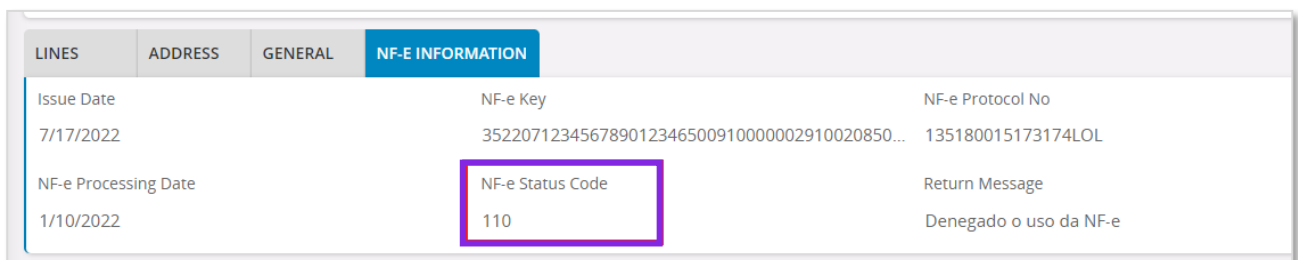
**Outgoing Nota Fiscal - 009100000033** 4 of 7 Declined

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

Once the IFS Cloud receives 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		352207123456789012346500910000002910020850...	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 Nota Fiscal is declined.

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

Outgoing NF Status	Credit Supplier Invoice Status
Declined	Cancelled

In this scenario, it's always the "Preliminary" Credit Supplier Invoice which is cancelled and no reversal voucher will be created.

### 13.6.8 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 Nota Fiscals 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).

Outgoing NF Status	Credit Supplier Invoice Status
Cancellation Request Sent	Authorized

The "Send Cancel Request" command will generate an outgoing xml file representing the request to cancel the referenced Nota Fiscal 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 Credit Supplier Invoice is still Authorized.

### 13.6.9 Cancel the Approved Outgoing NF in Credit Supplier Invoice Process

Once the Outgoing Nota Fiscal cancellation request is accepted by the Brazilian Tax Authority, Cancelled response message will be received to IFS Cloud via a 3<sup>rd</sup> party integrator and the Outgoing Nota Fiscal is set to the status of "Cancelled". The connected Credit Supplier Invoice is also automatically cancelled.

Outgoing NF Status	Credit Supplier Invoice Status
Cancelled	Cancelled (Cancelled PostedAuth Invoice)

In the above scenario, it's always the PostedAuth Credit Supplier Invoice which is cancelled, hence a reversal "K" Voucher is created reversing the original Credit Supplier Invoice postings.



**Outgoing Nota Fiscal - 00910000032** 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	10000032	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		35220712345678901234650091000003210020900...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
6/20/2022		135	Autorizado o uso da NF-e

After receiving a cancellation 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 Installation 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	S133006	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

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

If the Brazilian tax authority finds 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 fixed

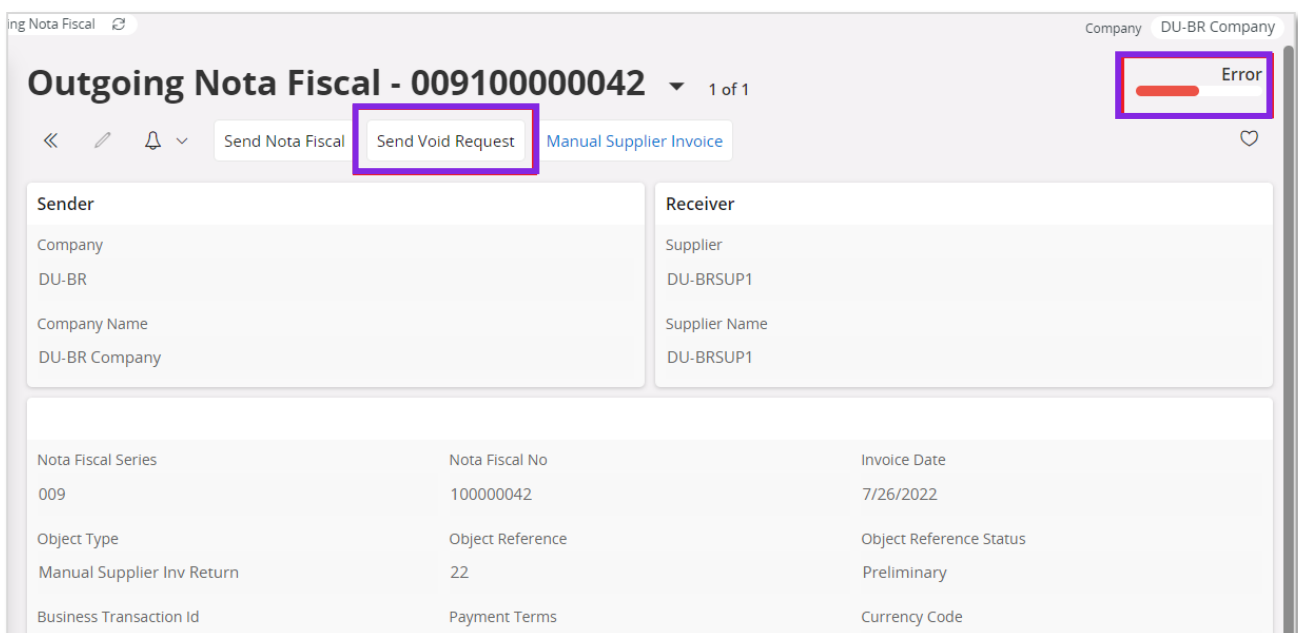
Out Going NF Status	Credit Supplier Invoice Status
Error	Preliminary -Rectify the error and re-send the NFE (Use Same Nfe No)

Receive an Error Response which couldn't be fixed

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



The screenshot shows the 'Outgoing Nota Fiscal' page for document 00910000042. The 'Send Void Request' button is highlighted with a purple box. An 'Error' status indicator is also highlighted with a purple box. The page displays the following information:

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	10000042	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 Nota Fiscal number and the Outgoing Nota Fiscal 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

**Sender**

Company  
DU-BR

Company Name  
DU-BR Company

**Receiver**

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

The connected Credit Supplier Invoice is "Cancelled".

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

Cancelled

⏪
🔍 ▾
More Information
Installation 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 Integration to Brazilian External Tax System – NF-e Communication

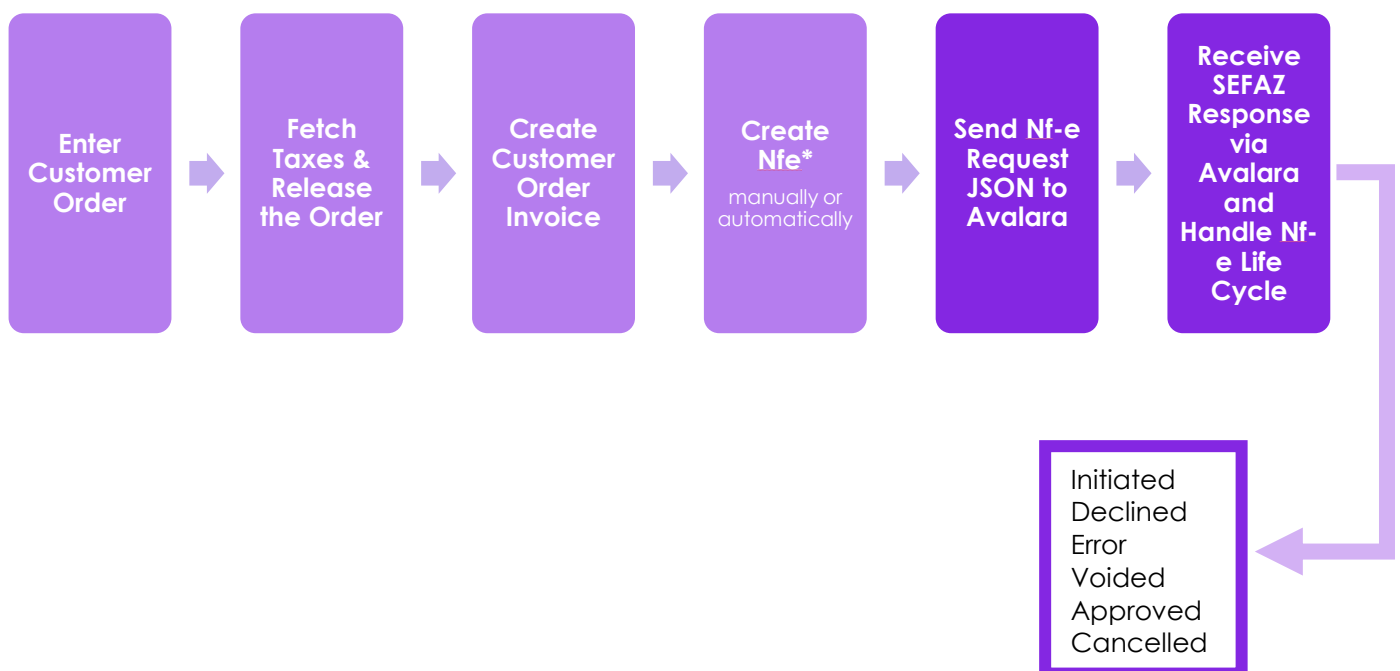
## 14.1 Overview Business Requirement

In Brazil, the Nota Fiscal 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 Nota Fiscal issued online, which allows real time reporting of transactions to the 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.

To facilitate the process of Nfe communication with SEFAZ, IFS developed an integration with Avalara.

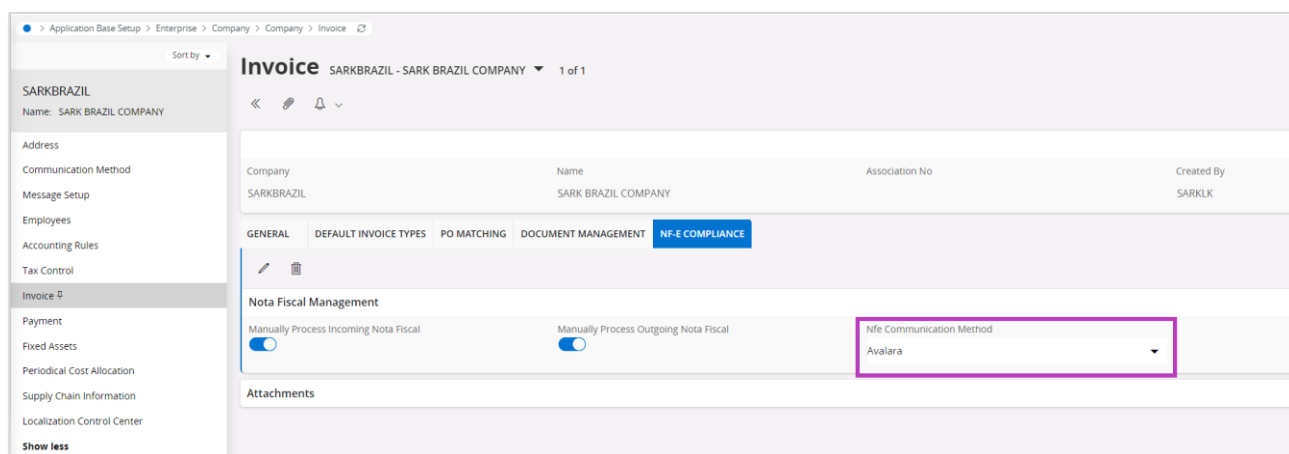
## 14.2 Process Overview



## 14.3 Prerequisites

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

Select “Avalara” as the NFe Communication Method in page *Application Base Setup/Enterprise/Company/Company/Invoice* and tab *NF-E COMPLIANCE*.



The screenshot displays the 'Invoice' configuration page for 'SARKBRAZIL - SARK BRAZIL COMPANY'. The left sidebar contains a navigation menu with options like 'Address', 'Communication Method', 'Message Setup', 'Employees', 'Accounting Rules', 'Tax Control', 'Invoice', 'Payment', 'Fixed Assets', 'Periodical Cost Allocation', 'Supply Chain Information', and 'Localization Control Center'. The main content area shows the 'NF-E COMPLIANCE' tab selected. Under 'Nota Fiscal Management', there are two toggle switches for 'Manually Process Incoming Nota Fiscal' and 'Manually Process Outgoing Nota Fiscal', both currently turned off. The 'Nfe Communication Method' dropdown menu is highlighted with a purple box and shows 'Avalara' as the selected option. Below this, there is an 'Attachments' section.

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 Nota Fiscals” 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 Nota Fiscal must be defined. Please see the specific chapters on how to set up the data needed.

## 14.4 Define Basic Data

In order to utilize the IFS integration for Avalara, some basic data set up is required.

### 14.4.1 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 .....

## 14.5 Create Customer Order & Process Customer Order Invoice and Outgoing Nota Fiscal

This works in similar way as Outgoing Nota Fiscal XML solution works. See,

- [12.5 Create Customer Order](#)
- [12.6 Deliver Customer Order](#)
- [12.7 Create Customer Invoice](#)
- [12.8 Create Outgoing Nota Fiscal](#)

### [12.1 Outgoing Nota Fiscal Life Cycle Management](#)

Here JSON request send to Avalara & JSON response received instead of XML files describe in above chapters.

## 14.6 Generation of NF-e JSON

JSON request will be sent to Avalara when selecting the command **Send Nota Fiscal** in Outgoing Nota Fiscal Page or it will be sent automatically depending on the company Company level parameter, "Manually Process Outgoing Nota Fiscal".

Application Base Setup > Enterprise > Company > Company > Invoice

Sort by

SARKBRAZIL  
Name: SARK BRAZIL COMPANY

Address  
Communication Method  
Message Setup  
Employees  
Accounting Rules  
Tax Control  
Invoice  
Payment  
Fixed Assets  
Periodical Cost Allocation  
Supply Chain Information

### Invoice SARKBRAZIL - SARK BRAZIL COMPANY

Company Name Association No Created By  
SARKBRAZIL SARK BRAZIL COMPANY SARKLK

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

Nota Fiscal Management

Manually Process Incoming Nota Fiscal  Manually Process Outgoing Nota Fiscal  Nfe Communication Method  
Avalara

Attachments

**Refer the Appendix 3 to see mapping details of a JSON request .**

## Header Details of Json file

```

{
  "header": {
    "transactionDate": "2022-12-14T00:00:00Z",
    "invoiceAccessKey": "22120410623000019065009000011000100207067",
    "shippingDate": "2022-12-14T00:00:00Z",
    "companyLocation": "04106230000190",
    "documentCode": "92",
    "invoiceNumber": "11000",
    "invoiceSerial": "9",
    "messageType": "goods",
    "locations": {
      "entity": {
        "name": "SARK BRAZIL CUSTOMER",
        "federalTaxId": "60881299000405",
        "stateTaxId": "535377851110",
        "taxRegime": "realProfit",
        "taxesSettings": {
          "icmsTaxPayer": "true"
        },
        "address": {
          "street": "Avenida Santo Antônio",
          "neighborhood": "Bela Vista",
          "zipcode": "06083215",
          "cityName": "Osasco",
          "state": "São Paulo",
          "countryCode": "1058",
          "country": "BRA",
          "number": "2112",
          "complement": "2112"
        },
        "activitySector": {
          "type": "cnae"
        }
      },
      "establishment": {
        "name": "SARK BRAZIL COMPANY",
        "federalTaxId": "04106230000190",
        "stateTaxId": "956224310481",
        "taxRegime": "realProfit",
        "taxesSettings": {
          "icmsTaxPayer": "false"
        },
        "address": {
          "street": "Avenida Tamboré",
          "neighborhood": "Tamboré",
          "zipcode": "06453000",
          "cityName": "Barueri",
          "state": "São Paulo",
          "countryCode": "1058",
          "country": "BRA",
          "number": "267"
        },
        "activitySector": {
          "type": "cnae",
          "code": "4691500"
        }
      }
    },
    "delivery": {
      "name": "SARK BRAZIL CUSTOMER",
      "federalTaxId": "60881299000405",
      "stateTaxId": "535377851110",
      "taxRegime": "realProfit",
      "address": {
        "street": "Avenida Santo Antônio",
        "neighborhood": "Bela Vista",
        "zipcode": "06083215",
        "cityName": "Osasco",
        "state": "São Paulo",
        "countryCode": "1058",
        "country": "BRA",
        "number": "2112",
        "complement": "2112"
      }
    },
    "additionalInfo": {
      "complementaryInfo": "IPI Decreto nº 11.158/22, Artigo 1º, Anexos I, II, III"
    },
    "payment": {
      "bill": {
        "nFat": "207067",
        "vOrig": 208.05,
        "vDiscount": 0,
        "vNet": 208.05
      }
    },
    "goods": {
      "class": "Venda de Mercadoria",
      "tpImp": "1",
      "indFinal": 0,
      "indPres": "1",
      "goal": "Normal",
      "indIntermed": "0",
      "transport": {
        "modFreight": "CIF",
        "volumes": [
          {
            "qVol": "0",
            "specie": "m3",
            "netWeight": 0,
            "grossWeight": 0
          }
        ]
      }
    },
    "invoicesRefs": []
  }
}

```



### Line Details of Json file

```

},
"lines": [
  {
    "lineCode": 1,
    "itemCode": "SARKBRPART1",
    "numberOfItems": 1,
    "lineUnitPrice": 162.54,
    "lineAmount": 162.54,
    "cfop": 5101,
    "itemDescription": {
      "description": "SARK-BR-Part1",
      "hsCode": "24012020",
      "cest": "2131332",
      "unit": "pcs",
      "source": "1",
      "productType": "FOR PRODUCT"
    },
    "goods": {
      "indTotType": "true",
      "trace": []
    },
    "taxDetails": [
      {
        "taxType": "cofins",
        "subtotalTaxable": 113.78,
        "rate": 7.6,
        "tax": 8.65,
        "cst": "01",
        "calcMode": "rate",
        "isCustomCitation": "false"
      },
      {
        "taxType": "icms",
        "subtotalTaxable": 162.54,
        "rate": 30,
        "tax": 48.76,
        "cst": "00",
        "calcMode": "rate",
        "isCustomCitation": "false"
      },
      {
        "taxType": "ipi",
        "subtotalTaxable": 162.54,
        "rate": 30,
        "tax": 48.76,
        "cst": "50",
        "calcMode": "rate",
        "isCustomCitation": "false"
      },
      {
        "taxType": "pis",
        "subtotalTaxable": 113.78,
        "rate": 1.65,
        "tax": 1.88,
        "cst": "01",
        "calcMode": "rate",
        "isCustomCitation": "false"
      }
    ]
  }
],

```

### Summary Details of Json file

```

"summary":{
  "numberOfLines": 1,
  "totalLineAmounts": 162.54,
  "totalTaxedDiscounts": 0,
  "totalUntaxedDiscounts": 0,
  "totalInsurances": 0,
  "totalFreights": 0,
  "totalOtherCosts": 0,
  "totalUnTaxedOtherCosts": 0,
  "totalInvoice": 211.3,
  "taxByType": {
    "cofins": {
      "tax": 8.65,
      "subtotalTaxable": 113.78,
      "jurisdictions": [
        {
          "jurisdictionName": "Brazil",
          "jurisdictionType": "Country",
          "tax": 8.65
        }
      ]
    },
    "icms": {
      "tax": 48.76,
      "subtotalTaxable": 162.54,
      "jurisdictions": [
        {
          "jurisdictionName": "São Paulo",
          "jurisdictionType": "State",
          "tax": 48.76
        }
      ]
    },
    "ipi": {
      "tax": 48.76,
      "subtotalTaxable": 162.54,
      "jurisdictions": [
        {
          "jurisdictionName": "Brazil",
          "jurisdictionType": "Country",
          "tax": 48.76
        }
      ]
    },
    "pis": {
      "tax": 1.88,
      "subtotalTaxable": 113.78,
      "jurisdictions": [
        {
          "jurisdictionName": "Brazil",
          "jurisdictionType": "Country",
          "tax": 1.88
        }
      ]
    }
  }
}
}
}
}

```

## 14.7 Outgoing NF Approved

Once the Outgoing Nota Fiscal is Approved, connected CO Invoice will be automatically Approved. See [12.1.5 Outgoing NF Approved](#) for more details.

Approved response received as below including the links to NF-e XML & DANFE pdf.

```
{
  "key": "35221204106230000190550090000110001989264158",
  "state": "SP",
  "protocol": "135220010995997",
  "status": {
    "code": "100",
    "desc": "Autorizado o uso da NF-e",
    "protocol": "135220010995997",
    "authorizationDateTime": "2022-12-14T00:41:04-03:00",
    "accessKey": "35221204106230000190550090000110001989264158",
    "serial": "9",
    "number": "11000"
  },
  "pdf": {
    "base64": "JVBERi0xLjQKJeLjz9MKMyAwIG9iago8PC9UeXBllL1hPYmplY3QvU3VidH",
    "link": "https://homolog.invoicey.com.br//DownloadPDF.aspx?awyUd1fVcX"
  },
  "xml": {
    "base64": "PG5mZVByb2MgdmVyc2FvPSI0LjAwIiB4bWxucz0iaHR0cDovL3d3dy5wb3",
    "link": "https://homolog.invoicey.com.br//HNUC002.aspx?ParmCript=awyU"
  }
}
```

**Outgoing Nota Fiscal - 009000011053** Approved

Send Cancel Request   Customer Invoice   Customer Invoice Postings Analysis

---

Sender		Receiver	
Company	Company Name	Customer	Customer Name
SARKBRAZIL	SARK BRAZIL COMPANY	SARKBRAZILCUST	SARK BRAZIL CUSTOMER

---

Nota Fiscal Series	Nota Fiscal No	Invoice Date	Object Type
009	000011053	1/2/2023	Customer Order Invoice
Object Reference	Object Reference Status	Payment Terms	Currency Code
009000011053	Posted Auth	10	BRL

Nota Fiscal Text  
 IPI com aliquota zero conforme: "Decreto nº 11.158/22, Artigo 1º, Anexos I, II, III, IV/PIS/COFINS Lei nº 10.637/2002, Artigo 2º/PIS/COFINS Lei nº 10.833/2003, Artigo 2º"

Business Transaction ID  
 100

---

Amounts		
Gross Amount	Net Amount	Tax Amount
134.38	100.00	34.38

---

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
1/2/2023		35230104106230000190650090000110531002199362	135230000001521
NF-e Status Code		Return Message	NF-e Processing Date
100		Autorizado o uso da NF-e	1/2/2023

## 14.8 Receive Error Response from SEFAZ

See [13.6.10 Received Error response from the Brazilian Tax Authority](#) for more details.

Example of Error response.

```
{
  "error": {
    "code": "206",
    "message": "Rejeição: NF-e já está inutilizada na Base de Dados da SEFAZ"
  }
}
```

*Note: There are many error codes defined in SEFAZ & above 206 code is just an example to present.*

**Outgoing Nota Fiscal - 009000011054** Error

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

Sender		Receiver	
Company	Company Name	Customer	Customer Name
SARKBRAZIL	SARK BRAZIL COMPANY	SARKBRAZILCUST	SARK BRAZIL CUSTOMER

Nota Fiscal Series	Nota Fiscal No	Invoice Date	Object Type
009	000011054	1/4/2023	Customer Order Invoice
Object Reference	Object Reference Status	Payment Terms	Currency Code
220075	Preliminary	10	BRL

Nota Fiscal Text  
IPI com aliquota zero conforme: "Decreto nº 11.158/22, Artigo 1º, Anexos I, II, III, IV" PIS/COFINS Lei nº 10.637/2002, Artigo 2º PIS/COFINS Lei nº 10.833/2003, Artigo 2º

Business Transaction ID  
100

Amounts		
Gross Amount	Net Amount	Tax Amount
134.38	100.00	34.38

**LINE** | ADDRESS | GENERAL | **NF-E INFORMATION**

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
1/4/2023	35230104106230000190650090000110541002200759		
NF-e Status Code	Return Message		
206	Rejeição: NF-e já está inutilizada na Base de Dados da SEFAZ		

As explained in [13.6.10 Received Error response from the Brazilian Tax Authority](#) user can send void request to SEFAZ.

**Outgoing Nota Fiscal - 009000011054** Error

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

Sender		Receiver	
Company	Company Name	Customer	Customer Name
SARKBRAZIL	SARK BRAZIL COMPANY	SARKBRAZILCUST	SARK BRAZIL CUSTOMER

### Void Request

```
{
  "model": "NFe",
  "serie": 9,
  "companyLocation": "04106230000190",
  "message": "Queda do sistema",
  "init": 11021,
  "end": 11021
}
```

### Void Response

```
{
  "code": "102",
  "desc": "Inutilização de número homologado",
  "protocol": "135220011104579",
  "status": {
    "code": "102",
    "desc": "Inutilização de número homologado",
    "protocol": "135220011104579",
    "number": "11021",
    "serial": "9",
    "accessKey": "ID35220410623000019065009000011021000011021",
    "authorizationDateTime": "2022-12-16T05:58:23-03:00"
  },
  "pdf": {
    "base64": {},
    "link": {}
  },
  "xml": {
    "base64": "PFByb2NJbnV0TkZlIHZ1cnNhbz0iNC4wMCIgeG1sbnM9Imh0dHA6L...",
    "link": "https://homolog.invoicy.com.br//HNUC002.aspx?ParmCript..."
  }
}
```

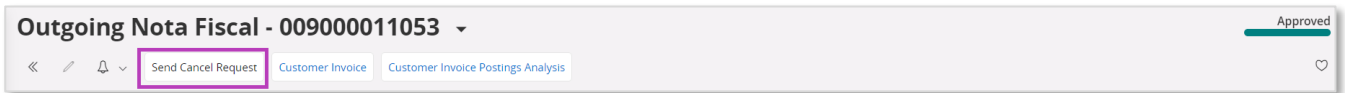
**Outgoing Nota Fiscal - 009000011055** Voided

Customer Invoice   Customer Invoice Postings Analysis

LINES	ADDRESS	GENERAL	NFE INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
1/4/2023		35230104106230000190650090000110551002201051	
NF-e Status Code		Return Message	NF-e Processing Date
102		Inutilização de número homologado	

## 14.9 Cancellation of Approved Outgoing Nota Fiscal

The “Send Cancel Request” command will generate Json file representing the request to cancel the referenced Nota Fiscal number.



Cancel Request Json file

```
{
  "message": "Cancelada por informação incorreta de quantidade",
  "timeZone": "-03:00"
}
```

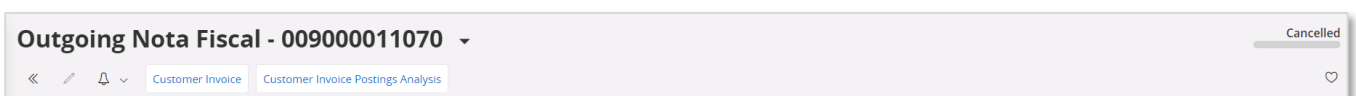
See [12.1.7 Cancellation Request sent to the Approved Outgoing NF](#) for more details.

Once the Outgoing Nota Fiscal cancellation request is accepted by the Brazilian Tax Authority, Cancelled response message will be received to IFS Cloud via Avalara.

See [12.1.8 Cancel Approved Outgoing NF](#) for more details.

Approved Cancellation Response

```
{
  "status": {
    "code": "101",
    "desc": "Cancelamento de NF-e homologado",
    "protocol": "135220011104407"
  },
  "xml": {
    "base64": "PHByb2NFdmVudG90RmUgdmVyc2FvPSIxLjAwIiB4bWxucz
    "link": "https://homolog.invoicy.com.br//HNUC002.aspx?Pa
  }
}
```



LINES	ADDRESS	GENERAL	NF-E INFORMATION	
Issue Date			NF-e Key	NF-e Protocol No
1/4/2023			35230104106230000190650090000110701002201066	135230000043128
NF-e Status Code			Return Message	
101			Cancelamento de NF-e homologado	

## 14.10 Delimitations

- Outgoing Nota Fiscal NFe communication via Avalara is supported only in the CO flow.

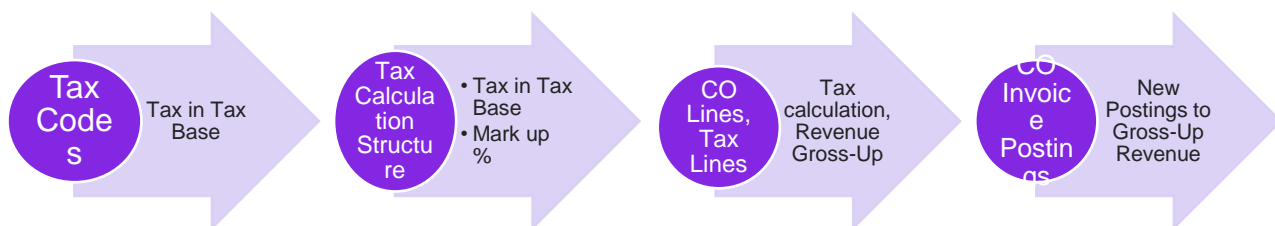
## 15 Gross Revenue Accounting

### 15.1 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.

### 15.2 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.

### 15.3 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.

### 15.4 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.

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

### 15.5.1 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 <b>DU:BR:INV:1</b>	Part Description in Use <b>DU:BR:INV:1</b>	Site <b>DUBR1</b>
-------------------------------------	---	----------------------

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

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

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

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES	Line Details	Operations	Reservation	Pegging	Connect to Activity	Create Job
(1)										
<input checked="" type="checkbox"/>		Line No <b>1</b>	Del No <b>1</b>	Sales Part No <b>DU:BR:INV:1</b>	Description <b>DU:BR:INV:1</b>	Sales Qty <b>1</b>	Sales UoM <b>PCS</b>	Status <b>Released</b>	Price/Curr <b>100.00</b>	



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

⋮	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

## 15.6 Customer Order Invoice Postings

### 15.6.1 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 <input type="text" value="Tax Amount"/>

Tax Line Details

⋮	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

### 15.6.2 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 for Brazilian country specifics, 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	Code Part Name	Control Type
<input type="checkbox"/>	:	M295 - Tax in Sales Revenue	Account	AC7 - Tax code
<input type="checkbox"/>	:	M296 - Tax Deduct from Gross Revenue	Account	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

### 15.6.3 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 Search 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

Copy Details Set-up

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
<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

## 16 Nota Fiscal issue date as applied date on inventory transactions for goods issue

### 16.1 Overview Legal Requirement

According to the Brazilian tax legislation, taxes must be paid on the Nota Fiscal 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 Nota Fiscal issue date is set as the applied date on related inventory transactions for goods issue.

### 16.2 Process Overview

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



### 16.3 Prerequisites

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

### 16.4 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).

### 16.5 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 Nota Fiscal issue date is defined and is set on the F Voucher created.

See further information in the *Outgoing Nota Fiscals* chapter.

### 16.6 Set Nota Fiscal 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 Nota Fiscal issue date (after acceptance from the tax authority). If the Nota Fiscal 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 Nota Fiscal 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

## 16.7 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.

## 16.8 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.

## 17 Cancel PostedAuth Customer Order Invoices

### 17.1 Overview Legal Requirement

The general rule stated by Brazilian government says that companies are allowed to cancel authorized Nota Fiscals 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).

### 17.2 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”.

### 17.3 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.

### 17.4 Cancel PostedAuth Customer Order Invoices

In Brazil, this functionality is enhanced by “Outgoing Nota Fiscal” functionality. Therefore please refer the “Cancel Approved Nota Fiscal” chapter for more details.

### 17.5 Delimitations

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

## 18 Taxes in intracompany goods movement

### 18.1 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 and postings 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 LCC parameter. For Brazil the Tax Document is integrated with Outgoing/Incoming Nota Fiscal functionality.

### 18.2 Process Overview



### 18.3 Prerequisites

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

GENERAL INVOICE **SUPPLY CHAIN** EXTERNAL TAX SYSTEM

General

Tax Code: 1 - Tax with no reduction 25% Tax Free Tax Code: 0 - Tax 0% Modify Tax % on Tra... **Create Tax Document**

### 18.4 Define Basic Data

Basic data for Brazil country specifics can be found under: *Brazil Country Solution Document IFS Cloud 22R2 – chapter 1-10.*

The attributes Acquisition Origin, Acquisition Reason and Goods/Services Statistical Code has been added to Inventory Part. Values entered here are fetched as default values when an Outgoing Tax Document line is created for the particular Inventory Part.

**Inventory Part** BR-INVPART44 - BR 3 of 3

Part Pages Inventory Details Cost Warranty Copy Part Document Text MRB Cases Manufacturing MRO Part Revisions

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 89000222 - Statistical code	Acquisition
	Acquisition Reason Id RES - Resale of goods
	Acquisition Origin 0 - National

### 18.5 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 Completed state using IFS Cloud standard functionality. Create the Outgoing Tax Document via the command in Shipment header - "Create Outgoing Tax Document". An Outgoing Tax Document will be created in Preliminary state.

## Outgoing Tax Document

221 ▾ 1 of 1
Posted

« ✎ 🔔 ▾
Posting Analysis
Shipment
View Electronic Nota Fiscal
❤

Tax Document No	Source Ref Type	Source Reference	Created Date
221	Shipment	1438	2022-08-12

**Total Amounts**

Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
15,00000	6,45000	21,45000	BRL

GENERAL

LINES

Sender		Receiver	
Sender Type	Sender ID	Receiver Type	Receiver ID
Site	HPBR1	Site	HPBR2
Sender Description	Sender Document Address	Receiver Description	Receiver Document Address
HP Brazil Site 1	1	Hp Brazil Site 2	2
Sender Delivery Address	Branch	Receiver Delivery Address	Receiver Delivery Address Name
1	12	2	
Single Occurance			

## 18.6 Process Tax Document with Nota Fiscal

### 18.6.1 Outgoing Nota Fiscal

Once the Outgoing Tax Document is created the Brazil specific attributes (Business Transaction ID on the header and Acquisition Origin, Acquisition Reason, Goods/Services Statistical Code and Business Operation on Tax Document line) and tax information, such as Tax Calculation Structure or Tax Codes, has to be entered. When the shipment is delivered the average cost from the inventory transaction SHIPODSIT- or SHIPODWHs- are transferred to the Outgoing Tax Document and the taxes are then calculated. At this point the Outgoing Nota Fiscal can be created. The creation of the Outgoing Nota Fiscal is either a manual or automatic process.

#### **Manual creation of Outgoing Nota Fiscal**

*Company flag "Manually process Outgoing Nota Fiscal" has to be enabled in Company/Invoice/NF-E compliance tab.*

The Outgoing Nota Fiscal is created via a command from the Outgoing Tax Document header. Once using the creation command the application is validating if all mandatory data is there to create an Outgoing Nota Fiscal. If all mandatory data is not registered the Outgoing Nota Fiscal can't be created. Once the Outgoing Nota Fiscal is created, the document has to be sent to the Tax authorities. This can be sent by the command in header "Send Nota Fiscal".

#### **Automatically creation of Outgoing Nota Fiscal**

Company flag "Manually process Outgoing Nota Fiscal" has to be disabled in Company/Invoice/NF-E compliance tab.

When the connected shipment is delivered and the cost and taxes are calculated on the Outgoing Tax Document, the Outgoing Nota Fiscal is created automatically.

Once the Outgoing Nota Fiscal is created, it is automatically sent to the Tax authorities for approval.

### 18.6.2 Response from Tax Authorities

Below table shows how Outgoing Tax Document and Shipment statuses gets affected by different responses from Tax Authorities for the Nota Fiscal.

NF Transaction	Nota Fiscal Status	Outgoing Tax Document Status	Shipment Status
NF Created	Initiated	Preliminary	Completed
Response received, status Code 110	Declined	Cancelled (Preliminary Tax Document)	Completed (next step: Deliver)
Response received, status Code 100	Approved	Posted	Completed
<b>Limited in this release</b> Request to cancel the approved Nfe (Means Tax Document is Posted when sending the Request) - Response Status code 135	Cancelled	Cancelled (Posted Tax Document)	Completed (next step: Deliver)
<b>Limited in this release</b> Response Recieved Status code 999, 155 etc	Error	Preliminary 1. Rectify the error and re-send the Nfe from Nota Fiscal (use same Nfe no) 2. a) Send a Void Request from a Nota Fiscal b) Approved void Request, cancel the preliminary tax document	1. Completed 2. a) send a void request = Completed or closed (step: Delivered) b) Approved void request = Completed (next step: Deliver)
Preliminary Outgoing Tax Document cancelled (connected to a NF)	This functionality is restricted validating whether a Nfe is connected		

### 18.6.3 Incoming Nota Fiscal

After receiving approval from the Tax Authorities for the Outgoing Nota Fiscal, the Outgoing Tax Document is posted and the creation of Incoming Nota Fiscal and Incoming Tax Document is either a manual or Automatic process.

#### Manual creation of Incoming Nota Fiscal

Company flag "Manually process Incoming Nota Fiscal" has to be enabled in Company/Invoice/NF-E compliance tab

When the Outgoing Nota Fiscal is approved by tax authorities, the Incoming Nota Fiscal can be created via the header command "Create Incoming Nota Fiscal". As soon as the incoming Nota Fiscal is manually approved, the Incoming Tax Document can be created via the command in Incoming Nota Fiscal header "Create Incoming Tax Document". The Incoming Tax Document will be a mirror image of the Outgoing Tax Document. Now the postings can be done manually from the command in header "Post Tax Document".

#### Automatic creation of Incoming Nota Fiscal

Company flag "Manually process Incoming Nota Fiscal" has to be disabled in Company/Invoice/NF-E compliance tab

When the Outgoing Tax Document is approved by tax authorities, the Incoming Nota Fiscal is created automatically. Once the Incoming Nota Fiscal is manually approved the Incoming Tax Document is created and posted automatically. The Incoming Tax Document will be a mirror image of the Outgoing Tax Document.

### Incoming Tax Document 222 ▼

Preliminary

⏪ 🔔 ▼
Post Tax Document
Cancel
Posting Analysis
❤️

Tax Document No	Source Ref Type	Source Reference	Created Date
222	Shipment	1438	2022-08-12

Originating Outgoing Tax Document No  
221

Total Amounts			
Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
15,00000	6,45000	21,45000	BRL

GENERAL

LINES

⏪ ⏩

Sender		Receiver	
Sender Type	Sender ID	Receiver Type	Receiver ID
Site	HPBR1	Site	HPBR2
Sender Description	Sender Document Address	Receiver Description	Receiver Document Address
HP Brazil Site 1	📄 1	Hp Brazil Site 2	📄 2
Sender Delivery Address	Branch	Receiver Delivery Address	Receiver Delivery Address Name
📄 1		2	
Single Occurance			

## 18.7 Tax Document with 3rd party external tax system

Brazil country specifics basic data has to be entered to be able to use the Brazil Avalara in the Intracompany goods movement scenario. The specific basic data is defined under: *Brazil Country Solution Document IFS Cloud 22R2 - chapter 11. Tax Determination via Integration to Brazilian External Tax System*

To use the Brazil external tax system (Avalara) in the intracompany goods movement scenario, first an Outgoing Tax Document has to be created. When an Outgoing Tax Document is available the Brazil specific attributes has to be entered, such as Business Transaction ID on the header and Acquisition Origin, Acquisition Reason, Goods/Services Statistical Code and Business Operation on Tax Document line. Tax calculation structure or Tax codes should not have any value. Once delivering the connected shipment the call to receive taxes from Avalara is done. The Brazil Avalara is then sending calculated taxes back to IFS Cloud and the taxes are calculated on the Outgoing Tax Document. From here the Nota Fiscal process continues as described above.

## 18.8 Postings

### 18.8.1 Outgoing Tax Document

Following basic data are used when posting the Outgoing 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

### 18.8.2 Incoming Tax Document

Following basic data are used when posting the Incoming Tax Document:

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

Posting Type	Posting Type Description	Debit/Credit	Control type
M300	Counter Posting, Tax Received, Intracompany Part Movements	Credit	AC1 – Fixed Value
M299	Tax Received, Intracompany Part Movements	Debit	AC1 – Fixed Value

In *Tax Document Posting Analysis* page both successful and erroneous postings can be viewed. In case of erroneous postings, when rectified the error the posting can be rerun through command “Post Tax Document” in both Outgoing and Incoming Tax Document.

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

Tax Document No: 22      Sender: HPBR1      Receiver: HPBR2      **Outgoing**  
 Currency: BRL      Error: **No**

**Amounts**

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

## 18.9 Handling of Non-deductible Taxes

When moving goods between sites of the same company, if the goods received in the demand site are used for own purpose (meaning demand site cannot take the input tax credit), then inventory cost applicable for the demand site should be increased by the nondeductible tax amount. In Brazil the most common scenario is either the taxes will be 100% deductible or 0% deductible.

### Handling non-deductible taxes for standard cost parts

When handling the standard cost parts in purchasing flow, the non-deductible tax amount is treated as a price difference in invoice matching. New posting types are introduced to handle this difference in supplier invoice matching. Therefore, when handling non-deductible taxes for standard cost parts in intra company goods movements, we need to follow a similar approach. The non-deductible tax amount should be posted separately when generating tax postings for incoming tax document, using a new posting type.

A new posting type needs to be introduced to handle it along with tax document postings. Following new posting type should be created. This will not be connected to a default account and user needs to manually define the required account in posting control page.

Posting Type	Description	Component
M303	Non Deductible Tax, Intracompany Part Movements	INVENT

Following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

Calculation of non-deductible taxes

In Brazil, when moving goods between sites/RWHs of the same company, the same tax code will be applicable for both sites. Therefore, when creating the tax postings in the demand site, system should check if the applicable tax code has any non-deductible tax percentage. If so, the non-deductible tax should be posted using the above new posting type.

The inventory postings created for the logistics movements will not have any impact. They will be created as it is and non-deductible tax amount will be posted through the tax postings of incoming tax document. Please see below example for more information.

- Assume parts are moved between two sites of the same company.
- Standard cost of the part in both sites is 100
- Quantity moved between sites 10

100% Deductible Scenario

- Applicable tax code in both sites 10% and 100% deductible
- Calculated total tax %:  $100 \times 10 \times 10\% = 100$
- Deductible%:  $100 \times 100\% = 100$
- Nondeductible%:  $100 \times 0\% = 0$

Tax document postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M299	100	
		M300		100

<div style="text-align: right; margin-bottom: 5px;">2610</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">M297</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">100</td> </tr> </table>		M297		100	<div style="text-align: left; margin-bottom: 5px;">2699</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;"></td> <td style="width: 20%; text-align: right;">M298</td> <td style="width: 10%; text-align: right;">100</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">M300</td> <td style="width: 10%; text-align: right;">100</td> </tr> </table>		M298	100		M300	100
	M297		100								
	M298	100		M300	100						
<div style="text-align: right; margin-bottom: 5px;">2641</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="width: 20%; text-align: right;">M299</td> <td style="width: 10%; text-align: right;">100</td> </tr> </table>		M299	100								
	M299	100									

Since there are no nondeductible taxes involved, nothing to be posted under non-deductible posting type (M303).

0% Deductible Scenario

- Applicable tax code in both sites 10% and 0% deductible
- Calculated total tax %:  $100 \times 10 \times 10\% = 100$
- Deductible%:  $100 \times 0\% = 0$
- Nondeductible%:  $100 \times 100\% = 100$

Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M303	100	
		M300		100

2610	2699				
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%; text-align: right;">M297      100</td> </tr> </table>		M297      100	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: right;">M298      100</td> <td style="width: 50%; text-align: right;">M300      100</td> </tr> </table>	M298      100	M300      100
	M297      100				
M298      100	M300      100				

	Acc XXXX		
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; text-align: right;">M303      100</td> <td style="width: 50%;"></td> </tr> </table>	M303      100		
M303      100			

Since the taxes are 100% nondeductible, the full nondeductible tax amount is posted against M303 under incoming tax document in demand site.

Handling of Multiple Taxes

The above examples are mainly for the basic scenario where you have a single tax code. But the most practical scenario would be to have multiple tax codes (tax structures) with different deductible tax percentages in each of them. Below example explains how the postings should be created for multiple tax scenarios.

- Assume parts are moved between two sites of the same company.
- Standard cost of the part in both sites is 100
- Quantity moved between sites 10

Tax Structure used in the goods movement has the following tax codes:

- Tax code1 - 10% and 40% deductible
- Tax code2 – 20% and 100% deductible
- Tax code3 – 15% and 0% deductible

Taxes will be calculated as follows for the above tax codes

Tax Code	Tax Base Amount	Total Tax Amount	Deductible Amount	Nondeductible Amount
Tax code1 - 10% & 40% deductible	100 x 10 = 1000	1000 x 10% = 100	100 x 40% = 40	100 x 60% = 60
Tax code2 – 20% & 100% deductible	100 x 10 = 1000	1000 x 20% = 200	200 x 100% = 200	200 x 0% = 0
Tax code3 – 15% & 0% deductible	100 x 10 = 1000	1000 x 15% = 150	150 x 0% = 0	150 x 100% = 150

#### Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	
		M297		200
		M298	200	
		M297		150
		M298	150	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M303	60	
		M300		100
		M299	200	
		M300		200
		M303	150	
		M300		150

2610	2699
M297            100 M297            200 M297            150	M298    100    M300            100 M298    200    M300            200 M298    150    M300            150
Acc XXXX	2641
M303        60 M303        150	M299        40 M299        200

\*\*\*Even though two sites have different standard costs, still the taxes and nondeductible taxes should be calculated based on the cost in supply site. This is because when goods are sent from the supply site, it's the supply site cost that should be considered as the applicable price/cost for the demand site.



**Handling of non-deductible taxes for weighted average/FIFO/LIFO parts**

For the weighted average/FIFO/LIFO parts, the non-deductible tax amount should be absorbed as a part of inventory cost for the demand site. Therefore it was decided to add the nondeductible tax amount to the INTORDTR transaction created against the demand site at the point of delivering the goods from the supply site. When calculating the new WA cost applicable for the demand site it will automatically consider the non-deductible tax portion which is already absorbed into INTORDTR transaction.

A new posting type needs to be introduced to handle it along with tax document postings. Following new posting type should be created. This will not be connected to a default account and user needs to manually define the required account in posting control page.

Posting Type	Description	Component
M304	Non Deductible Tax, Order Transit	INVENT

Following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

This is how the posting should be created in WA scenario.

Example:

- Assume parts are moved between two sites of the same company.
- WA cost of the part in Supply sites is 100
- Quantity moved between sites 10
- WA cost of the part in demand site is 200 and existing qty in demand site is 10
- Applicable tax code in both sites 10% and 40% deductible
  - Calculated total tax %:  $100 \times 10 \times 10\% = 100$
  - Deductible%:  $100 \times 40\% = 40$
  - Nondeductible%:  $100 \times 60\% = 60$

**Created inventory transactions:**

Supply Site	SHIPODSIT- - Deliver Shipment Order to a site in the same company		Dr	Cr
		M4	1000	
		M1		1000

Demand Site	INTORDTR - Move to Internal Order Transit due to Issue		Dr	Cr
	*** This is how it will work after handling the ND tax			
		M3	1060	
		M4		1060
		M4	60	
		M156		60

New weighted average applicable to the demand site =  $(1060 + (200 \times 10))/20 = 153$

Total amount to be posted =  $153 \times 10 = 1530$

Demand Site	SHIPODSIT+ - Receive Shipment Order from a site in the same company		Dr	Cr
			M1	1530
			M3	

### T Accounting

		1400	
		M1	1000
M3	1060		
M1	1530	M3	1530
	2590		2530

		1405	
M4	1000		
		M4	1060
M4	60		
	1060		1060

\*\*\* Inventory value increased by 60 (2590 – 2530)

		M156	60
--	--	------	----

### Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M300		40
		M304	60	
		M300		60

2610						2699	
	M297	100	M298	100	M300	40	M300
						60	
		2641					
M299		40					
		XXXX					
M304		60					

### Handling of Different Scenarios

The goods movement using shipment order can be done for lot of different scenarios like Site to Site, Site to RWH, RWH to RWH etc. But the non-deductible tax handling should be done only for the goods movements done between two sites. This means only for the scenarios where the following set of transactions are created.

- Supply Site: SHIPODSIT- - Deliver Shipment Order to a site in the same company
- Demand Site: INTORDTR - Move to Internal Order Transit due to Issue
- Demand Site: SHIPODSIT+ - Receive Shipment Order from a site in the same company

Few example scenarios where the above transactions are created:

- Movement between two sites of the same company
- Movement from a site to a RWH of another site of the same company
- Movement between two RWHs of two sites of the same company

Apart from above scenarios, all the other scenarios are similar to goods movement between two locations of the same site, and non-deductible taxes need not to be calculated for such scenarios.

## 18.10 Delimitations

- Manual entering of multiple tax codes in Outgoing Tax Document tax dialog are not supported in this release, only single tax code, tax calculation structure or Brazil Avalara tax integration.
- The following responses from tax authorities are not supported in this release:

NF Transaction	Nota Fiscal Status	Outgoing Tax Document Status	Shipment Status
Request to cancel the approved Nfe (Means Tax Document is Posted when sending the Request) - Response Status code 135	Cancelled	Cancelled (Posted Tax Document)	Completed (next step: Deliver)
Response Recieved Status code 999, 155 etc	Error	Preliminary 1. Rectify the error and re-send the Nfe from Nota Fiscal (use same Nfe no) 2. a) Send a Void Request from a Nota Fiscal b) Approved void Request, cancel the preliminary tax document	1. Completed 2. a) send a void request = Completed or closed (step: Delivered) b) Approved void request = Completed (next step: Deliver)

## 19 Incoming Nota Fiscal

### 19.1 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.

### 19.2 Process Overview

Incoming Nota Fiscal could be received to IFS Cloud in two ways,

- a. Receive Incoming Nota Fiscal Automatically (NF-e) – Using External Supplier Invoice Flow

IFS Cloud core *External Supplier Invoice* flow is used to upload the received Incoming Nota Fiscal XML file (NF-e). Once uploaded by using the IFS Cloud core functionalities, Incoming Nota Fiscal could be created automatically.

- b. Enter Incoming Nota Fiscal Manually – Using Incoming Nota Fiscal Page

User can enter an Incoming Nota Fiscal based on the DANFe document received from the supplier together with the goods using Incoming Nota Fiscal page.

Once the Incoming Nota Fiscal is created, user can create Manual Supplier Invoice & Approve the Incoming Nota Fiscal.

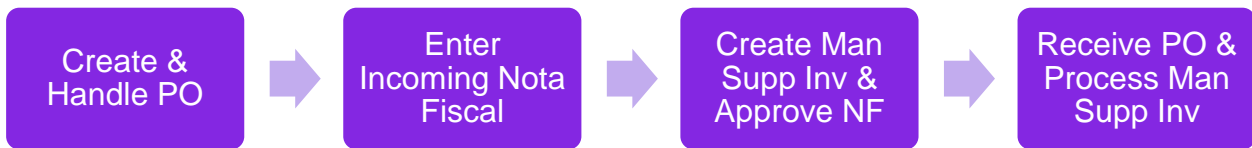
Finally, user can create the inventory transactions related to the goods receipt and process Manual Supplier Invoice.

**Note:** User can also create the inventory transactions related to the goods receipt before creating the Manual Supplier Invoice or Incoming Nota Fiscal depending on the requirement.

#### 19.2.1 Receive Incoming Nota Fiscal Automatically (NF-e) – Using External Supplier Invoice Flow

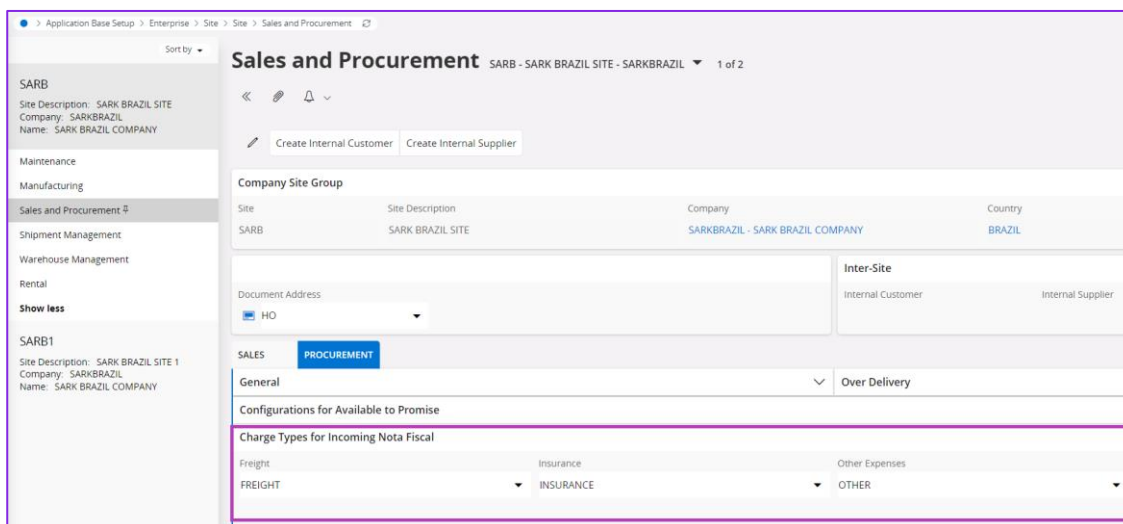


## 19.2.2 Enter Incoming Nota Fiscal Manually (DANFE) – Using Incoming Nota Fiscal Page



## 19.3 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.
- Create Purchase Charge types related for Freight, Insurance & Other Expenses using standard functionality and select them in Application Base Setup/Enterprise/Site/Site/Sales and Procurement/Procurement tab.



Application Base Setup > Enterprise > Site > Site > Sales and Procurement

Sort by

**Sales and Procurement** SARB - SARK BRAZIL SITE - SARKBRAZIL 1 of 2

SARB  
Site Description: SARK BRAZIL SITE  
Company: SARKBRAZIL  
Name: SARK BRAZIL COMPANY

Maintenance  
Manufacturing  
Sales and Procurement  
Shipment Management  
Warehouse Management  
Rental  
Show less

SARB1  
Site Description: SARK BRAZIL SITE 1  
Company: SARKBRAZIL  
Name: SARK BRAZIL COMPANY

Company Site Group

Site	Site Description	Company	Country
SARB	SARK BRAZIL SITE	SARKBRAZIL - SARK BRAZIL COMPANY	BRAZIL

Document Address: HO

Inter-Site: Internal Customer, Internal Supplier

SALES | **PROCUREMENT**

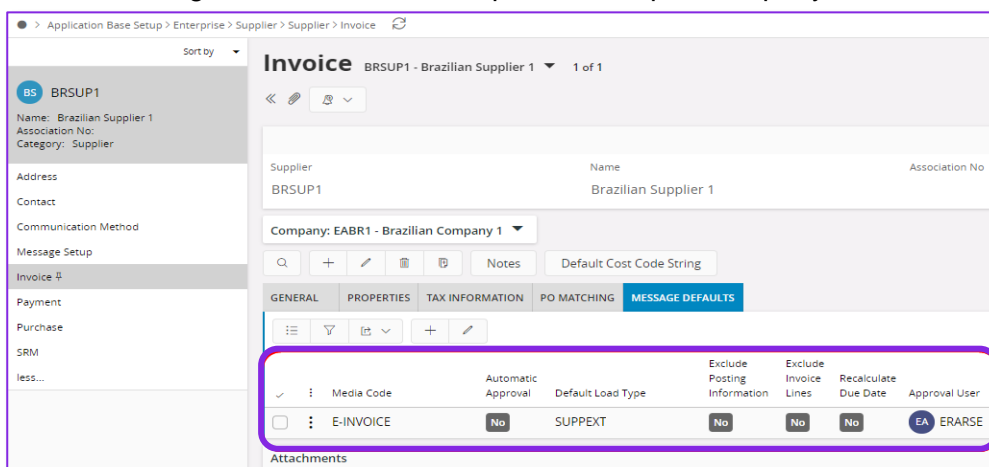
General | Over Delivery

Configurations for Available to Promise

Charge Types for Incoming Nota Fiscal

Freight	Insurance	Other Expenses
FREIGHT	INSURANCE	OTHER

- 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.



Application Base Setup > Enterprise > Supplier > Supplier > Invoice

Sort by

**Invoice** BRSUP1 - Brazilian Supplier 1 1 of 1

Supplier: BRSUP1 Name: Brazilian Supplier 1 Association No:

Company: EABR1 - Brazilian Company 1

GENERAL | PROPERTIES | TAX INFORMATION | PO MATCHING | **MESSAGE DEFAULTS**

Media Code	Automatic Approval	Default Load Type	Exclude Posting Information	Exclude Invoice Lines	Recalculate Due Date	Approval User
E-INVOICE	No	SUPPEXT	No	No	No	EA ERARSE

Attachments

- 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 (%)
<input type="checkbox"/>	:	15	BRSUP1 - Brazilian Supplier 1	*	*	IPI	IPI15 - IPI 15%	15
<input type="checkbox"/>	:	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

(1)	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: SARKBRAZIL, Name: SARK BRAZIL COMPANY, Association No: SARK BRAZIL COMPANY

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

**Nota Fiscal Management**

Manually Process Incoming Nota Fiscal:  Manually Process Outgoing Nota Fiscal:

Attachments

## 19.4 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.

### 19.4.1 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.

### 19.4.2 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.

#### **Nota Fiscal No as Supplier Invoice No**

Receiving NF-e XML contains the Nota Fiscal No which is loaded in the IFS Cloud as the Supplier Invoice No.

Below is the tag containing the Nota Fiscal No,

```
<ide>
    <serie>S09</serie>
    <nNF>S00000003</nNF>
```

From the External Supplier invoice page below, you can see that the Nota Fiscal “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
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
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>
    <cEAN>SEM GTIN</cEAN>
    <xProd>BR-Inventory Part</xProd>
    <NCM>24012020</NCM>
    <CEST>0105700</CEST>
    <EXTIPI/>
    <CFOP>6101</CFOP>
    <uCom>pcs</uCom>
    <qCom>1.0000</qCom>
    <vUnCom>118.32</vUnCom>
    <vProd>118.32</vProd>
    <cEANtrib>SEM GTIN</cEANtrib>
    <uTrib>pcs</uTrib>
    <qTrib>1.0000</qTrib>
    <vUnTrib>118.32</vUnTrib>
    <vFrete>10.00</vFrete>
    <vSeg>5.00</vSeg>
    <vOutro>5.00</vOutro>
    <indTot>1</indTot>
    <xPed>P100753</xPed>
  </prod>
  <imposto>

```

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 lines. Correspondent line information contains Qty, Price...ect extracted directly from the NF-E XML.

**External Supplier Invoice Line Information** 33 - S09S00000003 - SUPPEXT ▼

Load ID: 33 | Invoice No: S09S00000003 | Invoice Type: SUPPEXT | Supplier: DU:BR:SUP:1 - DU:BR:SUP:1 | Invoice Load Status: Created

**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

Charge lines can be sepetated using the Charge Line toggle in line level.

**External Supplier Invoice Lines**

Line ID	Income Type Identity	Delivery Type	Tax Code	Tax (%)	Net Amount	Tax Amount	Charge Line
1					100.00	59.82	No
10001					10.00	0.00	Yes
10002					5.00	0.00	Yes
10003					5.00	0.00	Yes

## Nota Fiscal Tax information as Supplier Invoice Tax Lines

Nota Fiscal tax information is included in the below NF-e XML tags:

```

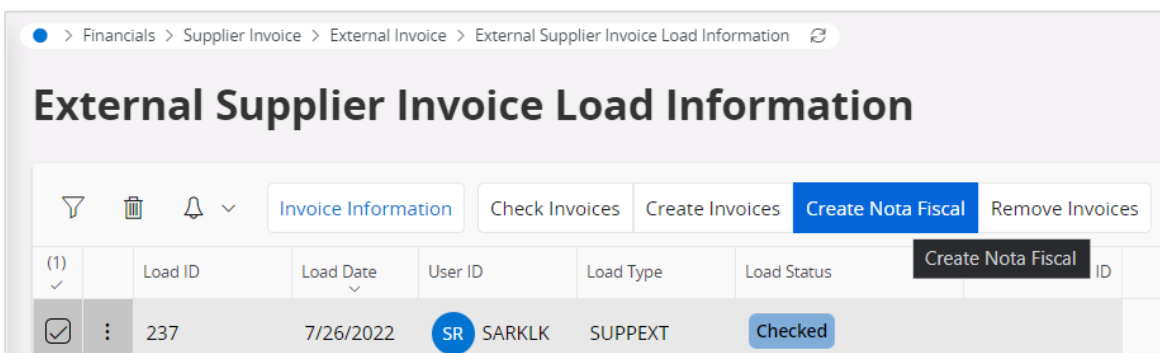
26 |         </prod>
27 |         <imposto>
28 |             <vTotTrib>21.11</vTotTrib>
29 |             <ICMS>
30 |                 <ICMS00>
31 |                     <pICMS>10</pICMS>
32 |                     <vICMS>11.11</vICMS>
33 |                 </ICMS00>
34 |             </ICMS>
35 |             <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* and select the command “Create Nota Fiscal”.



- 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
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Created	

**Document Type**  
Document Type  
Nota Fiscal

Sender		Receiver	
Supplier SARKBRAZILSUP - SARK BRAZIL SUPPLIER		Company SARKBRAZIL - SARK BRAZIL COMPANY	

Nota Fiscal Series 009	Nota Fiscal No 000010304	Invoice Date 8/30/2022	Object Type Manual Supplier Invoice
Object Reference	Object Reference Status	Payment Terms 10	Currency Code BRL
Nota Fiscal Text IPI Decreto nº 11.158/22, Artigo 1º, Anexos I, II, III, IV/PIIS/COFINS Lei nº 10.637/2002, Artigo 2º/PIIS/COFINS Lei nº 10.833/2003, Artigo 2º			
Business Transaction ID	PO Reference P100627	Site SARB	

**Amounts**

Gross Amount	Net Amount	Tax Amount
179.82	120.00	59.82

**Charge Amounts**

Freight	Insurance	Other Expenses
10.00	5.00	5.00

**LINES** ADDRESS GENERAL

Line ID	Tax Code	Tax Calculation Structure	Part No/Charge Type	Description	Multiple Tax	Gross Curr Amount	Net Amount	Charge Line	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Alt Object Ref2
1		BR-TCS-1 - BR-TCS-1	SARKBRPART1	BR-Inventory Part	Yes	159.82	100.00	No	59.82	59.82	29.91	1
2		BR-TCS-1 - BR-TCS-1	FREIGHT	Freight Charges	No	10.00	10.00	Yes	0.00	0.00	0.00	
3		BR-TCS-1 - BR-TCS-1	INSURANCE	Insurance Charges	No	5.00	5.00	Yes	0.00	0.00	0.00	
4		BR-TCS-1 - BR-TCS-1	OTHER	Other Costs	No	5.00	5.00	Yes	0.00	0.00	0.00	

- 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

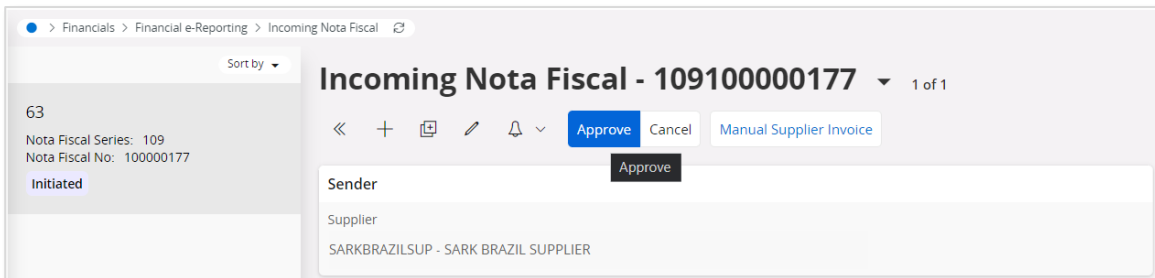
Cancel **Create Manual Supplier Invoice**

Sender		Receiver Group	
Supplier SARKBRAZILSUP - SARK BRAZIL SUPPLIER		Company SARKBRAZIL - SARK BRAZIL CC	

Nota Fiscal Series 109	Nota Fiscal No 100000177	Invoice Date 12/8/2020
---------------------------	-----------------------------	---------------------------

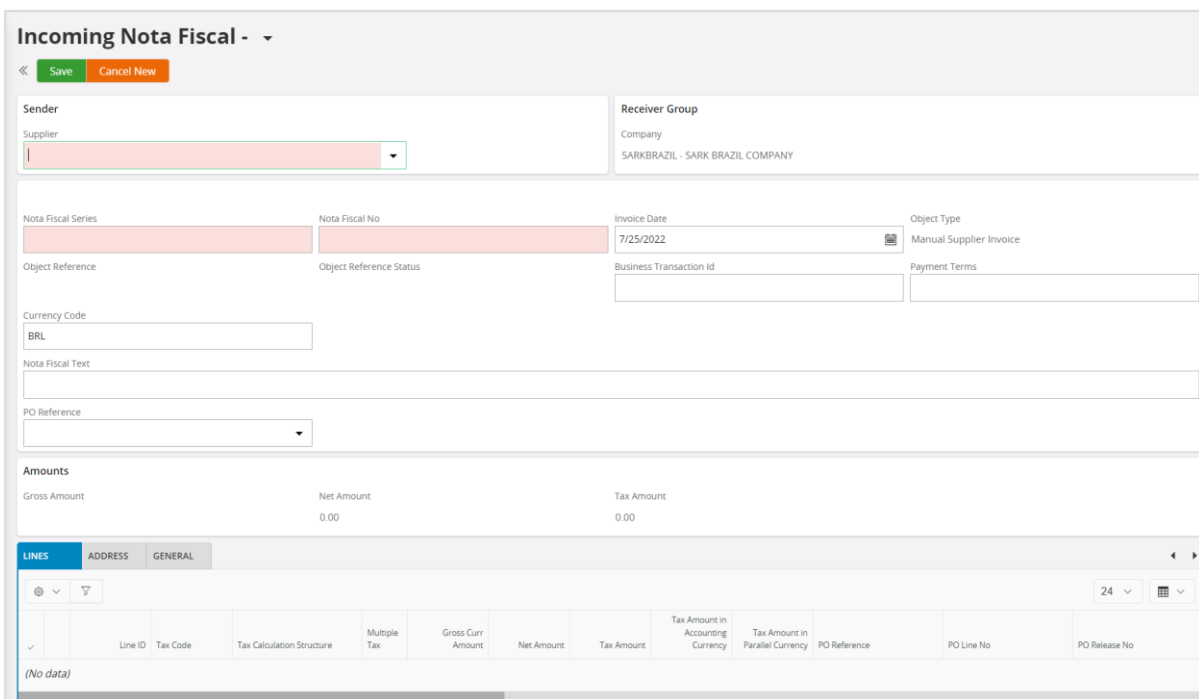
Note: Manual Supplier Invoice will create automatically when creating the Incoming Nota Fiscal, if user disables the "Manually Process Incoming Nota Fiscal" toggle in Application Base Setup/Enterprise/Company/Company/Invoice/NF-E COMPLIANCE tab

- Approve Nota Fiscal



## 19.5 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.



- Ensure the Purchase Order number (or numbers) 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

**Incoming Nota Fiscal - 109100000177** 1 of 1

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 100000177  
Initiated

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	100000177	12/8/2020

Approve the Nota Fiscal.

Financials > Financial e-Reporting > Incoming Nota Fiscal

Sort by

**Incoming Nota Fiscal - 109100000177** 1 of 1

63  
Nota Fiscal Series: 109  
Nota Fiscal No: 100000177  
Initiated

Approve Cancel Manual Supplier Invoice

Sender

Supplier  
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

## 19.6 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 Nota Fiscal number is entered as Receipt Reference.

Receive

Received By: EA ERARSE

Receipt Reference: 1/300777

Actual Delivery Date: 2020-06-08 00:00

Packing Details

Handling Unit Type ID

Print

Print Barcodes:  Print Arrival Report:  Print Serviceability Tag:

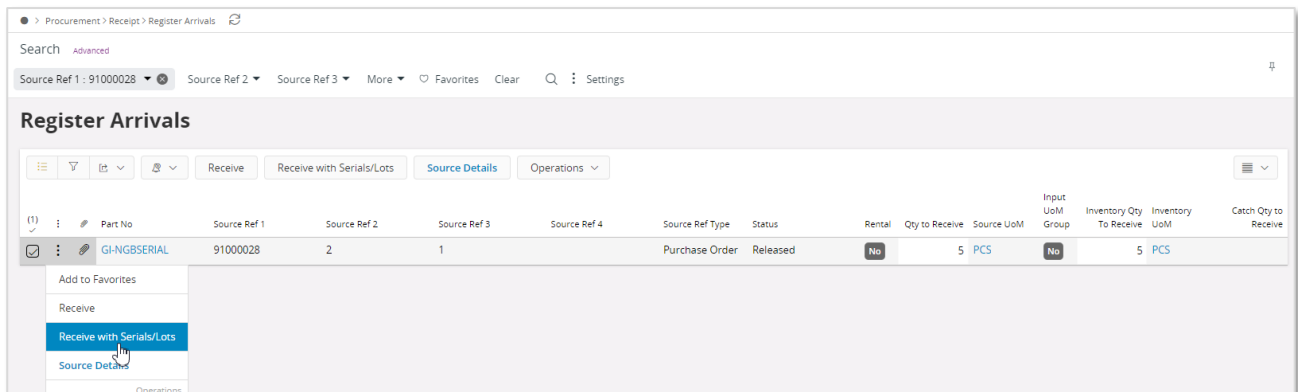
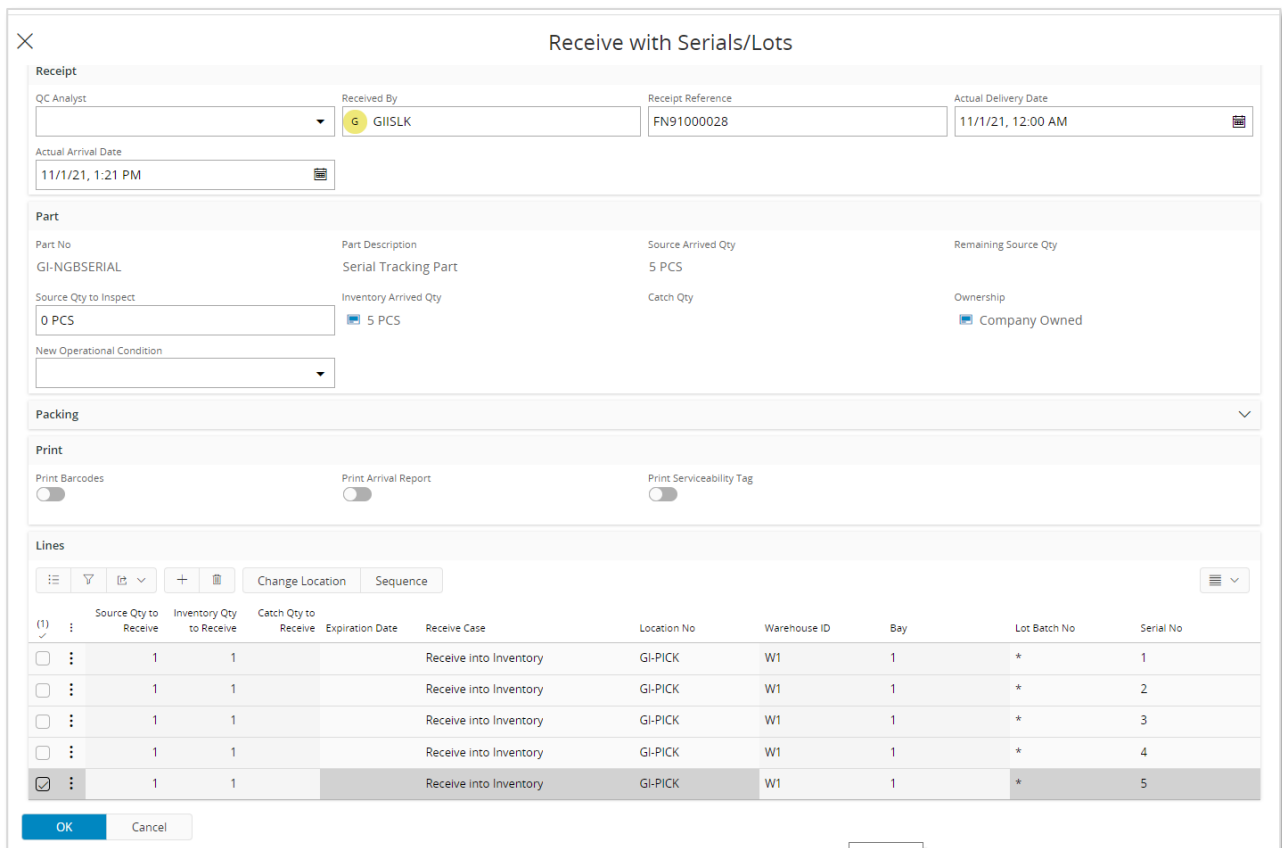
Source Ref 1	Source Ref 2	Source Ref 3	Site	Part No	Part Description	Qty to Receive	Source UoM	Qty to Inspect	Receive Case
D555051	1	1	BR1	165	Remote con	1	pcs	0	Receive into Arrival

OK Cancel

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

(1)	Source Qty to Receive	Inventory Qty to Receive	Catch Qty to Receive	Expiration Date	Receive Case	Location No	Warehouse ID	Bay	Lot Batch No	Serial No
<input type="checkbox"/>	1	1			Receive into Inventory	GI-PICK	W1	1	*	1
<input type="checkbox"/>	1	1			Receive into Inventory	GI-PICK	W1	1	*	2
<input type="checkbox"/>	1	1			Receive into Inventory	GI-PICK	W1	1	*	3
<input type="checkbox"/>	1	1			Receive into Inventory	GI-PICK	W1	1	*	4
<input checked="" type="checkbox"/>	1	1			Receive into Inventory	GI-PICK	W1	1	*	5

## Receipt Serials/Lots via Incoming Dispatch Advice

**Incoming Dispatch Advice** FN91000030 - 501 - GI-BRSUP Partially Arrived

Delivery Note No: FN91000030 | Alt Delivery Note No: | Message ID: 501 | Reference No: |  
 Message Type: Per Dispatch | Actual Ship Date: 11/1/21, 12:00 AM | Sender ID: BS - GI-BRSUP | **Manually Created**  
 Delivery Note Created: | Received Date: | Created Date: 11/1/21, 2:24 PM

**Delivery Information**

Forwarder: | External Transport Lead Time: | Shipping Document ID: |  
 Ship Via: | Delivery Terms: | Del Terms Location: |  
 Receiver Address: | [Open Map](#)

**Notes**

Shipment Note: |  
 Label Note: |

**PART LINES** | AVAILABLE SOURCE LINES

Receive | Receive with Serials/Lots | Cancel | [Source Details](#)

(1)	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Source Ref Type	Part No	Description	Sender Handling Unit ID	Handling Unit ID	Alt Handling Unit Label	SSCC	Dispatch Source Qty	Status	Order Line Match
<input type="checkbox"/>			1		Purchase Order	GI-NGBSERIAL	Serial Tracking Part					4	Arrived	Yes
<input checked="" type="checkbox"/>			1		Purchase Order	GI-LOT	Lot Tracking Part					5	Created	Yes

[Add to Favorites](#)  
[Receive](#)  
[Receive with Serials/Lots](#)

## 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 | Arrival 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: | Voucher Type Reference: | Voucher No Reference: |  
 Authorizer ID: \* | Notes: No | Advance Invoice: No | Period Allocation: No | Pre-posting: No | Received Attachments: No | On Hold Installment: No | Posting Proposal: No

Gross Amount: 188.24 | Net Amount: 128.00 | Tax Amount: 60.24

**Line Information**

Gross Amount: 188.24 | Net Amount: 128.00 | Tax Amount: 60.24 | Non-deductible Tax Amount: 0.00 | Cost Amount: 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
<input checked="" type="checkbox"/>	D555077		1	1	4		1			

[Receive With Serials/Lots](#)

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 Nota Fiscal number and Nota Fiscal 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

### 19.7 Post Invoice

Follow the IFS standard process to post the invoice.

### 19.8 Delimitations

Brazilian specific tax needs to be handled manually since 3<sup>rd</sup> party tax calculation service is not integrated in these flows.

## 20 Incoming Nota Fiscal – Customer Returns for credit

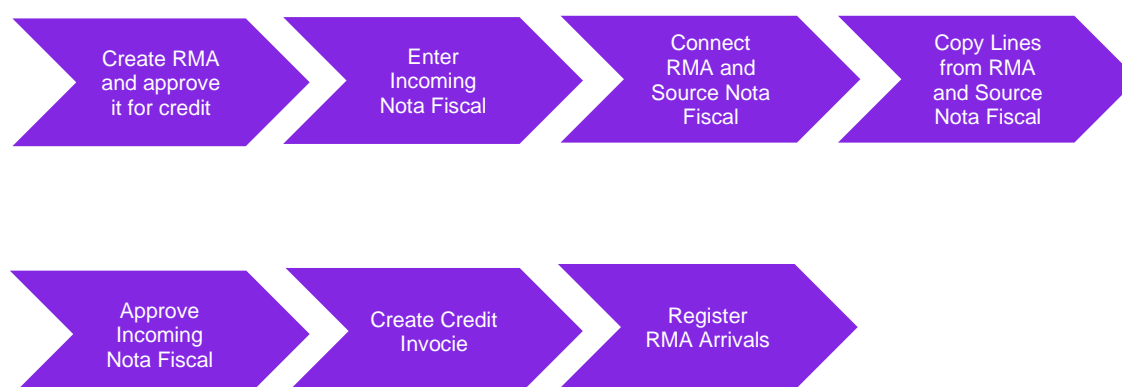
### 20.1 Overview Legal Requirement

Brazilian government requires that companies issue an accompanying Nota Fiscal whenever the goods are moved between different taxpayer units. When the customer return purchased goods to the company, an outgoing Nota Fiscal must be issued by the customer to accompany the returned goods and this Nota Fiscal must be received as incoming Nota Fiscal by the company.

When receiving an Incoming Nota Fiscal from Customer Returns transaction, following rules must be adhered:

- In Brazil, you can only process a return once the preceding outgoing nota fiscal has been authorized in Tax Authority system.
- The customer return *nota fiscal* must be based on the company's original *nota fiscal*. If merchandise is fully returned, the Incoming *nota fiscal* amounts must be identical to the company's original *nota fiscal*.
- If merchandise is partially returned, the incoming *nota fiscal* amounts must be proportional to the company's original *nota fiscal*.
- The tax rates and costs must be returned in the same amounts as those amounts that were used in the company's original *nota fiscal*.
- The customer return *nota fiscal* issued by the customer is always related to one outgoing Nota Fiscal previously issued by the Company, according to Brazilian guideline for NF-e.

### 20.2 Process Overview



### 20.3 Prerequisites

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

### 20.4 Prepare RMA for items to return from Customer

Use IFS Cloud generic functionality to create Return Material Authorization for the Customer Orders on which goods to be returned were delivered with Outgoing Nota Fiscal issued.

Make sure the items and quantities in Return Material Authorization lines match the lines and quantities informed by customer in the incoming customer return Nota Nota Fiscal to be received.

The Tax Lines in Return Material Authorization are copied from Customer Order Tax Lines. In case of partial returns, the taxes amounts will be prorated according to the quantity selected for return.

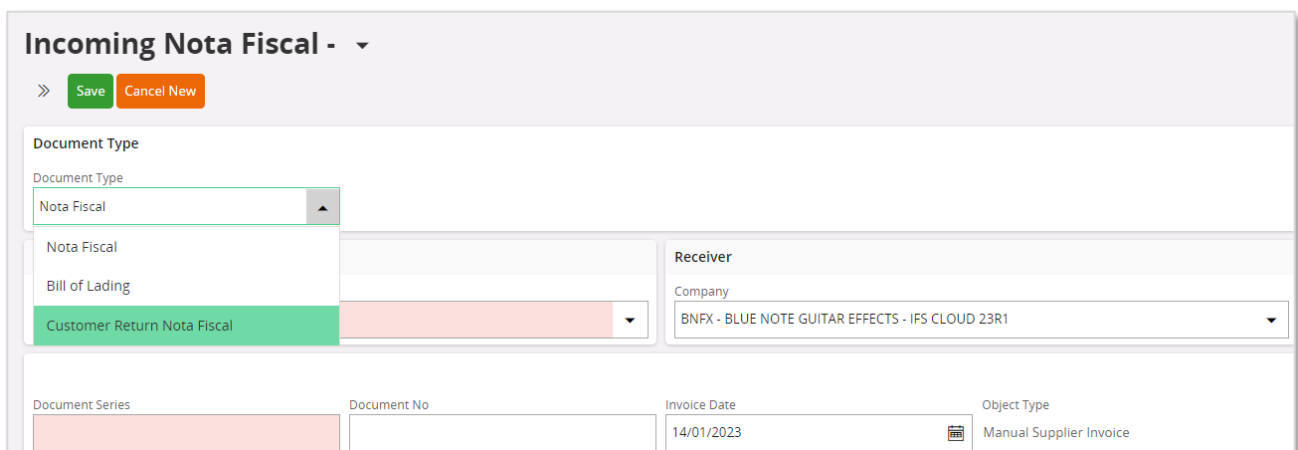
Once the Return Material Authorization is created, release it and approve it for credit.

## 20.5 Receive Incoming Nota Fiscal

### 20.5.1 Create Incoming Customer Return Nota Fiscal Manually

Create the incoming Nota Fiscal manually using *Financials/Financial e-Reporting/Incoming Nota Fiscal* page. For this purpose, you can use DANFe document received.

Select the “Document Type” as Customer Return Nota Fiscal.



**Incoming Nota Fiscal -**

>> **Save** **Cancel New**

**Document Type**

Document Type

Nota Fiscal

Nota Fiscal

Bill of Lading

Customer Return Nota Fiscal

**Receiver**

Company

BNFX - BLUE NOTE GUITAR EFFECTS - IFS CLOUD 23R1

Document Series

Document No

Invoice Date

Object Type

Manual Supplier Invoice

Enter the Nota Fiscal number in the field **Document No**, Nota Fiscal Series in the field **Document Series** and then fill all the relevant data from DANFe.

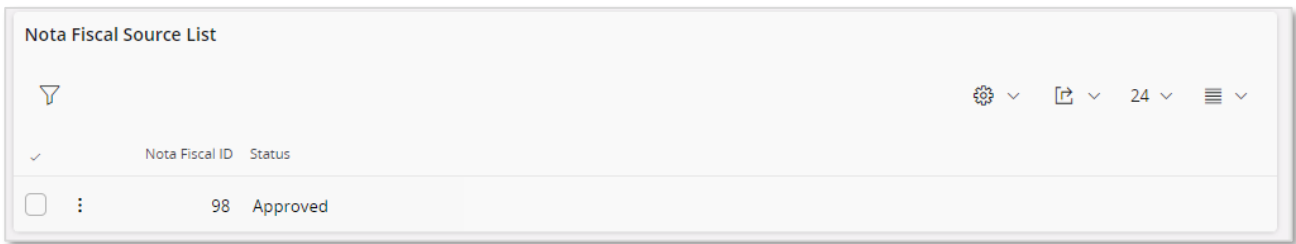
<b>Document Type</b>			
Document Type Customer Return Nota Fiscal			
<b>Sender</b>		<b>Receiver</b>	
Customer RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGACAO - SEM VALOR FISCAL		Company BNFX - BLUE NOTE GUITAR EFFECTS - IFS CLOUD 23R1	
Document Series	Document No	Invoice Date	Object Type
1	123435	12/01/2023	Customer Credit Invoice
Object Reference	Object Reference Status	Payment Terms	Currency Code
204288	Preliminary	10	BRL
Document Text			
Business Transaction ID	Source Reference1	Site	
		SP01	
<b>Amounts</b>			
Gross Amount	Net Amount	Tax Amount	
412,37	300,00	112,37	
<b>Charge Amounts</b>			
Freight	Insurance	Other Expenses	
0,00	0,00	0,00	

## 20.5.2 Copy RMA and Outgoing Nota Fiscal Source Items

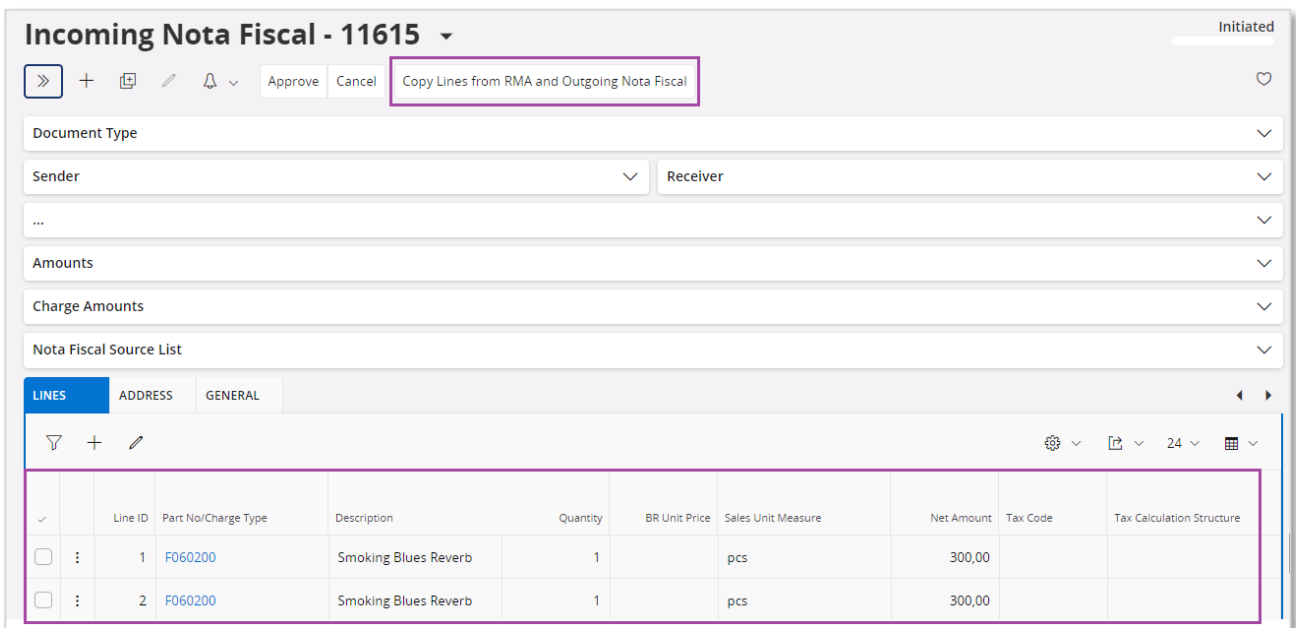
Once the Nota Fiscal header is saved, enter the Return Material Authorization previously created and approved for credit in the field **Source Reference1**:

Document Text		
Business Transaction ID	Source Reference1	Site
501		SP01
<b>Amounts</b>	Q Find	Clear
Gross Amount	200797 (RMA No)	Tax Amount
412,37	Released (Status)	112,37
<b>Charge Amounts</b>	200145	Other Expenses
Freight	Released	0,00
0,00	200146	
	Released	

In the Nota Fiscal Source List, enter the Nota Fiscal ID issued from Customer Order, on which goods returned were originally delivered and save the record:



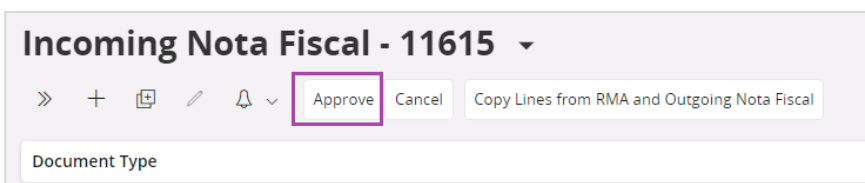
Select command button “Copy Lines from RMA and Outgoing Nota Fiscal” in the page header. The items of Source Nota Fiscal informed, for which RMA lines are created and approved for credit, are fetched into Incoming Nota Fiscal:



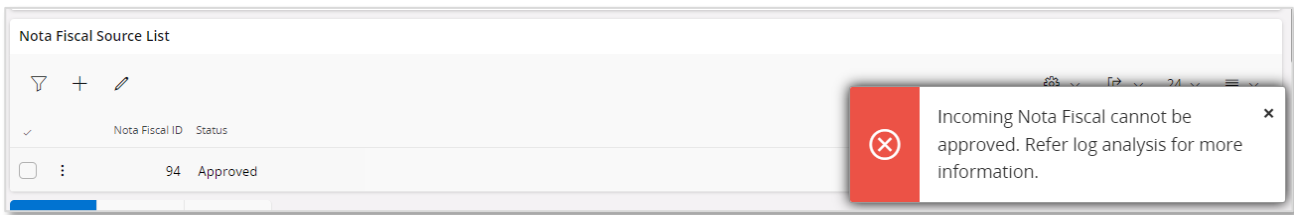
The Tax lines in the Incoming Nota Fiscal are copied from Return Material Authorization Tax Lines.

### 20.5.3 Approve Incoming Nota Fiscal

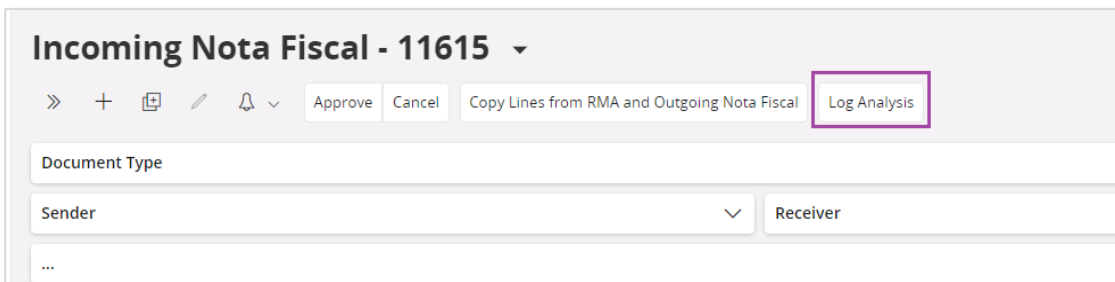
Select command button “Approve” in the page header:



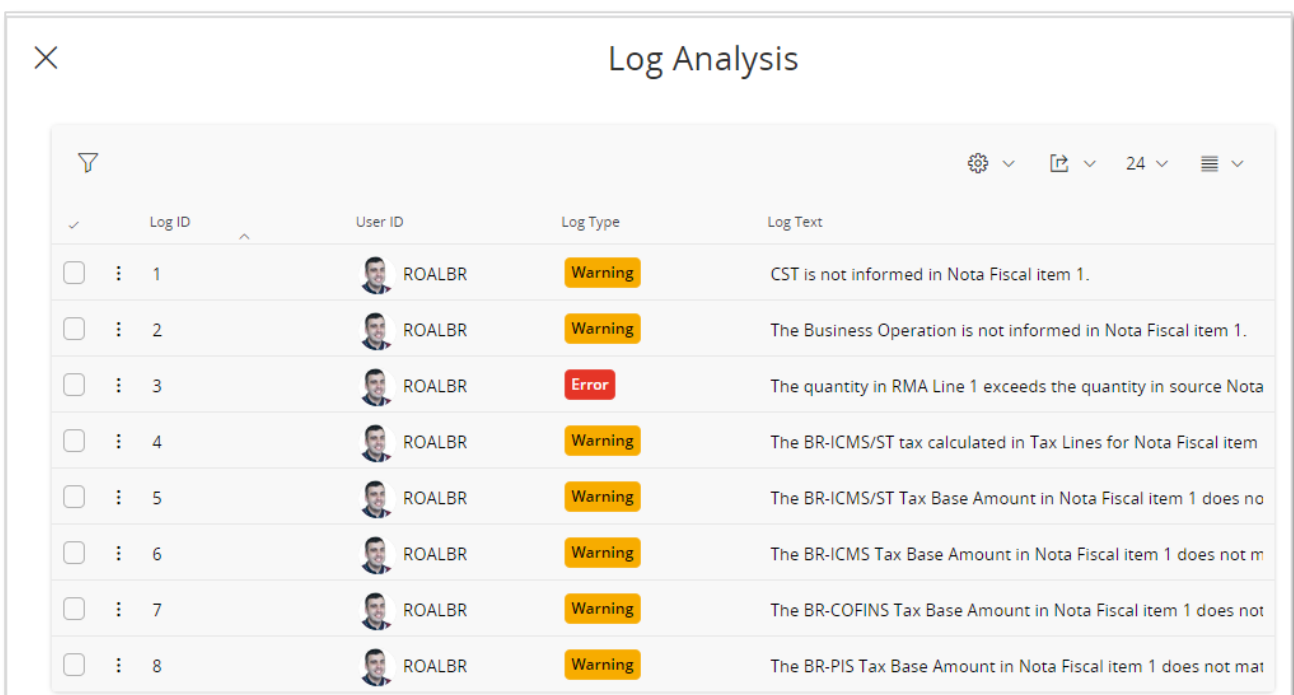
The application performs the reconciliation checks. If some error is found during approval process, the error message popup, informing that Log Analysis can be verified for further details:



Select command button “Log Analysis” in the page header:



The application open the right-side panel, listing the errors and warnings recorded:



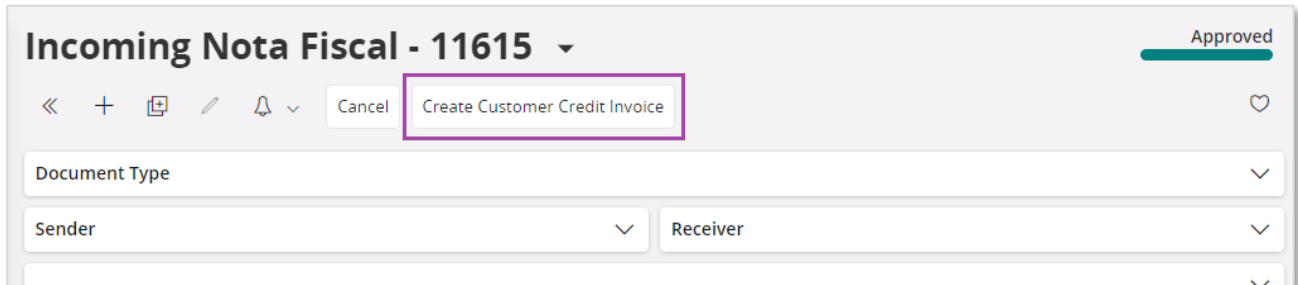
There two Log Types can be listed in this panel:

- Warning: Only informative, do not prevent Incoming Nota Fiscal of being approved.
- Error: Prevents Incoming Nota Fiscal of being approved.

Once the Log Analysis is verified, the errors listed can be adjusted and command button “Approve” can be selected over again. When reconciliation checks finds no more errors, the status in the Incoming Nota Fiscal changes from Initiated to Approved.

## 20.6 Create Customer Credit Invoice from Incoming Nota Fiscal

Once the incoming customer return Nota Fiscal is in Approved status, select the command button Create Customer Credit Invoice in the page header:



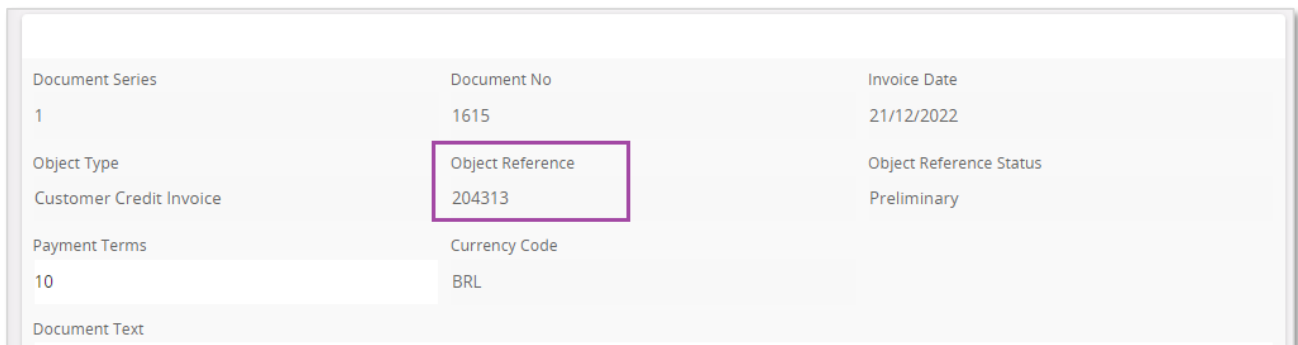
**Incoming Nota Fiscal - 11615** Approved

« + 📄 ✎ 🔔 ▼
Cancel
Create Customer Credit Invoice
❤️

Document Type ▼

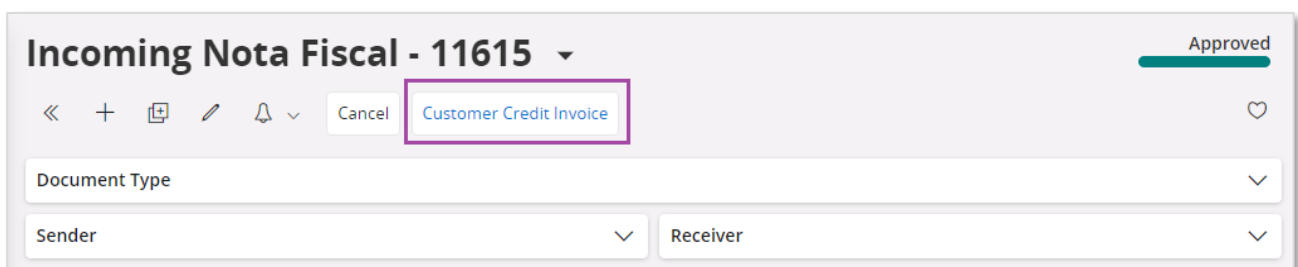
Sender ▼ Receiver ▼

After Customer Credit Invoice is created, the Object Reference is recorded for Incoming Nota Fiscal:



Document Series	Document No	Invoice Date
1	1615	21/12/2022
Object Type	Object Reference	Object Reference Status
Customer Credit Invoice	204313	Preliminary
Payment Terms	Currency Code	
10	BRL	
Document Text		

The credit invoice can be reached from command button “Customer Credit Invoice” in the page header:



**Incoming Nota Fiscal - 11615** Approved

« + 📄 ✎ 🔔 ▼
Cancel
Customer Credit Invoice
❤️

Document Type ▼

Sender ▼ Receiver ▼

### Customer Invoice

RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGACAO - SEM VALOR FISCAL - 204313 - CUSTORDCRE - P11363 1 of 1 Preliminary

Share Credit/Correction Invoice Posting Installation Plan and Discounts Notes Create Outgoing Nota Fiscal

Customer No	Customer Address Na...	Series ID	Invoice No	Company	Site	Invoice Created	Order Created
NE RCA CUST	NF-E EMITIDA EM AM...	PR	204313	BNFX	SP01	13/01/2023	21/12/2022

#### Amounts

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	-841,26	-600,00	-241,26	1	1

**LINES** GENERAL NF-E INFORMATION HISTORY

Invoice Type	Invoice Address	Invoice Date	Printed Date	Our Reference	Customer Reference	Indicators
CUSTORDCRE - Customer Order Invoice, Credit	SP01	13/01/2023		IFS Applications		Price Adjustment: No Advance/Prepayment Invoice: No Use Price Incl Tax: No Notes: No Correction Exist: No Correction Invoice: No Correction Reason ID: Correction Reason:

## 20.7 Return Material Authorization Arrivals

The RMA arrivals are registered using IFS Cloud generic functionality.

Go to *Procurement/Receipt/Register Arrivals*, find the RMA lines and select command button "Receive" in the page header:

### Register Arrivals

Receive Receive Parts against Order Deliveries Source Details

(2)	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Source Ref Type	Status	Rental	Qty to Receive	Source UoM
☑	200656	1			Return Material Authorization	Released	No	1	pcs
☑	200656	2			Return Material Authorization	Released	No	1	pcs

In the Receive panel, enter the Nota Fiscal reference in the field **Receipt Reference** as [Nota Fiscal Series]/[Nota Fiscal No], inform the Location and click the Ok button:



Receive

Received By

ROALBR

Receipt Reference

1/1615

Actual Delivery Date

13/01/2023 00:00

Actual Arrival Date

13/01/2023 20:55

Print ▼

---

Split Receipt

24

(1) ✓	Site	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Location No	Part No	Part Desc
<input type="checkbox"/>	SP01	200656	1			202058	F060200	Smokin
<input checked="" type="checkbox"/>	SP01	200656	2			202058	F060200	Smokin

OK

Cancel

The inventory transactions OERETURN created from RMA arrivals are identified with Nota Fiscal Number and Item Number:

Inventory Transactions History

24

✓	Transaction ID	Transaction Code	Part	Site	Configuration ID	Fiscal Note Number	Fiscal Note Item	Direction	Quantity
<input type="checkbox"/>	520949	OERETURN - Receipt of Re	F060200 - Smoking Blu...	SP01 - CROSSROADS	*	1615	1	+	1 pcs
<input type="checkbox"/>	520948	OERETURN - Receipt of Re	F060200 - Smoking Blu...	SP01 - CROSSROADS	*	1615	2	+	1 pcs

The Return Material Authorization status changes to Return “Completed”.

Country Solution Brazil **168**

## 21 Incoming Nota Fiscal – Bill of Lading

### 21.1 Overview Legal Requirement

Bill of Lading is a legal document connected to product transportation in Brazil. It's emitted by a carrier to the customer, declaring the amount of the transportation service (freight value) and its taxes (ICMS, PIS, COFINS and IRPJ).

The customer might pay for a Bill of Lading for the transportation when receiving deliveries or at products receipts. For receipts, the Bill of Lading refers to one or more receipt fiscal notes. Bill of Lading Document can be in two forms.

CT-e (Conhecimento de Transporte Eletrônico) – CT-e is the electronic invoice for transport within Brazil. CT-e is an XML document that contains the cargo value including taxes.

DACTE (Documento Auxiliar do Conhecimento de Transporte Eletrônico) - DACTE (CT-e auxiliary document) is the printed form of the CT-e. The DACTE is not a CT-e substitute. It is only an auxiliary document to assist in the consultation of CT-e. The DACTE is carried with the vehicle during transport.

### 21.2 Process Overview

Bill of Lading could be received to IFS Cloud in two ways,

- a. Receive Bill of Lading Automatically (CT-e) – Using External Supplier Invoice Flow

IFS Cloud core *External Supplier Invoice* flow is used to upload the received Bill of Lading XML file (CT-e). Once uploaded by using the IFS Cloud core functionalities, Bill of Lading could be created automatically.

- b. Enter Bill of Lading Manually – Using Incoming Nota Fiscal Page

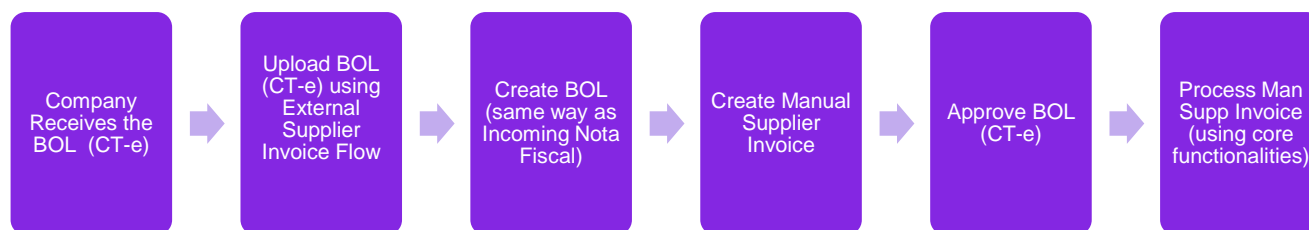
User can enter an Bill of Lading based on the DACTe document received from the carrier (transport supplier) using Incoming Nota Fiscal page.

Once the Bill of Lading is created, user can create Manual Supplier Invoice & Approve the Bill of Lading.

Finally, user can match the charge lines and process Manual Supplier Invoice.

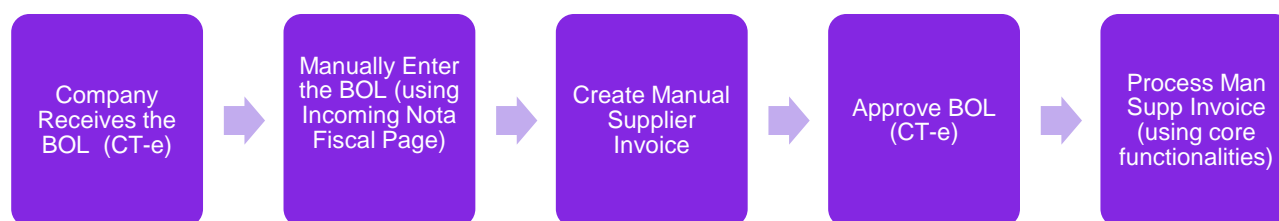
**Note:** User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

## 21.2.1 Receive Bill of Lading Automatically (CT-e) – Using External Supplier Invoice Flow



**Note:** User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

## 21.2.2 Enter Bill of Lading Manually (DACTE) – Using Incoming Nota Fiscal Page



**Note:** User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

## 21.1 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 (Carrier) and Company CNPJ accordingly.
- Purchase Charge type related for Freight should be in place in Application Base Setup/Enterprise/Site/Site/Sales and Procurement/Procurement tab.

**Sales and Procurement** SARB - SARK BRAZIL SITE - SARKBRAZIL 1 of 2

Create Internal Customer Create Internal Supplier

**Company Site Group**

Site	Site Description	Company
SARB	SARK BRAZIL SITE	SARKBRAZIL - SARK BRAZIL COM

SALES **PROCUREMENT**

General

Configurations for Available to Promise

Charge Types for Incoming Nota Fiscal

Freight	Insurance
FREIGHT	INSURANCE

- 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.

Application Base Setup > Enterprise > Supplier > Supplier > Invoice

**Invoice** BRSUP1 - Brazilian Supplier 1 1 of 1

Supplier: BRSUP1 Name: Brazilian Supplier 1 Association No: [blank]

Company: EABR1 - Brazilian Company 1

GENERAL PROPERTIES TAX INFORMATION PO MATCHING **MESSAGE DEFAULTS**

Media Code	Automatic Approval	Default Load Type	Exclude Posting Information	Exclude Invoice Lines	Recalculate Due Date	Approval User
<input type="checkbox"/> E-INVOICE	No	SUPPEXT	No	No	No	EA ERARSE

- 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

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

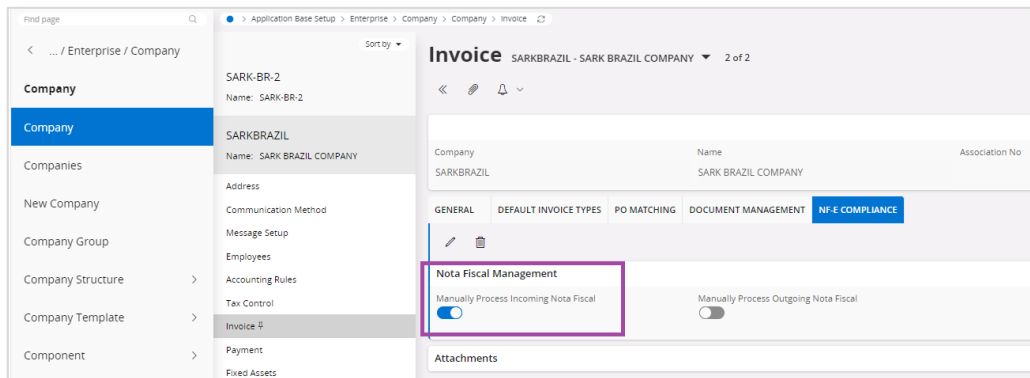
- Go to Financials/Supplier Invoice/External Invoice/External Supplier Invoice Parameters & enable "Used for Incoming Nfe".

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.



## 21.2 Receive Bill of Lading Automatically (CT-e) – Using External Supplier Invoice Flow

IFS Cloud standard External Supplier Invoice flow is used in this scenario to upload the received Bill of Lading XML file (CT-e). Once uploading the CT-e XML in External Supplier Invoice flow, Bill of Lading could be created automatically.

Please see the details in the process described step by step in below chapters.

### 21.2.1 Receive CT-e XML file and create the Bill of Lading

Use IFS Core External Supplier Invoice flow to load the CT-e XML and create the Bill of Lading 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.

### **Bill of Lading Document Identification**

```
<mod>57</mod>
```

If the mod value is "57", it is identified as a Bill of Lading document.

### **Company Supplier Identification**

```
<emit>
<CNPJ>40730441000163</CNPJ>
<xNome>SARKBRAZILFREIGHT</xNome>
</emit>
```

Freight Carrier (Supplier) will be identified using the CNPJ value of <emit>.

```
<dest>
<CNPJ>45504618000127</CNPJ>
<xNome>SARKBRAZIL</xNome>
</dest>
```

Company will be identified using the CNPJ value of <dest>. Here the CNPJ linked to “Site” will be identified.

### **Service Start & End Location Identification**

```
<cMunIni>1200401</cMunIni>
```

First two numbers in <cMunIni> represent the Numeric State code of the Service Start State and last 5 numbers represent the Numeric City code of the Service Start City.

```
<cMunFim>3550308</cMunFim>
```

First two numbers in <cMunFim> represent the Numeric State code of the Service End State and last 5 numbers represent the Numeric City code of the Service End City.

### **Gross Amount & Taxes Identification**

```
<vPrest>
  <vTPrest>12.05</vTPrest>
  <vRec>12.05</vRec>
  <Comp>
    <xNome>Frete Valor</xNome>
    <vComp>12.05</vComp>
  </Comp>
</vPrest>
<imp>
  <ICMS>
    <ICMS00>
      <CST>00</CST>
      <vBC>12.05</vBC>
      <pICMS>17.00</pICMS>
      <vICMS>2.05</vICMS>
    </ICMS00>
  </ICMS>
  <vTotTrib>2.05</vTotTrib>
</imp>
```

<vTPrest> represents the Gross Amount of the Bill of Lading and Tax details can be found inside <imp> tag.

### **Create Bill of Lading using External Supplier Invoice**

- Go to *Financials/Supplier Invoice/External Invoice/External Supplier Invoice Load Information* and 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	Create Nota Fiscal ID
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Checked	

### View Bill of Lading using command 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
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Created	

**Document Type**  
Document Type  
Bill of Lading

**Sender**  
Supplier  
SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

**Receiver**  
Company  
SARKBRAZIL - SARK BRAZIL COMPANY

Bill of Lading Series: 001  
Bill of Lading No: 000060315  
Invoice Date: 10/21/2021  
Object Type: Manual Supplier Invoice

Object Reference: 001000060315  
Object Reference Status: Preliminary  
Payment Terms: 0  
Currency Code: BRL

Bill of Lading Text  
O valor aproximado dos tributos e de R\$ 24,84

Business Transaction ID: [Dropdown]  
Site: SARB

**Amounts**

Gross Amount	Net Amount	Tax Amount
12.05	10.00	2.05

**LINES** | ADDRESS

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	Part No/Charge Type	Description	Charge Line
1	ICMS-17		No	12.05	10.00	2.05	2.05	1.03	FREIGHT	Freight Charges	Yes

Address details can be found in Address tab.

LINES			
ADDRESS			
<b>Sender</b>			
Sender Document Address ID	Sender Delivery Address ID	Sender CNPJ	Sender State Registration
HO	HO	40.730.441/0001-63	
Service Start State	Service Start City		
Acre	Rio Branco		
<b>Receiver</b>			
Receiver Document Address ID	Receiver Delivery Address ID	Receiver CNPJ	Receiver State Registration
HO	HO	45.504.618/0001-27	12345678991234
Service End State	Service End City		
São Paulo	São Paulo		

### 21.3 Enter Bill of Lading Manually (DACTe) – Using Incoming Nota Fiscal Page

Create Bill of Lading manually using *Financials/Financial e-Reporting/Incoming Nota Fiscal* page. For this purpose, you can use DACTE document received.

Select the Document Type as Bill of Lading.

**Incoming Nota Fiscal -** 1 of 2

<< Save Cancel New

**Document Type**

Document Type

Nota Fiscal

Nota Fiscal

**Bill of Lading**

Customer Return Nota Fiscal

Then fill all the relevant data in the DACTe.



**Document Type**

Document Type  
Bill of Lading

---

**Sender**

Supplier  
SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

**Receiver**

Company  
SARKBRAZIL - SARK BRAZIL COMPANY

---

Bill of Lading Series 001	Bill of Lading No 000060315	Invoice Date 10/21/2021	Object Type Manual Supplier Invoice
Object Reference 001000060315	Object Reference Status Preliminary	Payment Terms 0	Currency Code BRL

Bill of Lading Text  
O valor aproximado dos tributos e de R\$ 24,84

Business Transaction ID Site  
SARB

---

**Amounts**

Gross Amount 12.05	Net Amount 10.00	Tax Amount 2.05
-----------------------	---------------------	--------------------

---

**LINES**

ADDRESS

🔍
⚙️
📄

✓	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	Part No/Charge Type	Description	Charge Line
<input type="checkbox"/>	1	ICMS-17		No	12.05	10.00	2.05	2.05	1.03	FREIGHT	Freight Charges	Yes

## 21.4 Create Manual Supplier Invoice, Approve and Process Manual Supplier Invoice

Once creating the Bill of Lading automatically or manually, user can create Manual Supplier Invoice and approve the Bill of Lading Document. Finally user can process the Manual Supplier Invoice using standard IFS functionality.

### Create Manual Supplier Invoice

Incoming Nota Fiscal - 109231313131

▼ 1 of 24+

⏪ + 📄 ✎ 🔔 ▼

Cancel
Create Manual Supplier Invoice

---

**Document Type**

Document Type  
Bill of Lading

---

**Sender**

Supplier  
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

## Approve Bill of Lading

### Incoming Nota Fiscal - 122213131231 ▾ 3 of 24+

⏪ + 📄 ✎ 🔔 ▾ **Approve** Cancel Manual Supplier Invoice

**Document Type**

Document Type  
Bill of Lading

**Sender**

Supplier  
SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

## Process Manual Supplier Invoice

Bill of Lading Document contains only freight charges and taxes related to freight for a specific delivery attached to one or more Incoming Nota Fiscals. Therefore distribution of Bill of lading freight charges must be done at the arrival of the delivery. This can be performed using standard IFS functionalities like Register Arrivals or Incoming Dispatch Advice etc.

To process the Manual Supplier Invoice related to Bill of Lading, the arrival transaction of the goods related to delivery and the distribution of the charges has to be performed. Once it is completed, user can match the Manual Supplier Invoice with correct charge lines and can be Authorized it for payment. *(follow standard Manual Supplier Invoice process)*

## 22 Boleto – Bank Collection Bill

### 22.1 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.

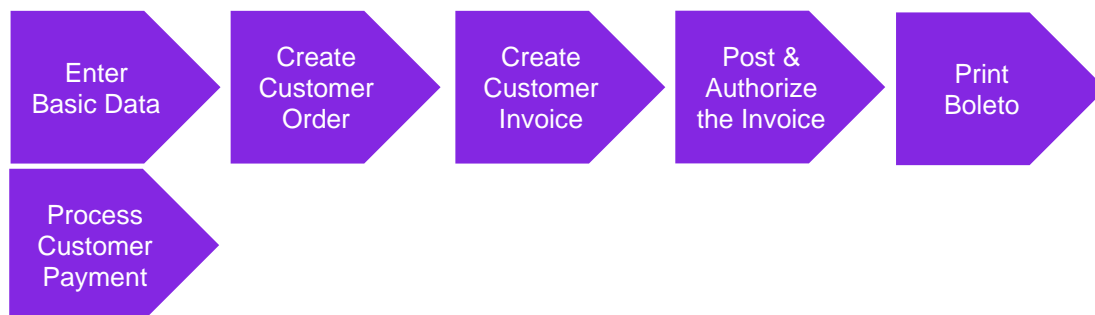
There are enough key elements in the Boleto so the payer can easily identify all data needed to make the right compensation of the amounts.

It is estimated that 50 million of Boletos are paid monthly in Brazil.

### 22.2 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.

### 22.3 Process Overview



### 22.4 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.

## 22.5 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 BRADESCO	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.

Financials > Payment Basic Data > Cash Book > Payment Institutes

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	
BANK	Bank	BANK	1234	BRL	123456-7			Yes	No	

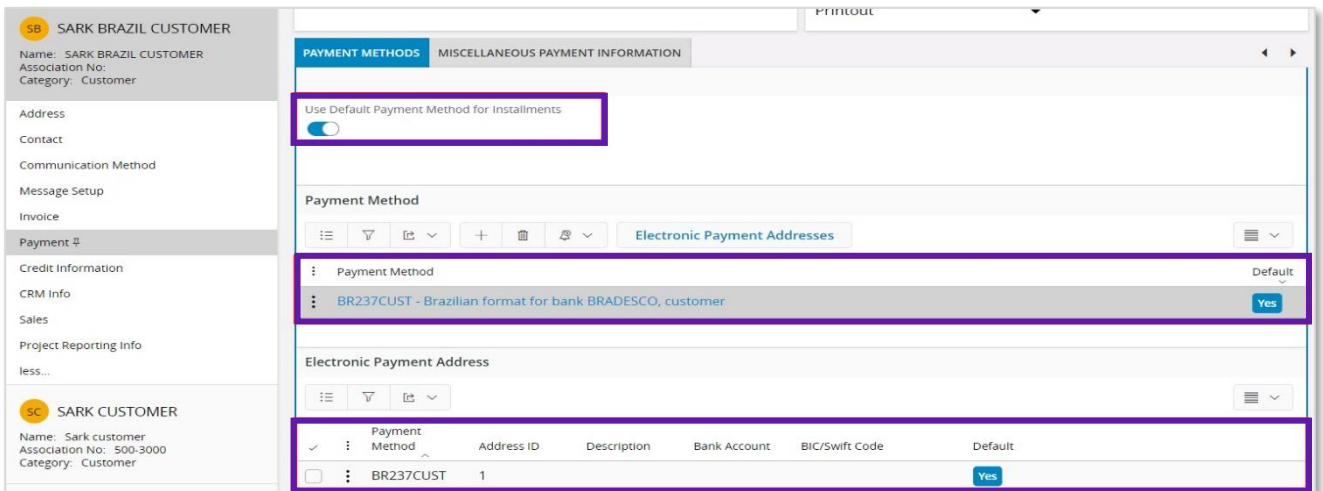
### Format Specific Info per Institute:

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

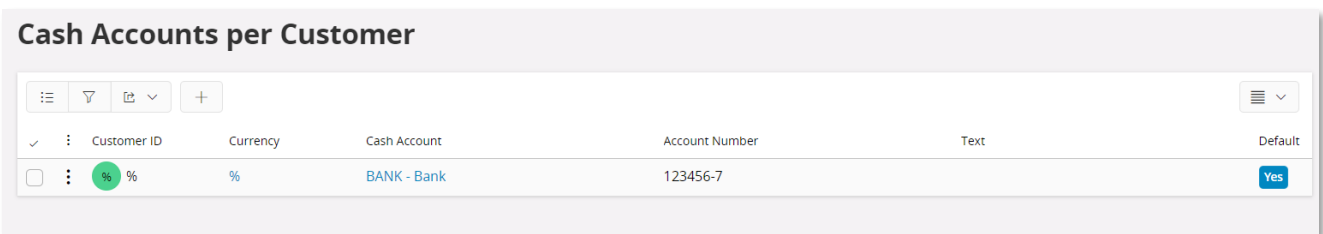
### Customer Master Data:

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.



### 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**.

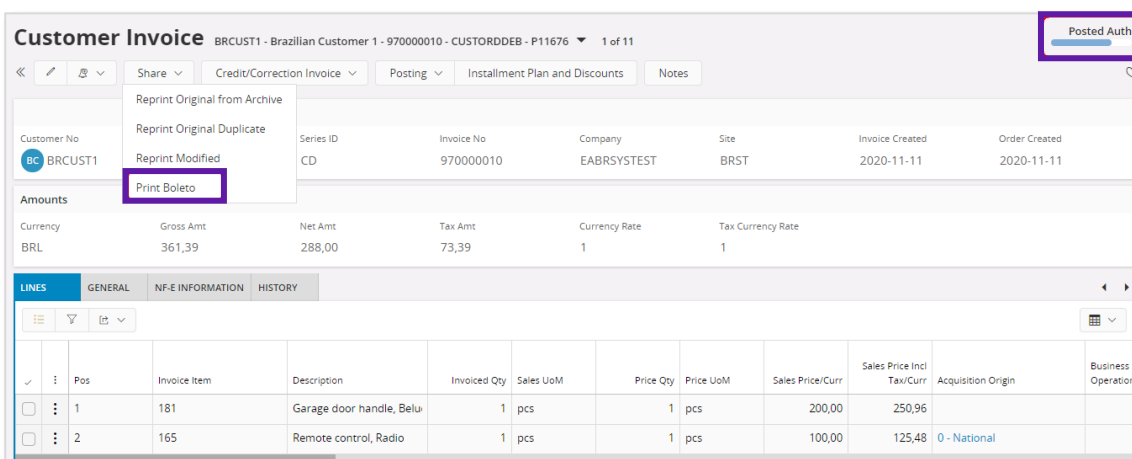



Customer ID	Currency	Cash Account	Account Number	Text	Default
%	%	BANK - Bank	123456-7		Yes

## 22.6 Boleto printout

### 22.6.1 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.



<b>Bank</b>						<b>Payer Receipt</b>					
Payer Name: <b>SARK BRAZIL CUSTOMER</b>											
Beneficiary <b>SARK BRAZIL COMPANY</b>			CNPJ / CPF <b>78.733.562/0001-31</b>			Guarantor			Due Date <b>16-NOV-20</b>		
Address of Company <b>Caljunto Nova 1024 Bairro 08190-145 São Paulo SP</b>											
Portofolio / Our Number <b>190/00000000060-5</b>		Portofolio <b>190</b>	Currency <b>Real</b>		Quantity		Amount		Office / Payee Code <b>1234/123456-7</b>		
Doc Date <b>16-NOV-20</b>		Document No <b>333000001027-1</b>		Currency Document <b>DT2</b>		Accepted <b>N</b>	Processing Date <b>24-NOV-20</b>		Installment Amount <b>87.33</b>		
Authentication mechanics											
<b>Bank</b>						<b>[237-7] 23791.23413 90000.000001 60012.345603 7 84410000008733</b>					
Paying Place <b>Can be paid in any Bank Agency.</b>									Due Date <b>16-NOV-20</b>		
Beneficiary <b>SARK BRAZIL COMPANY</b>			CNPJ / CPF <b>78.733.562/0001-31</b>			Office / Payee Code <b>1234/123456-7</b>			Address of Company <b>Caljunto Nova 1024 Bairro 08190-145 São Paulo SP</b>		
Doc Date <b>16-NOV-20</b>		Document No <b>333000001027-1</b>		Currency Document <b>DT2</b>		Accepted <b>N</b>	Processing Date <b>24-NOV-20</b>		Portofolio / Our Number <b>190/00000000060-5</b>		
Bank Use		Portofolio <b>190</b>	Currency <b>Real</b>		Quantity		Amount		(*) Document Amount <b>87.33</b>		
Intruction (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: <b>CNPJ:</b>		
									<b>Code of Payment:</b>		
						Authentication mechanics / COMPENSATION FORM					

## 22.6.2 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 Nota Fiscal series concatenated with Nota Fiscal 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

### 22.6.3 BOLETOS history

*Boletos History* is a page that contains all the history actions performed on the *Boletos Manager* page. Once a Boletos 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

### 22.7 Delimitations

Only bank Bradesco is covered in this release.



## 23 Appendix

### 23.1 Appendix:01

The NF-e XML mapping to IFS Cloud is described in DocMan document “NF-e xml mapping to IFS (Brazil)”.

### 23.2 Appendix:02

#### 23.2.1 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 Cloud Tax Code Mapping

External Tax Codes Mapping					
<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

```
entityICMS3Substitute": "no",
},
"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 Cloud 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

### 23.2.2 Avalara Request File Mapping

Refer **Avalara Request mapping V3.xlsx** to see the Avalara Request File Mapping details.



Avalara Request mapping V3.xlsx

### 23.3 Appendix:03

Refer ***Avalara Request mapping V3.xlsx*** to see the Avalara Request File Mapping details for NFe communication.



Avalara Request  
mapping V3.xlsx