



# Country Solution India (Initial Solution)

IFS Cloud 23 R1

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## Note:

The capabilities described in the Country Solution Document are included in the set of functionalities added in an initial solution, which can be useful in demos but most probably will not satisfy global customers' demands for going live. The work will continue for IFS Cloud 23R2 release.

In IFS Cloud for India (Initial Solution), we have included the following solutions, see Table of Content.

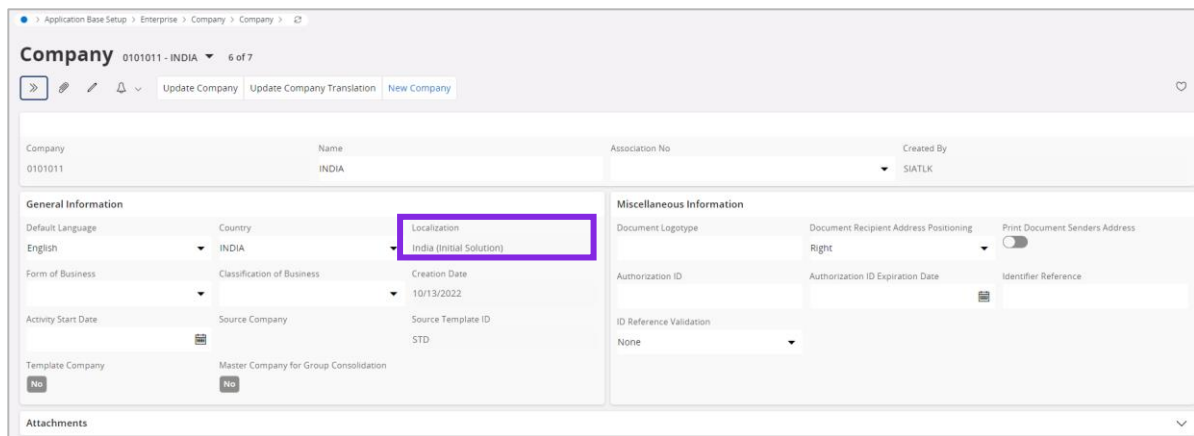
# 1 Company Set-up

## 1.1 Overview

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

## 1.2 Define localization

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

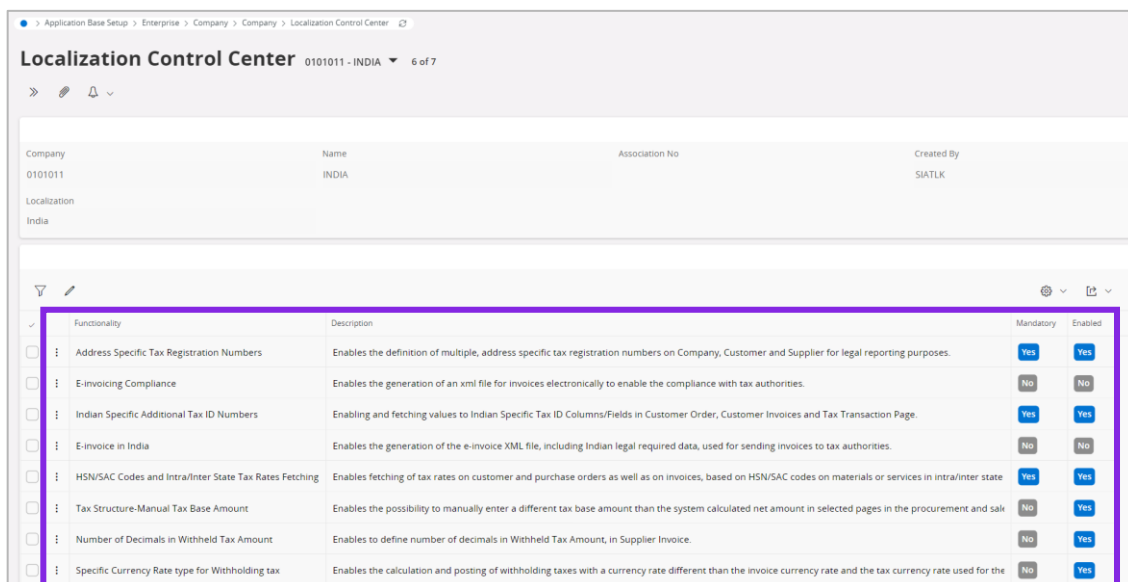


The screenshot shows the 'Company' setup page for company 0101011 - INDIA. The 'General Information' tab is active. The 'Localization' field is highlighted with a red box, showing 'India (Initial Solution)' selected. Other fields include 'Default Language' (English), 'Country' (INDIA), 'Form of Business', 'Classification of Business', 'Creation Date' (10/13/2022), 'Activity Start Date', 'Source Company', 'Source Template ID' (STD), and 'Template Company' (No).

## 1.3 Select Localization functionality

Specify which functionality to use.

- Open **Localization Control Center** sub menu under **Company**.
- The localization selected in previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionalities available for India are presented in the list. **Enable/Disable** the functionalities based on the requirements for the company by selecting the toggle buttons **Enable**. Note that some functionalities are mandatory and cannot be disabled.



The screenshot shows the 'Localization Control Center' page for company 0101011 - INDIA. The 'Localization' field is set to 'India'. Below the field is a table of functionalities with 'Mandatory' and 'Enabled' toggle buttons.

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-Invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-Invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 1.4 Prerequisites

To handle the Indian multiple tax system, the following prerequisites must be set up in the application.

### 1.4.1 PREREQUISITES SETTINGS RELATED TO IFS CLOUD CORE FUNCTIONALITY

#### 1.4.1.1 Prerequisites: Application base setup

- The only supported tax method calculation is 'Line Level'.
  - On the **Company/ Tax Control/ Invoice** tab, set the **Tax Rounding Level** field to 'Line Level'.
  - On the **Customer/ Address/ Delivery Tax Information** tab, set the **Tax Rounding Level** field 'Line Level' or 'Specified on company'.
- On the **Company/ Tax Control /Invoice** tab, set the **Amount Method** field to 'Net Amount Entry'.
- On the **Company/ Tax Control /Invoice** tab, leave the **Tax Amount Limit, Outgoing Invoice Lines** toggle not selected.
- On the **Company/ Accounting Rules/ Currency Rate Information** tab leave the **Allow Specific Currency Rates for Tax Transactions** toggle not selected.
- On the **Company/Payment/General** tab:
  - Leave the **VAT Reduction at Discount** toggle unselected.
  - Leave the **Allow Write-off for Partial Payment** toggle not selected.
- The only supported **Tax Type** for tax codes is 'Tax', and "Tax Withhold".
- The only supported **Tax Method** for tax codes is 'Invoice Entry'.
- On the **Company/ Tax Control/ Invoice** tab, set the **Tax Correspondence, invoice line – Manual Postings** to unselected.
- On the **Company/ Tax Control/ General/ Customer Tax Code Validation**, set the **Object Level** toggle to unselected.

#### 1.4.1.2 Prerequisites: Customer Order flow

- On the **Customer/ Order/ Misc Customer Info** tab leave the **Print Tax** Info toggle not selected.
- On the **Company/ Tax Control /Sales & Procurement** tab select the **Customer Order, Taxable** toggle since taxes will be calculated on the customer order.

#### 1.4.1.3 Prerequisites: Purchase Order flow and Supplier Invoice

- On the **Supplier/ Purchase /Misc Supplier Info** tab leave the **Print Tax Info** toggle not selected.
- On the **Company/ Tax Control /Sales & Procurement** tab select the **Purchasing, Taxable** toggle since taxes will be calculated on the purchase order.

## 2 Solution Overview

### System Define Indian States

- GST is a destination based tax applicable for supply of goods and services or both administered concurrently by the **Center** and **State** Governments throughout the value chain.

### Tax Code Structure -Manual Tax Base Amount

- Enable Enables manual tax base amount in tax structure.

### HSN/SAC Codes & Basic data for fetch tax structure via HSN/SAC.

- Define HSN/SAC Codes in the application.
- Connect Tax Structure to HSN/SAC Codes.
- Connect codes to transaction level.

### Validation of states in transaction level

- Validation of states in transaction level to fetch correct HSN/SAC Code and the Tax Structure.

### Address Specific Tax Registration Numbers

- Application to provide with the possibility of recording different GSTIN number state wise and could be multiple within a state.
- Invoice and Tax Transaction Information handled to record multiple Tax ID Numbers when goods and services are moved between companies.

### Reverse Charge

- Indian Reverse Charge to be facilitated thru the "Use Tax".

### New Information to Invoice RDF Level

- Make available legally required new information on invoice RDF Level.

### Tax Reporting

- Make available legally required new information for GST reporting in Tax Ledger.

## 3 System Define Indian States

### 3.1 Overview Legal Requirement

The Indian State in the buyer's address (the place of supply), and the Indian State in the seller's address (the location of supplier) determines whether a transaction is an Intrastate transaction or an Interstate transaction as per the Section 8, 10 and 12 of the Integrated Goods and Services Tax Act, 2017.

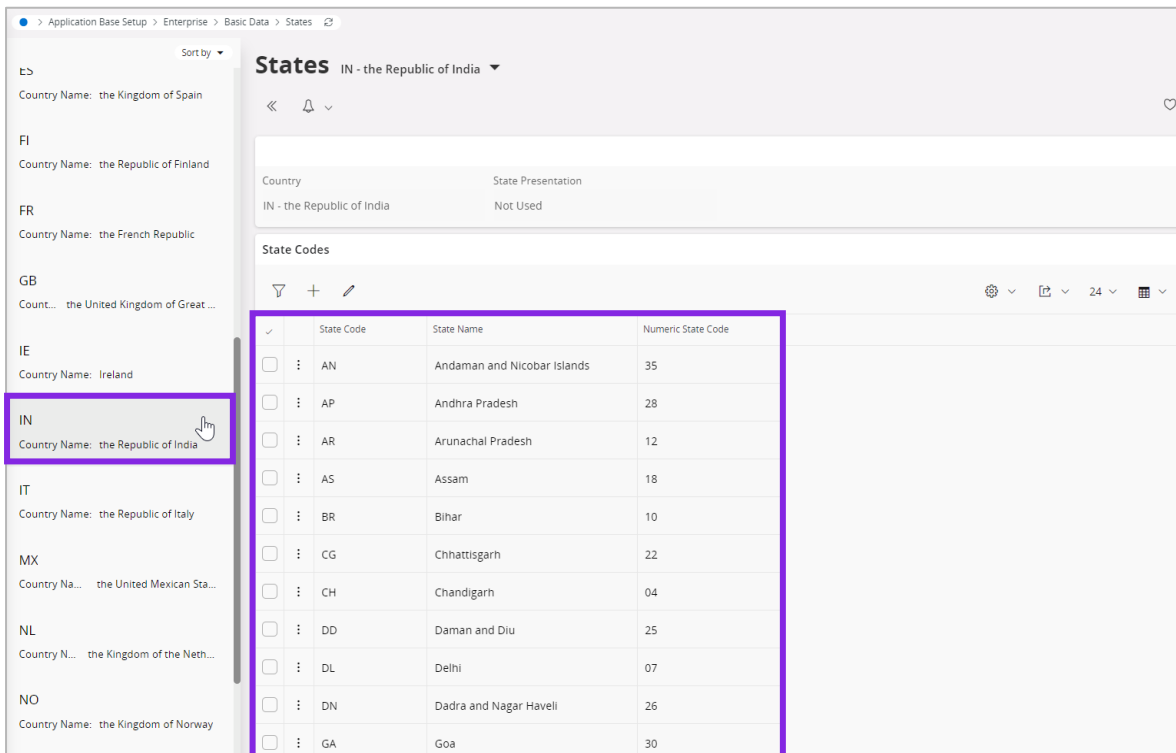
Accordingly, if the two delivery ends of a transaction (buyer's state and seller's state) is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

### 3.2 Solution Overview

To support this requirement of levying the taxes mainly based on the Indian States (whether Intrastate or Interstate) and the product/service category, it's required to facilitate system defined Indian 'States' and the 'State Codes' in IFS Cloud.

Accordingly, in the **States** page, the user can view the list of system defined Indian **State Codes**, **State Names**, and the **Numeric State Codes** under **IN** (Indian Republic) country code.

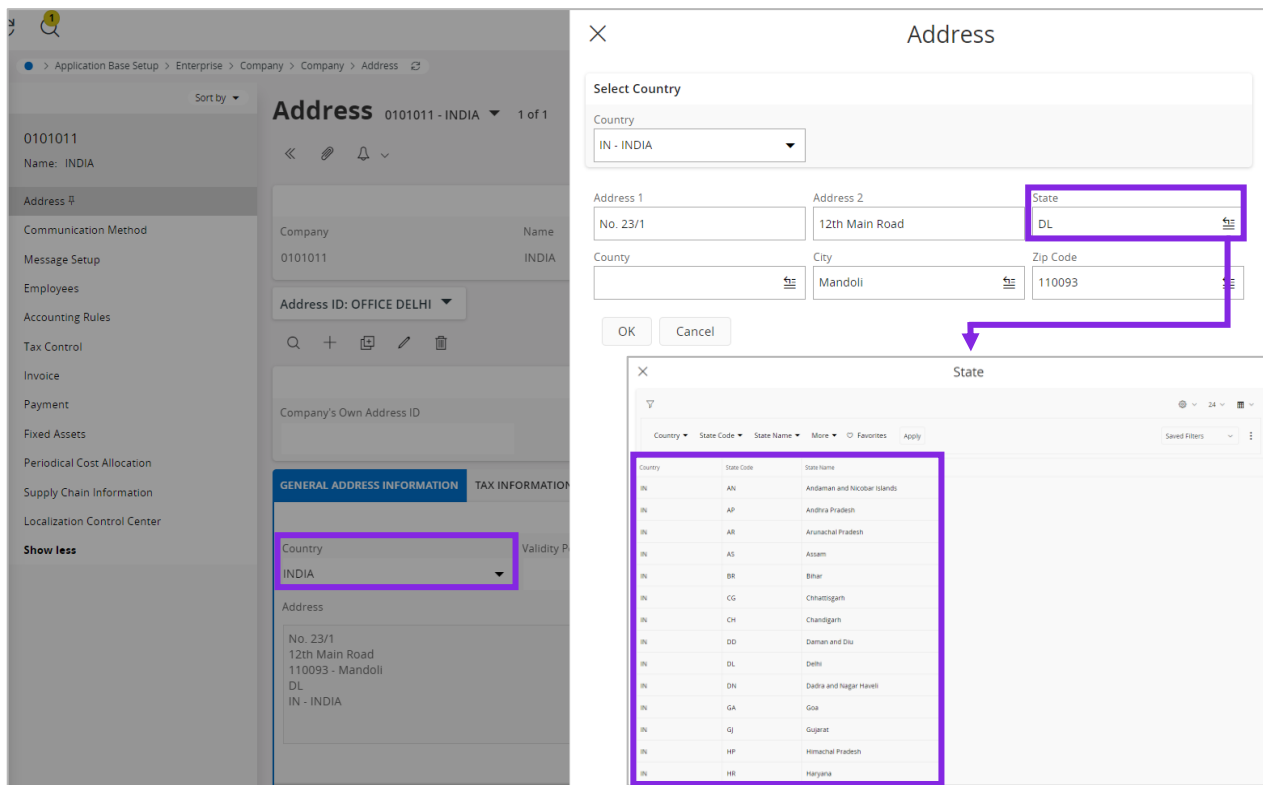
The new **State Code No** column is only visible when there is IN value in the **Country Code** field.



The screenshot shows the 'States' page for India (IN). The left sidebar lists various countries, with 'IN' (the Republic of India) selected. The main content area displays a table of states for India, with columns for State Code, State Name, and Numeric State Code. The table is highlighted with a red border.

State Code	State Name	Numeric State Code
AN	Andaman and Nicobar Islands	35
AP	Andhra Pradesh	28
AR	Arunachal Pradesh	12
AS	Assam	18
BR	Bihar	10
CG	Chhattisgarh	22
CH	Chandigarh	04
DD	Daman and Diu	25
DL	Delhi	07
DN	Dadra and Nagar Haveli	26
GA	Goa	30

As a result of the system defined state codes, the user will be able to select the applicable state code from list of values, when registering an address in IFS Cloud if the country is India (IN).



Note: Note that **state** is a mandatory field for companies in India and is validated using the **Address Setup per Country** page (**Address Setup per Country /IN /Validate State code /Yes**). The user is expected to enter full addresses (with cities and states) when entering an address in the application.

“State Code” is also made available on Invoice RDF level to facilitate customer invoice layouts (RDL).



## 4 Overview – Indian Taxes

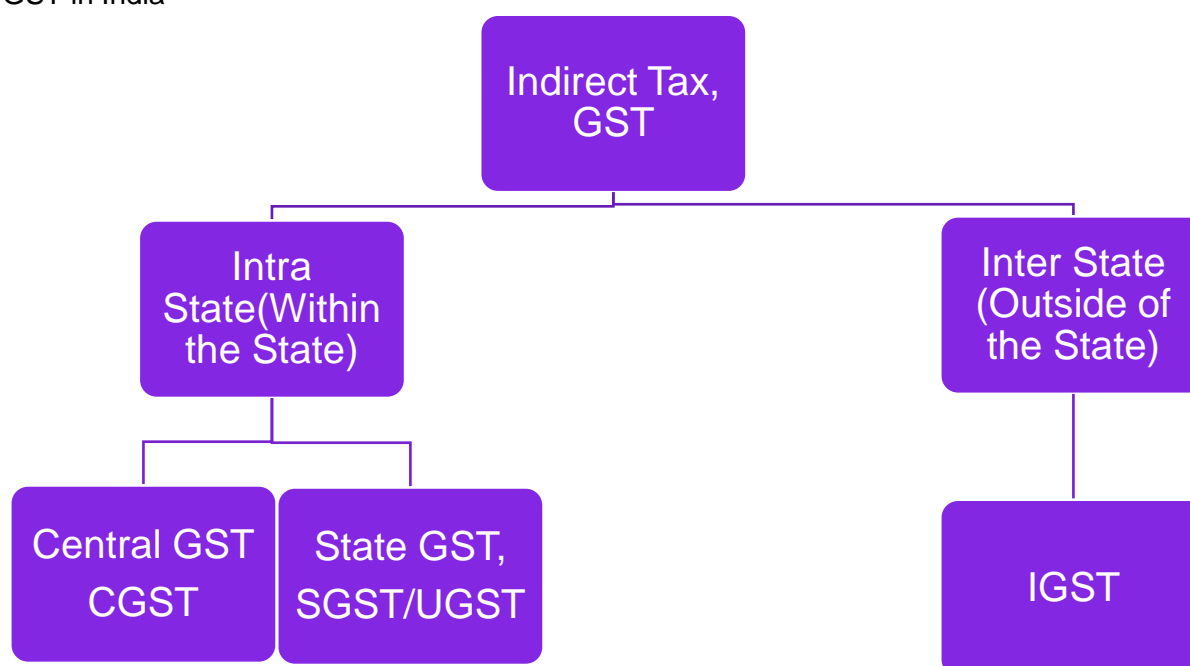
### 4.1 Overview Legal Requirement

Goods and Services Tax (GST) is an indirect tax which was introduced in India on 1 July 2017 and was applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017,[1] following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0, 5%, 12% ,18% and 28%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold.[2] In addition a cess (tax) of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.[3] GST was initially proposed to replace a slew of indirect taxes with a unified tax and was therefore set to dramatically reshape the country's 2 trillion dollar economy.[4] The rate of GST in India is between double to four times that levied in other countries like Singapore.[5]

(Extracted from Wikipedia)

### 4.2 Process Overview

GST in India



Keeping in mind the federal structure of India, there will be three components of GST,

- 1) Central GST (CGST)
- 2) State GST (SGST).
- 3) Inter-State GST (IGST)

Both Centre and States will simultaneously levy GST across the value chain. Tax will be levied on every supply of goods and services. Centre would levy and collect Central Goods and

Services Tax (CGST), and States would levy and collect the State Goods and Services Tax (SGST) or UGST (Union territories with legislature) on all transactions within a State.

In case of inter-State transactions, the Centre would levy and collect the Integrated Goods and Services Tax (IGST) on all inter-State supplies of goods and services under Article 269A (1) of the Constitution. The IGST would roughly be equal to CGST plus SGST. The IGST mechanism has been designed to ensure seamless flow of input tax credit from one State to another.

### 4.3 Define Indian GST in Tax Calculation Structures

To comply with the Indian multiple tax calculation requirement, IFS Cloud Core functionality, Tax Calculation Structure could be used. In this core functionality of Tax Calculation Structure, multiple rules for tax codes could be defined. To facilitate to Indian GST requirement with the core Tax Calculation Structure, set of tax codes and tax structures are defined to facilitate the CGST, SGST and IGST.

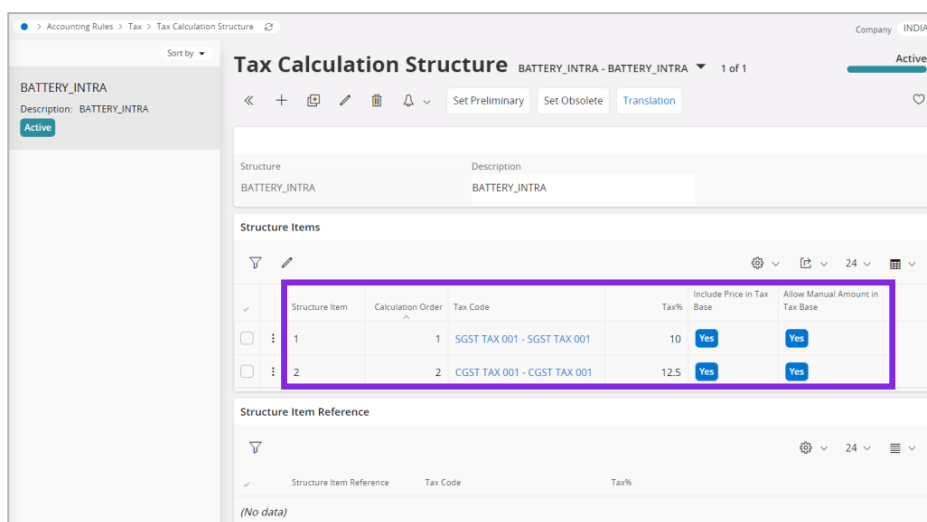
In Indian localization, all business flows where the GST is applied, it's only the Tax Calculation Structure which could be used. The tax calculation structures are determined by the HSN/SAC Basic Data and the states codes of the buyers and sellers in different transactions. Thus, there is no prerequisite arise to set up individual Tax Codes or Tax Calculation Structures in the customer, supplier and company basic data level in core application.

### 4.4 Define different Tax Structures to Inter State and Intra State transactions

#### 4.4.1 FOR INTRA STATE TRANSACTIONS:

In case of Intra State transactions, Seller collects both CGST & SGST from the buyer and CGST needs to be deposited with Central Govt and SGST with State Govt.

To facilitate this scenario, you need to define a tax structure connecting two different tax codes CGST & SGST separately. Decide how many such tax structures needed for your business and define separate Intra State tax structures comprising two tax codes (CGST & SGST).

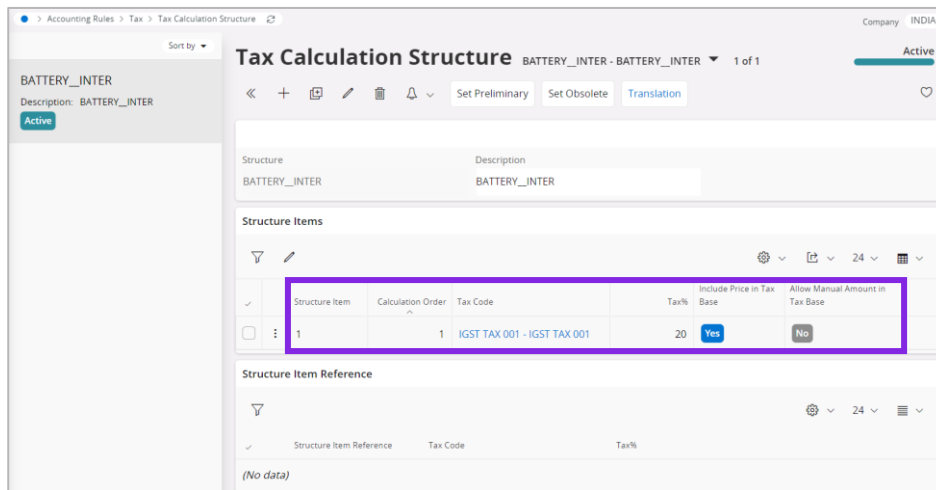


Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	Yes	Yes
2	2	CGST TAX 001 - CGST TAX 001	12.5	Yes	Yes

#### 4.4.2 FOR INTER STATE TRANSACTIONS:

Integrated Goods and Service Tax (IGST) shall be levied on Inter State transactions of goods and services which are based on destination principle.

To facilitate this requirement, you need to define a tax structure connecting a single tax codes IGST. Decide how many such tax structures needed for your business and define separate Inter State tax structures comprising a tax code for IGST.



The screenshot displays the 'Tax Calculation Structure' configuration interface. The main title is 'Tax Calculation Structure' with a dropdown menu showing 'BATTERY\_INTER - BATTERY\_INTER' and '1 of 1'. The status is 'Active'. Below the title, there are buttons for 'Set Preliminary', 'Set Obsolete', and 'Translation'. The 'Structure' section shows 'Structure: BATTERY\_INTER' and 'Description: BATTERY\_INTER'. The 'Structure Items' section contains a table with the following data:

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	IGST TAX 001 - IGST TAX 001	20	Yes	No

The 'Structure Item Reference' section is currently empty, showing '(No data)'. The interface also includes a sidebar on the left with 'BATTERY\_INTER' and 'Description: BATTERY\_INTER' and an 'Active' status indicator.

## 5 Tax Code Structures – Manual Tax Base Amount

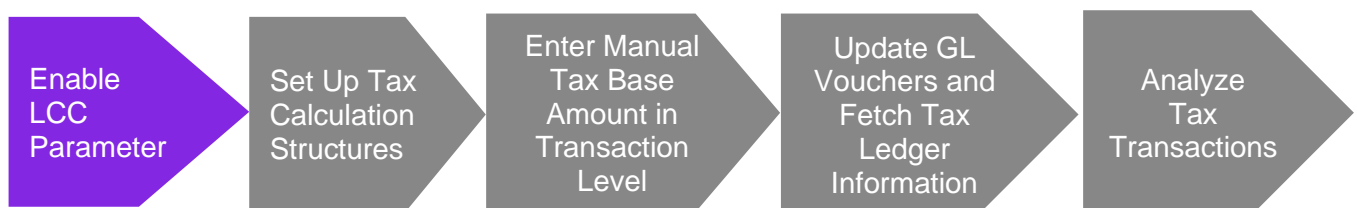
### 5.1 Overview Legal Requirement

As per the Section 15 Subsection 2 of THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 the value of taxable supply, can vary with the transaction value of an invoice due to many reasons and scenarios such as,

- Taxable value when consideration is not solely in money - In some cases, where consideration for a supply is not solely in money, taxable value must be determined as prescribed in the rules.
- Value of supply between distinct and related persons - As relation may influence the price between two related persons (ex: Subsidiaries) a special valuation rule has been framed to arrive at the taxable value of transactions between related persons.
- GST on FoC goods/service - Goods/service rendered free of cost comes under purview of GST and law has provision to arrive at taxable value.
- Promotional sales on only GST basis - Some time promotional sale is being done where only GST is recovered from the customer.

Owing to above different reasons, there is a requirement to utilize a different fair value other than the net value as the tax base.

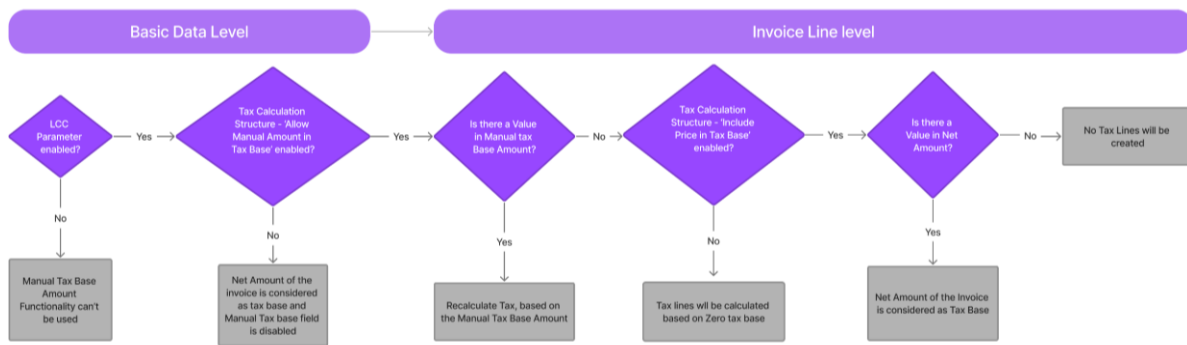
### 5.2 Process Overview



### 5.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given ability to determine the use of manual tax base amount feature at a detailed level of tax structure line-item.

Once a particular Tax Calculation Structure line is determined to be utilizing the manual tax base amount feature, the taxes pertaining to the said tax line will be calculated based on the manually entered value in **Manual Tax Base Amount** field which is made available in **Manual Supplier Invoice** line-item level.



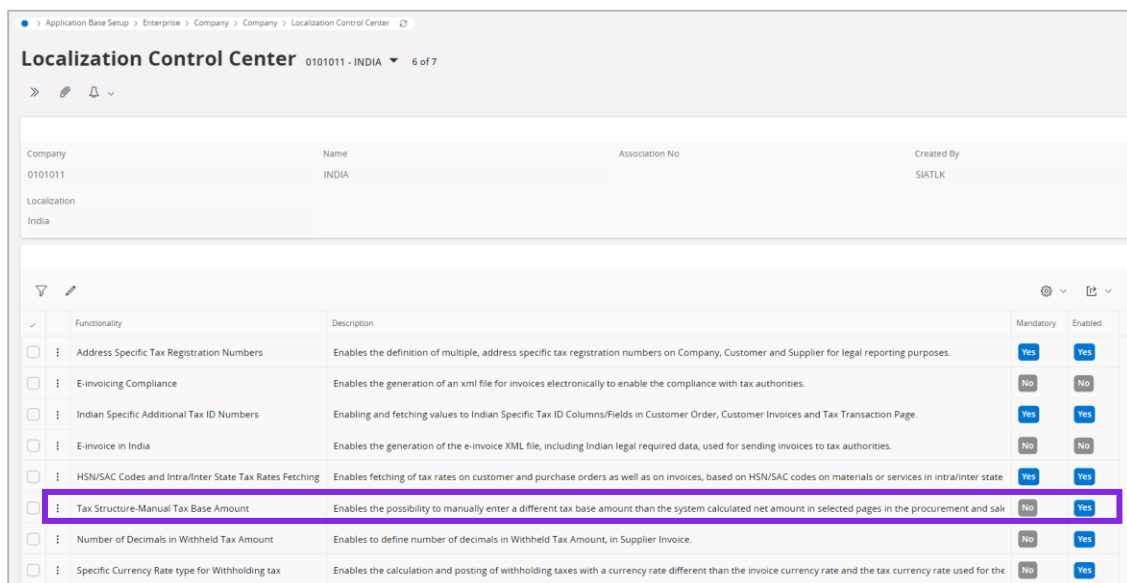
## 5.4 Prerequisites

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter.

## 5.5 Enable Localization Control Center Parameter.

In order to enable this new functionality, navigate to the **Company/Localization Control Center** and enable the functionality, "Tax Structure- Manual Tax Base Amount".

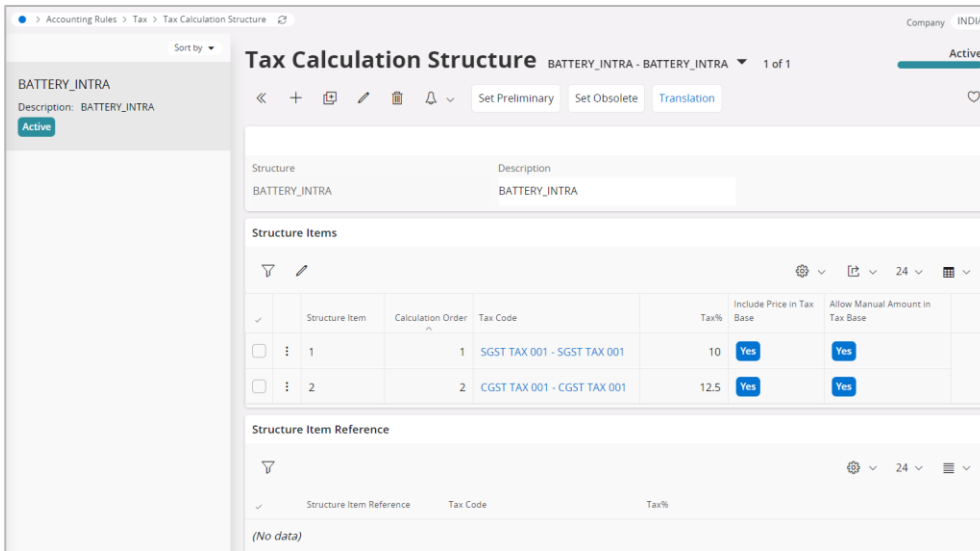
Please note that this is an optional localization parameter and user need to enable manually.



Company	Name	Association No	Created By
0101011	INDIA		SIATLK
Localization			
India			
Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 5.6 Set up Tax Calculation Structures

Upon enablement of the LCC parameter "Tax Structure-Manual Tax Base Amount", a new column is made visible in **Tax Calculation Structures** page named, **Allow Manual Amount in Tax Base**, where the user can enable the toggle to determine the usage of the Manual Tax Base Amount feature for each tax line applicable for different Tax Calculation Structures.

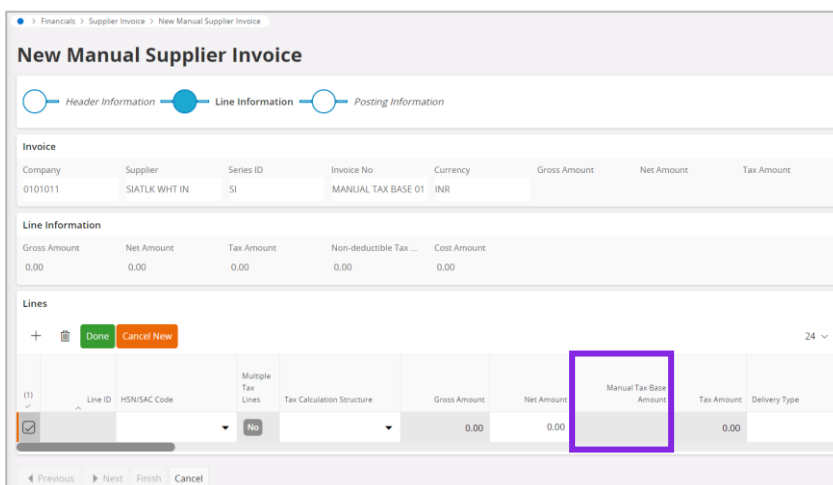


It is allowed to enable both **Include Price in Tax Base** and **Allow Manual Amount in Tax Base** options in **Tax Calculation Structure** page and at invoice creation level, the tax base will be selected giving priority to the Invoice **Net amount**, and if the user wants to introduce a **Manual Tax Base Amount**, upon entering a value in the field, the taxes will be recalculated.

## 5.7 Application of Manual Tax Base Amount in Transaction level.

A new column, **Manual Tax Base Amount** is introduced to **Manual Supplier Invoice** and **Posting Proposal** in order to input a manual tax base amount to invoice line level. In this new column, user can manually enter a different tax base amount than the usual net amount which is based for tax calculation.

The Manual tax Base Amount in transaction level can be edited only if, “Allow Manual Amount in Tax Base” option is selected for the connected tax structure. Which means, the user needs to first connect a tax structure with **Allow Manual Amount in Tax base** toggle enabled in transaction line level, and then, this new column, **Manual Tax Base Amount** will be used to enter a tax base amount manually.

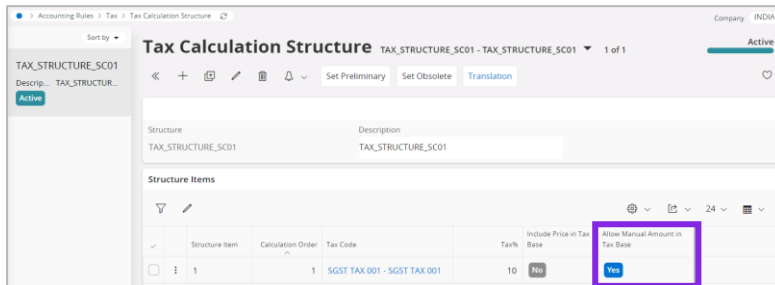


## 5.8 SCENARIOS EXPLAINING THE MANUAL TAX BASE AMOUNT

Below are some scenarios explaining the functionality of **Manual Tax Base Amount**.

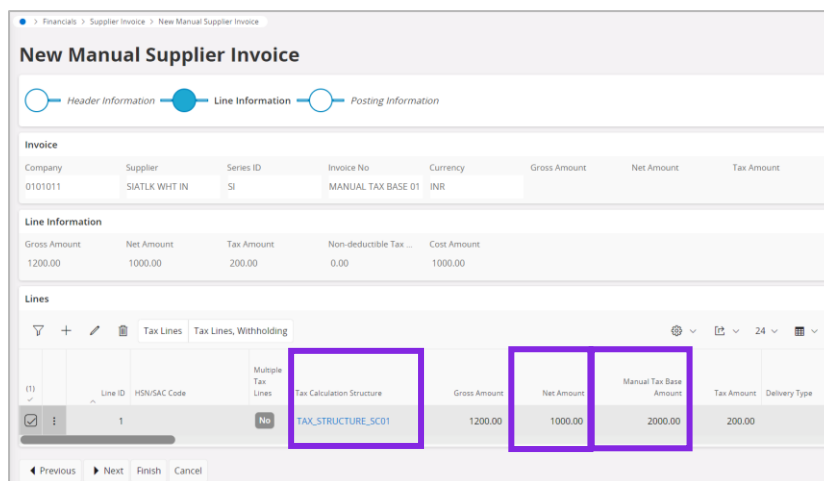
### 5.8.1 SCENARIO 1 – TAX CALCULATION STRUCTURE WITH MANUAL TAX BASE AMOUNT ENABLED.

Enter a Tax Calculation Structure with “Allow Manual Amount in Tax Base” option enabled.



Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	No	Yes

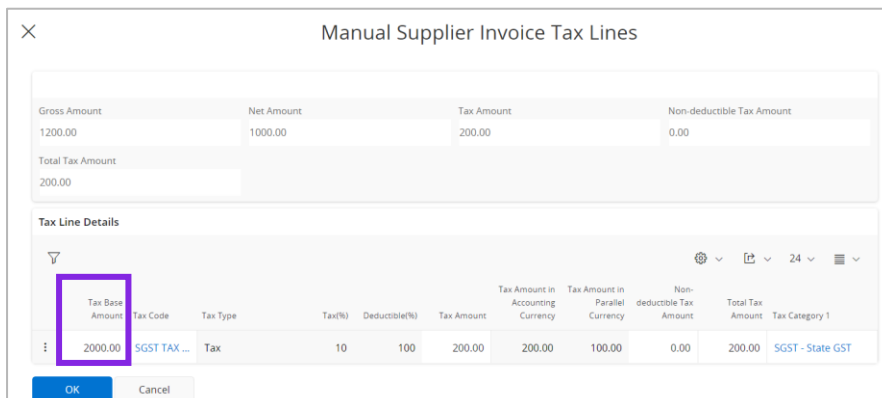
Use the above Tax Calculation Structure in a **Manual Supplier Invoice** or **Posting Proposal** Transaction Line item and enter a value in **Manual Tax Base Amount** field.



Line ID	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1	1		No	TAX_STRUCTURE_SC01	1200.00	1000.00	2000.00	200.00	

Note in **Tax Lines**, that the Tax is calculated based on the **Manual Tax Base Amount** and not the **Net Amount** of the Invoice.

1) Tax calculation of the 1st line done based on the “Manual Tax Base Amount” (2000 x 10% = 200)



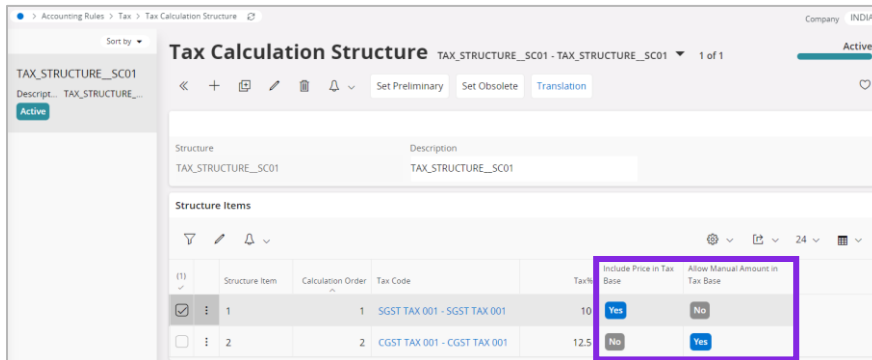
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1200.00	1000.00	200.00	0.00
Total Tax Amount: 200.00			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
2000.00	SGST TAX ...	Tax	10	100	200.00	200.00	100.00	0.00	200.00	SGST - State GST

Note: Once the **Allow Manual Amount in Tax Base** toggle in **Tax Calculation Structure** is enabled, the taxes will be calculated based on the Manual Tax Base Amount.

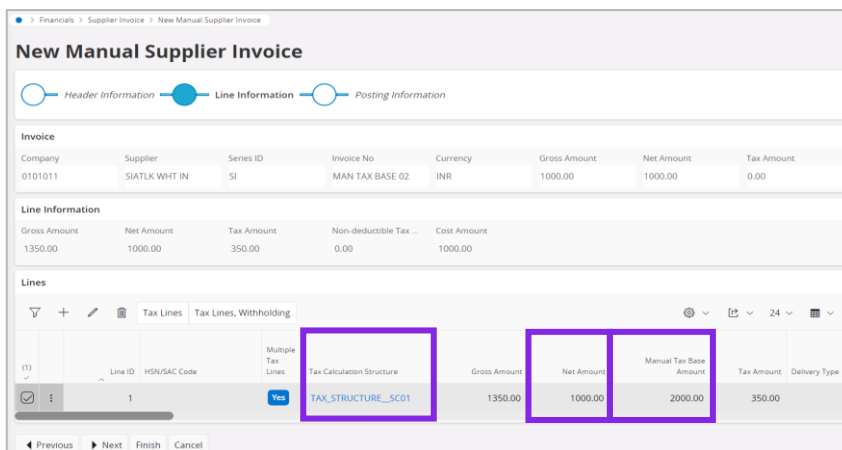
### 5.8.2 SCENARIO 2 - TAX CALCULATION STRUCTURE WITH DIFFERENT STRUCTURE ITEMS SELECTED FOR BOTH, **INCLUDE PRICE IN TAX BASE** AND **ALLOW MANUAL AMOUNT IN TAX BASE** OPTIONS.

Enter a Tax Calculation Structure with “Allow Manual Amount in Tax Base” toggle option enabled in one structure line item and disabled in the other structure line item.



(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input checked="" type="checkbox"/>	1	1	SGST TAX 001 - SGST TAX 001	10	Yes	No
<input type="checkbox"/>	2	2	CGST TAX 001 - CGST TAX 001	12.5	No	Yes

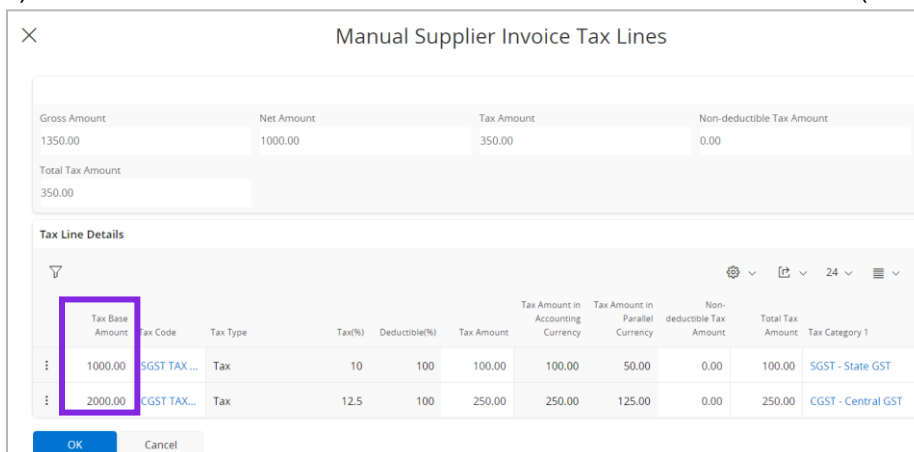
Use the above Tax Calculation Structure in a **Manual Supplier Invoice** or **Posting Proposal** Transaction Line item and enter a value in **Manual Tax Base Amount** field.



(1)	Line ID	HSN/SAC Code	Multiples Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
<input checked="" type="checkbox"/>	1		Yes	TAX_STRUCTURE_SCD1	1350.00	1000.00	2000.00	350.00	

Note in **Tax Lines**, that the tax in Tax line 1 is calculated based on the **Net Amount** of the Invoice and the tax in Tax line 2 is calculated based on the **Manual Tax Base Amount**.

- 1) Tax calculation of the 1st line done based on the “Net Amount” ( $1000 \times 10\% = 100$ )
- 2) Tax calculation of the 2nd line done based on “Manual Base Amount” ( $2000 \times 12.5\% = 250$ )



Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1350.00	1000.00	350.00	0.00
<b>Total Tax Amount</b>			
350.00			

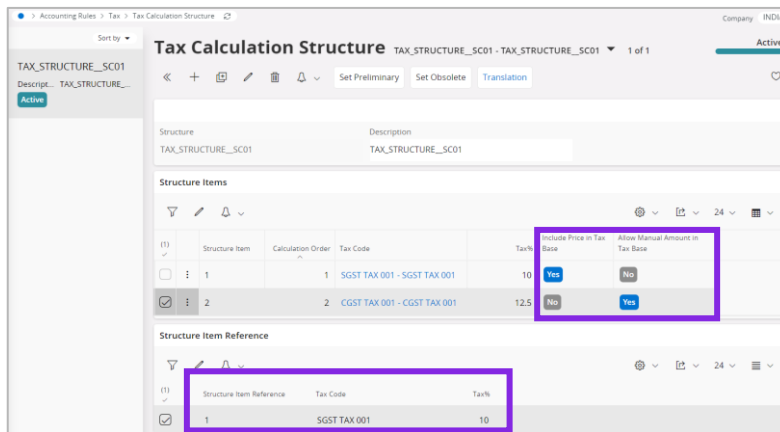
  

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
1000.00	SGST TAX ...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST
2000.00	CGST TAX...	Tax	12.5	100	250.00	250.00	125.00	0.00	250.00	CGST - Central GST



### 5.8.3 SCENARIO 3 - TAX CALCULATION STRUCTURE WITH DIFFERENT STRUCTURE ITEMS ASSIGNED FOR BOTH OPTIONS AND CONNECTED TO A STRUCTURE ITEM REFERENCE.

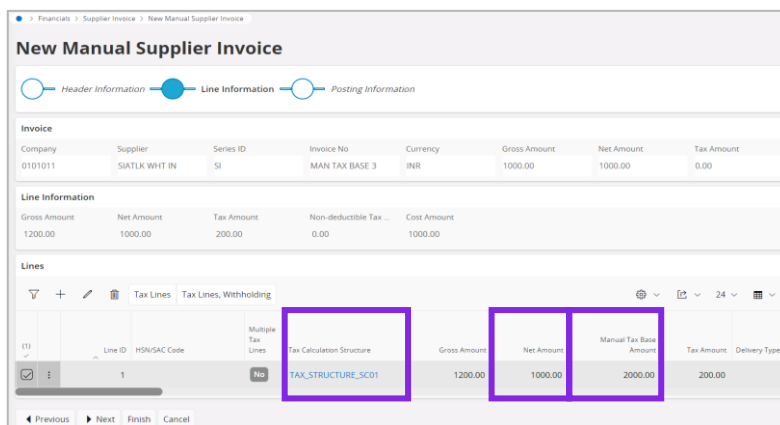
Enter a Tax Calculation Structure with “Allow Manual Amount in Tax Base” option enabled in one structure line and disabled in the other structure line with a Structure Item Reference for the line 2.



(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	SGST TAX 001 - SGST TAX 001	1	SGST TAX 001	10	Yes	No
2	CGST TAX 001 - CGST TAX 001	2	CGST TAX 001	12.5	No	Yes

(1)	Structure Item Reference	Tax Code	Tax%
1	1	SGST TAX 001	10

Use the above Tax Calculation Structure in a **Manual Supplier Invoice** or **Posting Proposal** Transaction Line item and enter a value in **Manual Tax Base Amount** field.



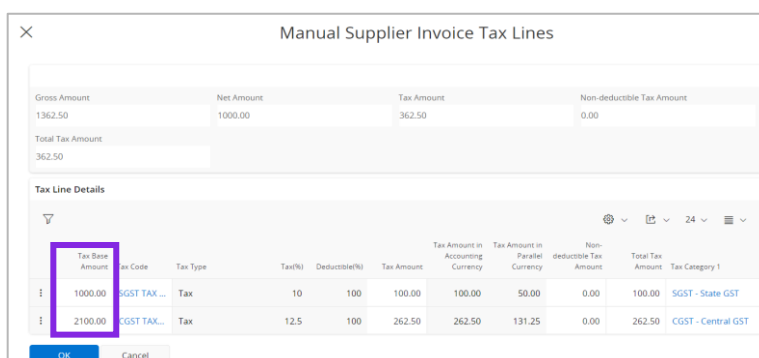
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 3	INR	1000.00	1000.00	0.00

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax	Cost Amount
1200.00	1000.00	200.00	0.00	1000.00

(1)	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1			No	TAX_STRUCTURE_SCD1	1200.00	1000.00	2000.00	200.00	

Note that in **Tax Lines**, the tax in line 1 is calculated based on the **Net Amount** of the Invoice and the tax in line 2 is calculated based on the Manual Tax Base Amount and tax calculated in line 1.

- 1) Tax calculation of the 1st line done based on the “Net Amount” (1000 x 10% = 100)
- 2) Tax calculation of the 2nd line done based on the “Manual Base Amount” and “Tax in 1st Line” (2100 x 12.5%=262.5)

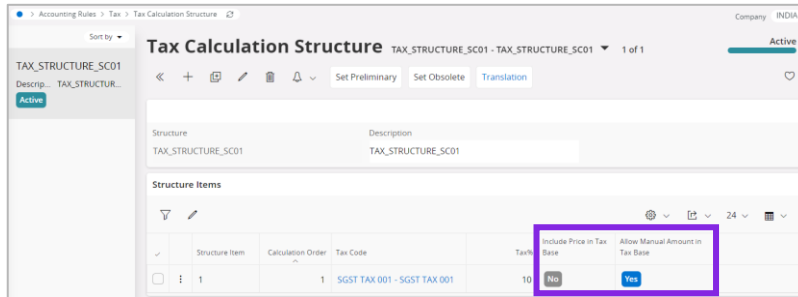


Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1362.50	1000.00	362.50	0.00
Total Tax Amount: 362.50			

Tax Base Amount	Tax Code	Tax Type	Tax Rate	Deductible (%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
1000.00	SGST TAX...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST
2100.00	SGST TAX...	Tax	12.5	100	262.50	262.50	131.25	0.00	262.50	CGST - Central GST

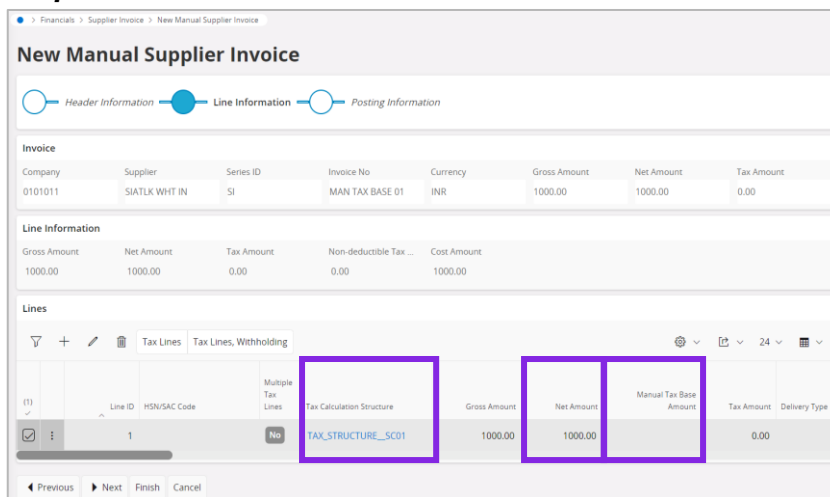
### 5.8.4 SCENARIO 4 – TAX CALCULATION STRUCTURE WITH MANUAL TAX BASE AMOUNT ENABLED BUT, NO MANUAL TAX BASE AMOUNT IS ENTERED TO INVOICE LINES.

Enter a Tax Calculation Structure with “Allow Manual Amount in Tax Base” option selected.



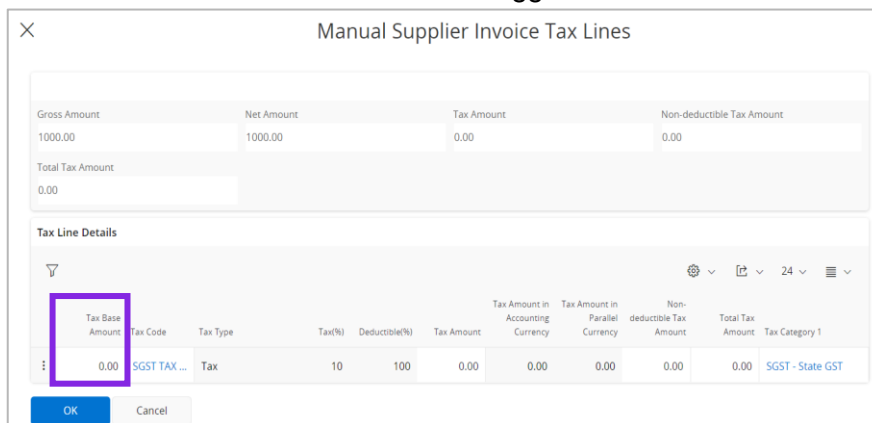
Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	SGST TAX 001 - SGST TAX 001	10	No	Yes

Use the above **Tax Calculation Structure** in a **Manual Supplier Invoice** or **Posting Proposal** Transaction Line item and leave **Manual Tax Base Amount** field blank.



Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1		No	TAX_STRUCTURE_SCO1	1000.00	1000.00		0.00	

Note in **Tax Lines**, that the Tax is calculated based on the **Manual Tax Base Amount** which is zero. The **Net Amount** of the invoice is not automatically considered as the tax base because **Include Price in Tax Base** toggle is disabled in **Tax Calculation Structure**.

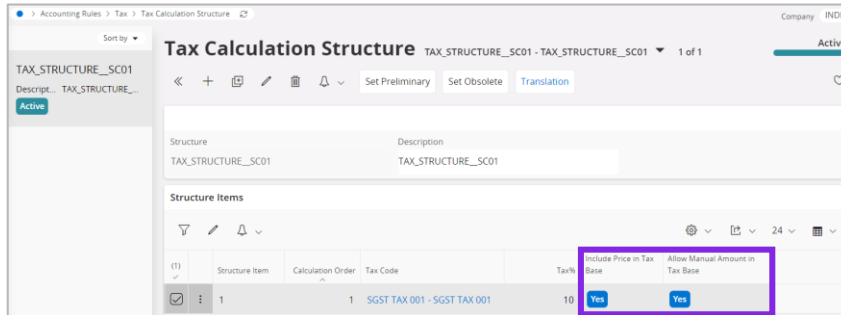


Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1000.00	1000.00	0.00	0.00
Total Tax Amount: 0.00			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
0.00	SGST TAX ...	Tax	10	100	0.00	0.00	0.00	0.00	0.00	SGST - State GST

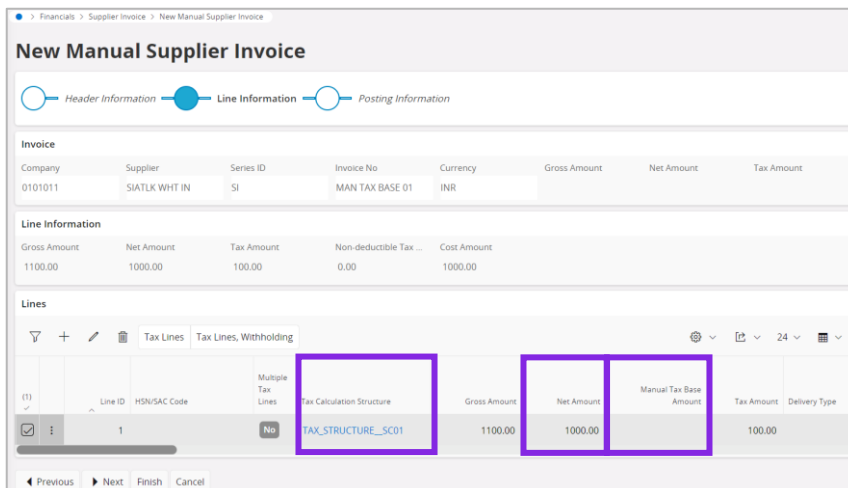
### 5.8.5 SCENARIO 5 – TAX CALCULATION STRUCTURE WITH BOTH ALLOW MANUAL TAX BASE AMOUNT AND INCLUDE PRICE IN TAX BASE ENABLED.

Enter a Tax Calculation Structure with both “Allow Manual Amount in Tax Base” and “Include Price in Tax Base” options selected.



(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
1	1	1	SGST TAX 001 - SGST TAX 001	10	Yes	Yes

Use the above **Tax Calculation Structure** in a **Manual Supplier Invoice** or **Posting Proposal** Transaction Line item and enter a value in **Manual Tax Base Amount** field.



Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	MAN TAX BASE 01	INR			

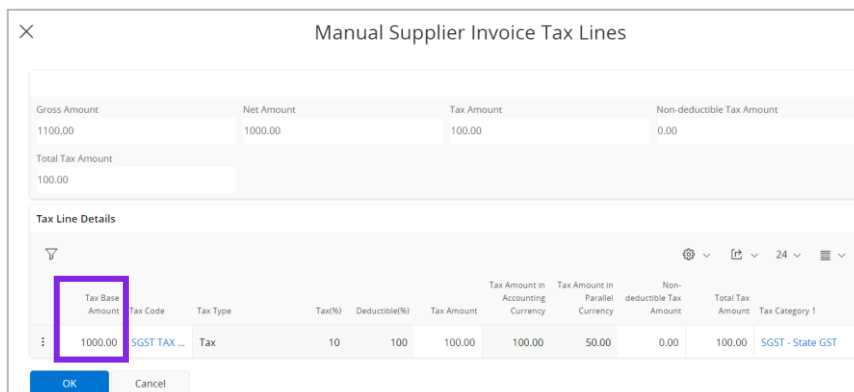
  

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1100.00	1000.00	100.00	0.00	1000.00

Line ID	Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type
1			No	TAX_STRUCTURE_SC01	1100.00	1000.00		100.00	

Note in **Tax Lines**, that the Tax is calculated based on the **Net Amount** of the Invoice, even if the **Manual Tax Base Amount** field is left blank.



Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount
1100.00	1000.00	100.00	0.00
Total Tax Amount			
100.00			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
1000.00	SGST TAX ...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST

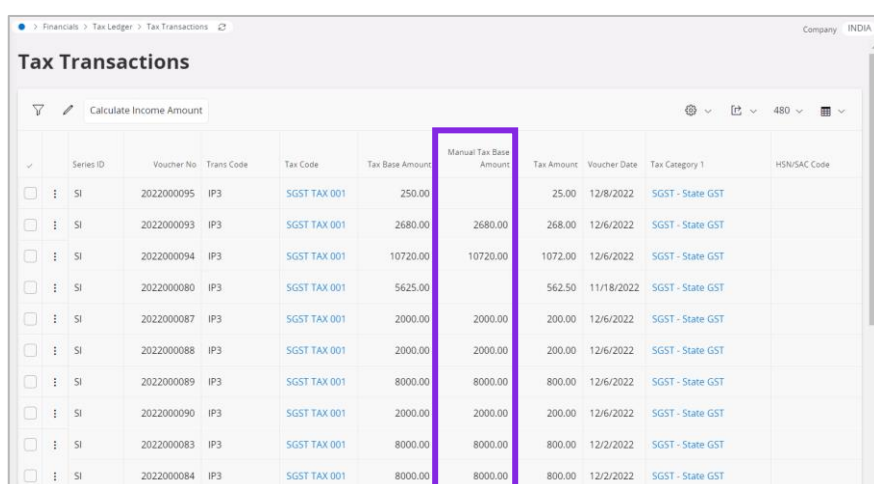
1) Tax calculation of the 1st line done based on the “Net Amount” (1000 x 10% = 100)

Note: Manual Tax Base amount functionality is also supported in creation of Recurring Invoices and the user will be able to bring the Manual Tax Base Amount to a Recurring Invoice created once the base invoice contains a Manual Tax Base Amount.

## 5.9 Tax Transactions

Once the core process to bring Tax Information to **Tax transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information**, the above Manual Tax Base Amount information will be made visible in the **Tax transactions** page.

When Manual Tax Base Amount is utilized as the base for tax calculation, the Tax Base Amount referred in **Tax Transactions** page will be replicated by the **Manual Tax Base Amount**. However, for enhanced usability for the user, a new column named, **Manual Tax Base Amount** has been added to **Tax Transactions** page, to separately indicate the tax transactions calculated based on Manual Tax Base Amount. Accordingly, the Manual Tax Base Amount in Accounting currency will be displayed in the **Manual Tax Base Amount** column in **Tax Transactions** page.



Series ID	Voucher No	Trans Code	Tax Code	Tax Base Amount	Manual Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	HSN/SAC Code
SI	2022000095	IP3	SGST TAX 001	250.00		25.00	12/8/2022	SGST - State GST	
SI	2022000093	IP3	SGST TAX 001	2680.00	2680.00	268.00	12/6/2022	SGST - State GST	
SI	2022000094	IP3	SGST TAX 001	10720.00	10720.00	1072.00	12/6/2022	SGST - State GST	
SI	2022000080	IP3	SGST TAX 001	5625.00		562.50	11/18/2022	SGST - State GST	
SI	2022000087	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
SI	2022000088	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
SI	2022000089	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/6/2022	SGST - State GST	
SI	2022000090	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
SI	2022000083	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/2/2022	SGST - State GST	
SI	2022000084	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/2/2022	SGST - State GST	

## 5.10 Delimitations

- Manual Tax Base Amount functionality is only available in in below pages in the application.
  - Manual Supplier Invoice
  - Posting Proposal
- This functionality is not available in Supplier Self Billing Invoices and Supplier Invoice Template.
- All the other flows which require to add Manual Tax Base Amount need to be handled by respective customer projects.

## 6 HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes

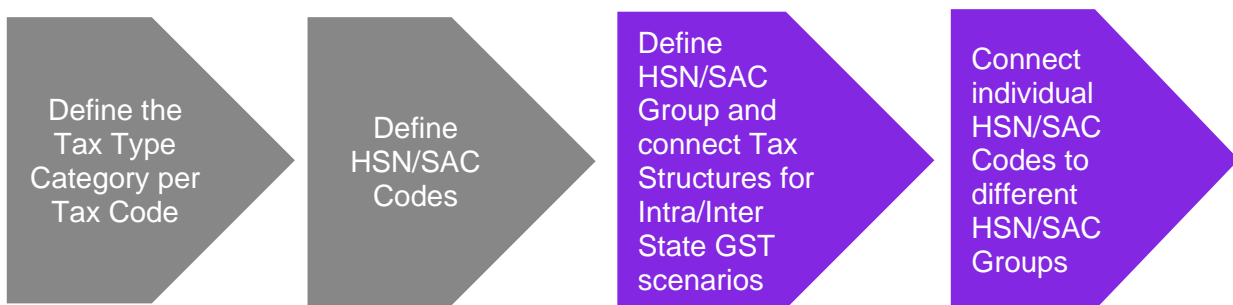
### 6.1 Overview Legal Requirement

In the GST regime all supply of good must be identified by a HSN code (Harmonized System Nomenclature). Which means each item has to be tagged to a HSN code. All tax reporting to the government has to be done against the HSN code.

All services have to be identified by a SAC code (Services Accounting Code). All supplies must be tagged to the SAC code and tax reporting to the government would be done using the SAC code of the service.

HSN/SAC Codes need to be mentioned in invoices and in the GST tax return details, which will be uploaded on the GST portal.

### 6.2 Process Overview



### 6.3 Solution Overview

To comply with the legal requirements, two new pages has been added; *HSN/SAC Codes* (core functionality) and *HSN/SAC Groups* (India localization functionality). These pages are used to define HSN/SAC Codes applicable to your business and group the codes according to GST slabs. When you enter business transactions into IFS Cloud, relevant HSN/SAC Codes and Tax Calculation Structures will be automatically fetched.

### 6.4 Prerequisites

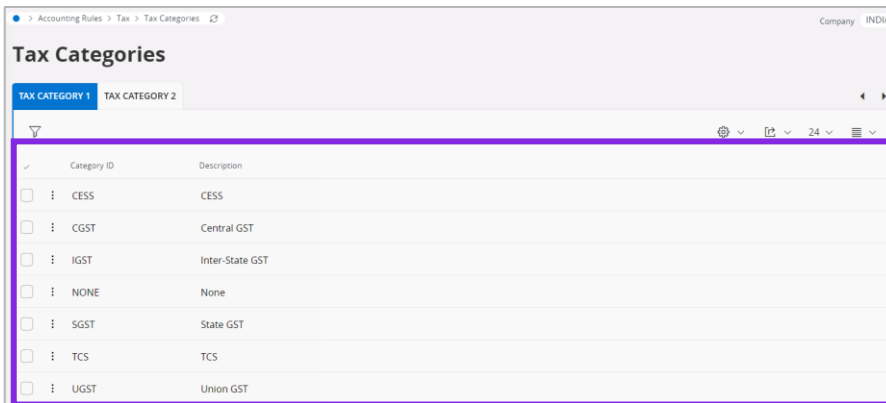
The company must be set-up to use the Indian localization. See the [Company Setup](#) chapter. The “HSN/SAC Codes and Intra/Inter State Tax Rate Fetching” localization parameter must be enabled.

### 6.5 Define Tax Type category per Tax code

Owing to multiple tax handling in India, it is required to categorize Indian specific tax transactions for reporting purposes. The tax codes are expected to be categorized under the below groups.

- CGST – Central Goods and Services Tax
- SGST – State Goods and Services Tax
- UGST – Union Goods and Services Tax
- IGST – Integrated Goods and Services Tax
- CESS – Cess
- TCS – TCS

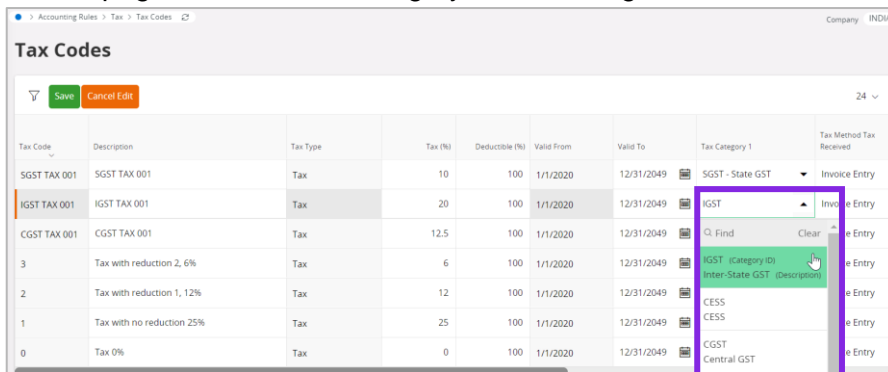
Catering to the requirement, the above-mentioned tax categories are included in the **Tax Categories** page as an editable values after “Indian Localization” is selected for the companies created using the company template, STD-IN-Indian Standard Template.



The screenshot shows the 'Tax Categories' page in the IFS system. It features a table with columns for 'Category ID' and 'Description'. The categories listed are: CESS, CGST (Central GST), IGST (Inter-State GST), NONE, SGST (State GST), TCS, and UGST (Union GST). Each row has a checkbox and a dropdown arrow next to the Category ID.

Category ID	Description
CESS	CESS
CGST	Central GST
IGST	Inter-State GST
NONE	None
SGST	State GST
TCS	TCS
UGST	Union GST

The above information will be then visible in the list of values in **Tax Categories** field of the **Tax Codes** page, so that a tax category can be assigned to relevant Tax Codes.

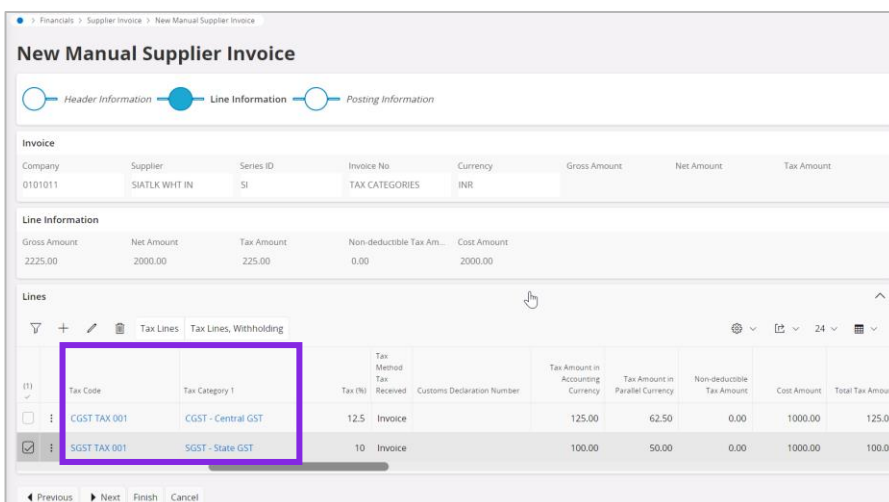


The screenshot shows the 'Tax Codes' page. It displays a table of tax codes with columns for Tax Code, Description, Tax Type, Tax (%), Deductible (%), Valid From, Valid To, Tax Category 1, and Tax Method Tax Received. A dropdown menu is open for the 'Tax Category 1' field of the 'IGST TAX 001' row, showing options like 'IGST - State GST', 'IGST - Category ID', 'Inter-State GST (Description)', 'CESS', and 'CGST - Central GST'.

Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Category 1	Tax Method Tax Received
SGST TAX 001	SGST TAX 001	Tax	10	100	1/1/2020	12/31/2049	SGST - State GST	Invoice Entry
IGST TAX 001	IGST TAX 001	Tax	20	100	1/1/2020	12/31/2049	IGST - State GST	Invoice Entry
CGST TAX 001	CGST TAX 001	Tax	12.5	100	1/1/2020	12/31/2049	CGST - Central GST	Invoice Entry
3	Tax with reduction 2, 6%	Tax	6	100	1/1/2020	12/31/2049	IGST - Category ID	Invoice Entry
2	Tax with reduction 1, 12%	Tax	12	100	1/1/2020	12/31/2049	IGST - Category ID	Invoice Entry
1	Tax with no reduction 25%	Tax	25	100	1/1/2020	12/31/2049	CESS	Invoice Entry
0	Tax 0%	Tax	0	100	1/1/2020	12/31/2049	CGST - Central GST	Invoice Entry

Note that the field **Tax Categories 1** is made mandatory to be included in tax codes and, if any tax code is not required to be categorized, the user can utilize the option “NONE”.

Once a tax category is assigned to a tax code, every tax transaction driven by that tax code will carry the specified **Tax category 1** information and is visible in line-item level and tax lines up until **Tax Transactions** page in IFS Tax Ledger solution.



The screenshot shows the 'New Manual Supplier Invoice' page. It displays 'Header Information' and 'Line Information'. The 'Lines' section shows a table with columns for Tax Code, Tax Category 1, Tax Method Tax Received, Tax (%), Customs Declaration Number, Tax Amount in Accounting Currency, Tax Amount in Parallel Currency, Non-deductible Tax Amount, Cost Amount, and Total Tax Amount. Two lines are visible: one for CGST TAX 001 (Central GST) and one for SGST TAX 001 (State GST). The 'Tax Code' and 'Tax Category 1' columns are highlighted with a purple box.

Tax Code	Tax Category 1	Tax Method Tax Received	Tax (%)	Customs Declaration Number	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cost Amount	Total Tax Amount
CGST TAX 001	CGST - Central GST	12.5	Invoice		125.00	62.50	0.00	1000.00	125.00
SGST TAX 001	SGST - State GST	10	Invoice		100.00	50.00	0.00	1000.00	100.00

Financials > Tax Ledger > Tax Transactions

Company: INDIA

Calculate Income Amount

Series ID	Voucher No	Trans Code	Tax Code	Tax Base Amount	Manual Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	HSN/SAC Code	To State
II	2022000023	IP4	SGST TAX 001	-4.00	4.00	-0.40	12/18/2022	SGST - State GST	4987598257 - Bulbs	DL
II	2022000024	IP4	SGST TAX 001	100.00	-100.00	10.00	12/18/2022	SGST - State GST	102039 - Battery	DL
II	2022000027	IP4	SGST TAX 001	-100.00	100.00	-10.00	12/18/2022	SGST - State GST	102039 - Battery	DL
II	2022000028	IP4	SGST TAX 001	-1000.00		-100.00	12/18/2022	SGST - State GST		DL

Tax amounts accumulated under different Tax Categories (Predominantly, CGST, SGST, IGST and UGST) for a particular invoice are identified separately in the RDF level of the **Instant Invoice, Customer Order Invoices and Collective Invoices**. Note that, any withholding taxes accumulated under the **Instant Invoice** will not be shown under any Tax Category in RDF level, even if a Tax Category is assigned for the same.

Note: The functionality catered by **Tax Category 1** column above was handled via a column named “**Tax Type Category**” in APPs10 GET Solution. An upgrade handling is facilitated for the customers shifting their application from Apps10 GET to IFS Cloud 23R1 in order to make sure the smooth data transfer between these two different solutions.

## 6.6 Define HSN/SAC Codes

HSN stands for Harmonized System of Nomenclature. It is the codification of all the trading goods into various sections. SAC stands for Service Accounting Codes which are adopted by the Central Board of Excise and Customs (CBEC) for identification of the services.

Under the Indian GST law, every commodity, service and a business transaction need to be identified with a HSN/SAC Code.

- Use the page *HSN/SAC Codes* to define HSN/SAC Codes relevant to your business.
- Use the HSN/SAC Type field to define if the code is of type service or goods

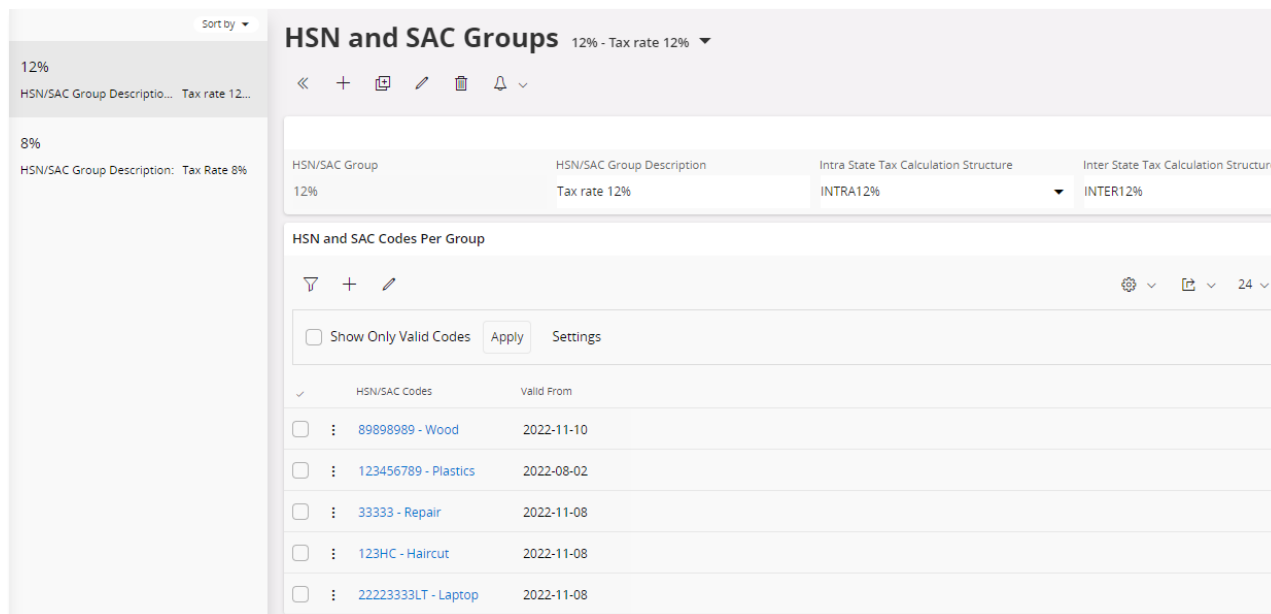
### HSN and SAC Codes

HSN/SAC Code	HSN/SAC Code Description	HSN/SAC Type
123456789	Plastics	Goods
123HC	Haircut	Service
22223333LT	Laptop	Goods
33333	Repair	Service

## 6.7 HSN/SAC Groups and Intra/Inter state Tax Structures

The government categorize various goods and services items under different tax slabs. As per the most available information, the GST slabs are pegged at 5%, 12%, 18% and 28%.

Use the *HSN/SAC Groups* page to define the above GST slabs. Once the HSN/SAC Group is defined according to the GST slabs applicable to your business, in the next step, you can connect the appropriate Intra State and Inter State Tax Calculation Structures to each group accordingly.



The screenshot displays the 'HSN and SAC Groups' configuration interface. It includes a sidebar with a list of groups (e.g., 12%, 8%) and a main panel for editing a specific group. The main panel shows a table for mapping HSN/SAC codes to tax structures. Below this, there is a section for 'HSN and SAC Codes Per Group' which includes a table with columns for 'HSN/SAC Codes' and 'Valid From'.

HSN/SAC Codes	Valid From
89898989 - Wood	2022-11-10
123456789 - Plastics	2022-08-02
33333 - Repair	2022-11-08
123HC - Haircut	2022-11-08
22223333LT - Laptop	2022-11-08

In HSN/SAC Codes per Group section you can connect the HSN/SAC codes that are applicable for each HSN/SAC Group. Since the HSN/SAC codes are subject to rate changes by the government the Valid From field is added to give the possibility of connecting the same HSN/SAC Code to several groups, with different valid from dates.

HSN/SAC Code connected to a HSN/SAC Group with valid from date today or in the past, is considered valid until the valid from date occurs for the same HSN/SAC Code connected to another HSN/SAC Group.

For example;

HSN/SAC Code	HSN/SAC Group	Valid From
78456989	5%	01/01/2023
78456989	12%	01/02/2023

In this scenario, 78456989 – 5% will be valid until the end of the day 31/01/2023. 78456989 – 12% will be valid from the beginning of the day 01/02/2023.



## 7 HSN/SAC Codes and Intra/Inter State Tax Rates Fetching

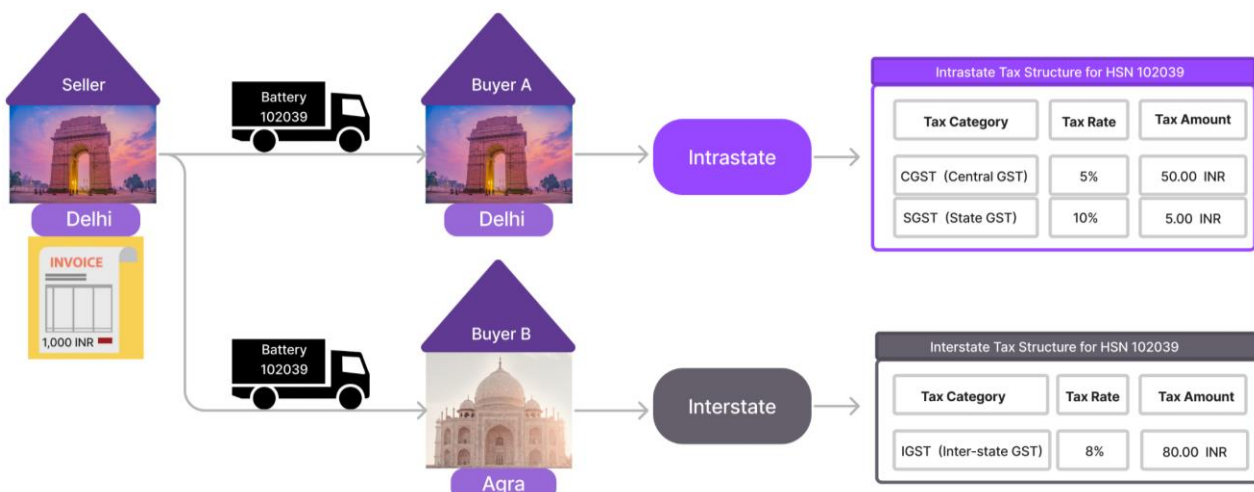
### 7.1 Overview Legal Requirement

As per Section 8, 10 and 12 of the Integrated Goods and Services Tax Act, 2017, the legislation that describes the Supply of Goods or Services, the tax rate relevant to a GST liable transaction, depends on two major attributes.

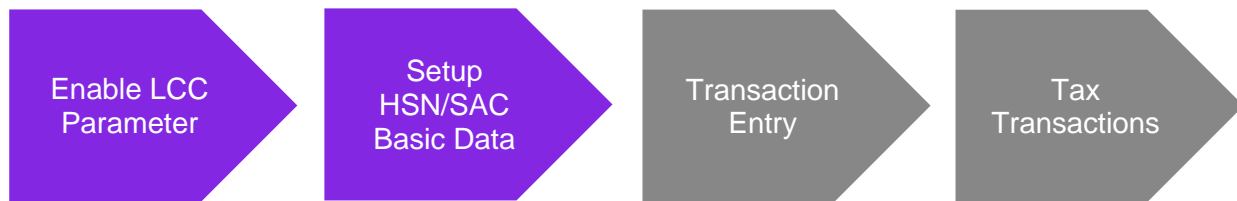
- The Product/ Service** - In the GST regime all goods and services must be identified by a HSN or SAC code respectively. The tax rate applicable for GST are levied based on the type of these HSN/SAC Codes. In other words, the taxes are charged on the type of the product, or the service traded in a transaction.
- The Indian State** - Apart from the HSN/ SAC code of the good or the service being sold, the tax codes applicable for a transaction, will also differ based on the location of the buyer and the seller. If the two delivery ends (buyer's state and seller's state) of a transaction is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

*For an example, assume, a company in Delhi (DL) is selling a product with HSN code 102039 to another company's delivery address in Delhi (DL). The Transaction will be identified as an Intrastate transaction and the Tax rates or Structures applicable will be levied.*

*However, even if the same product (102039) is sold to the same buying company in Agra (UP), The Tax Structure or the Taxes applicable would be different as the transaction is now classified as an Interstate transaction.*



## 7.2 Process Overview



## 7.3 Solution Overview

Complying with the legal requirement, a solution is provided by IFS Cloud to automatically fetch the applicable predefined **Tax Structure** to transaction lines when the product/service or HSN/SAC code is entered

Accordingly, when the product/service or HSN/SAC code is entered to invoice lines, the system compares the buyer's state with seller's state and the HSN/SAC group basic data set up which determines whether the transaction is intrastate or interstate and fetches the relevant tax structure.

### For Procurement Transactions,

**Buyer's state** would be identified from the buyer's (company's) delivery address and the option to utilize the invoice address/document address is provided via the toggle named, **Use Company Invoice Address for Tax Calculation** in transaction header level.

**Seller's state** would be identified from the supplier delivery address.

Accordingly,

- If both company (buyer) and supplier (seller) states are same, transaction should be categorized as an Intrastate Transaction.
- If both company (buyer) and supplier(seller) states are different, transaction should be categorized as an Interstate Transaction.

### For Sales Transactions,

**Buyer's state** would be identified from the buyer's (customer's) delivery address and the option to utilize the invoice address/document address is provided via the toggle named, **Use Customer Invoice Address for Tax Calculation** in transaction header level.

**Seller's state** would be identified from the company delivery address.

Accordingly,

- If both customer (buyer) and company (seller) states are same, transaction should be categorized as an Intrastate Transaction.
- If both customer (buyer) and company (seller) states are different, transaction should be categorized as an Interstate Transaction.

Once the transaction is correctly identified as Intrastate or Interstate, IFS Cloud will automatically fetch the correct Tax Structure from the **Tax Calculation Structures** page, that is applicable to the HSN/SAC Code entered in the transaction line-Item level as described in previous chapter.

## 7.4 Prerequisites

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter with the mandatory parameter “**HSN/SAC Codes and Intra/Inter State Tax Rates Fetching**” automatically enabled in **Company / Localization Control Center**.
- Below basic data Applicable for Tax Fetching must be set up accordingly.
  - Definition of **HSN/SAC Codes**. (See [Define HSN/SAC Codes](#))
  - Assign individual HSN/SAC Codes to different **HSN/SAC Groups** (See [HSN/SAC Groups and Intra/Inter state Tax Structures](#))
  - Connect the applicable Tax Structures to HSN/SAC Groups based on the fetching required for Interstate and Intrastate transactions separately. (See [HSN/SAC Groups and Intra/Inter state Tax Structures](#))
- On the **Company/ Tax Control/ Invoice tab**, set the **Tax Correspondence, invoice line – Manual Postings** to disabled.
- On the **Company/ Tax Control/ Invoice tab**, set the **Amount Method** field to Net Amount Entry.

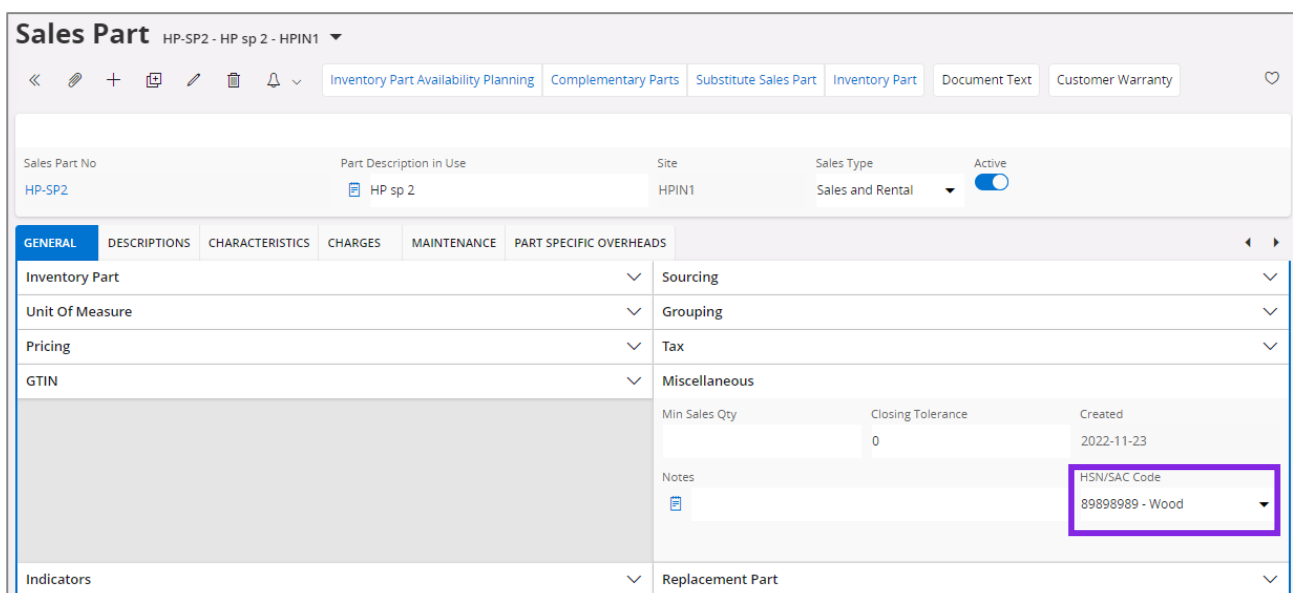
## 7.5 Sales flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

A new field for adding a default HSN/SAC code has been introduced to the following pages:

- *Sales Part*
- *Non-Inventory Sales Part*
- *Package Part*
- *Sales Charge Type*
- *Sales Object*

Use this field to enter HSN/SAC code for the part or charge type. List of Values shows HSN/SAC codes defined on the [HSN/SAC Codes](#) page.

### 7.5.1 SALES PART



**Sales Part** HP-SP2 - HP sp 2 - HPIN1

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

Sales Part No: HP-SP2 Part Description in Use: HP sp 2 Site: HPIN1 Sales Type: Sales and Rental Active:

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

Inventory Part Sourcing

Unit Of Measure Grouping

Pricing Tax

GTIN Miscellaneous

Min Sales Qty: 0 Closing Tolerance: Created: 2022-11-23

Notes: HSN/SAC Code: 89898989 - Wood

Indicators Replacement Part

### 7.5.2 NON-INVENTORY SALES PART

**Non-Inventory Sales Part** HP-NON-INV - HP Non-Inventory Part - HPIN1

Complementary Parts | Document Text | Connect Services | Customer Warranty

Sales Part No: HP-NON-INV | Part Description in Use: HP Non-Inventory Part | Site: HPIN1 | Sales Type: Sales Only | Category: Service | Active:

GENERAL	DESCRIPTIONS	CHARACTERISTICS	CHARGES
Intrastat			Sourcing
Unit of Measure			Grouping
Pricing			Tax
GTIN			Miscellaneous
		Min Sales Qty	Closing Tolerance
			0
		Created	2022-10-10
		Notes	HSN/SAC Code
			33333 - Repair
Indicators			Replacement Part

### 7.5.3 PACKAGE PART

**Package Part** HP-PACKPART - Hp Package part - HPIN1

Complementary Parts | Document Text

Sales Part No: HP-PACKPART | Part Description in Use: Hp Package part | Site: HPIN1 - HP India ... | Active:

GENERAL	DESCRIPTION	CHARACTERISTICS	CHARGES
Package			Grouping
Components			Unit of Measure
Indicators			Tax
GTIN			Replacement Part
Misc Information			
Created	Min Sales Qty	Closing Tolerance	Print Code
2022-10-10		0	
Notes			
HSN/SAC Code			
4445555 - Engine			

## 7.5.4 SALES CHARGE TYPE

**Sales Charge Type** FREIGHT - Freight Charge ▾

⏪ + 📄 ✎ 🗑️ 🔔 ▾

---

Charge Type	Description	Charge Group	Charge Group Description	Sales Charge Type Cate...	Site
FREIGHT	Freight Charge	FF1 ▾	Fixed Freight Charge	Freight	HPIN1

Sales UoM: pcs ▾      Currency: USD

---

**GENERAL**    DESCRIPTIONS

---

Details			Tax		
Charge Price	Charge Price Incl Tax	Charge Cost	Tax Code	Tax Class	Delivery Type
70,00	87,50	0,00	1 - TAX WITH NO RED...		
Charge (%)	Charge Cost (%)	HSN/SAC Code	Taxable	Use Price Including Tax	
		109900 - Internal transport ▾	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

## 7.5.5 SALES QUOTATION

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Sales Quotation Lines*
- *Sales Quotation Rental Lines*
- *Sales Quotation Charges*

### Sales Quotation Lines

- 1) A new column is added to the *Sales Quotation/Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Part* page, the *Non-Inventory Sales Part* page or the *Package Part* page respectively.

- 2) When you enter a new Sales Quotation Line, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

#### Company (Seller) Delivery Address

Company (Seller) Delivery Address available on Site is validated.

**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar: \* | Distribution Calendar Status: Generated | Manufacturing Calendar: \* | Manufacturing Calendar Status: Generated

Time Zone Code: | Time Zone Offset (hours): 0 | **Delivery Address: ADD1**

Customer (buyer) Delivery Address  
Customer (buyer) Delivery Address available on *Sales Quotation Lines* are validated.

**Sales Quotation** P1110 Planned

Quotation No: P1110 | Customer: HP-IN-CUS1 - HP india customer 1 | Category: Customer | Site: HPIN1 | Wanted Delivery Da...

**Sales Quotation Amounts**

Total Net Amount/B...	Total Net Amount/C...	Total Tax Amount/C...	Total Gross Amount...
600,00 USD	60,00 INR	5,20 INR	65,20 INR

**LINES** | RENTAL LINES | CHARGES | QUOTATION DETAILS | INVOLVED PARTIES | BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	1	1	HP-NONTRACKED	HP nontracked part	1	44445555 - Engine	INTRA12% - INTRA S
2	1	2	HP-SP	HP SP	5	22223333LT - Laptop	INTER8% - INTER STA

- When you enter a Part No connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Sales Quotation part line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Due Date on the Sales Quotation part line.

**Sales Quotation** P1110

Status Share Operations Sales Promotions Quotation History Copy Quotation Create Lines from Template Document Text New Business Activity Access

Quotation No: P1110  
 Customer: HP-IN-CUS1 - HP india customer 1  
 Category: Customer  
 Site: HPIN1  
 Wanted Delivery Date/Ti...

**Sales Quotation Amounts**

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
600,00 USD	60,00 INR	5,20 INR	65,20 INR

**LINES** RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	1	1	HP-NONTRACKED	HP nontracked part	1	44445555 - Engine	INTRA12% - INTRA STATE 12%
2	1	2	HP-SP	HP SP	5	22223333LT - Laptop	INTER8% - INTER STATE 8%

- 4) Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.

**Sales Quotation** P1110 Planned

Status Share Operations Sales Promotions Quotation History Copy Quotation Create Lines from Template Document Text New Business Activity Access

Quotation No: P1110  
 Customer: HP-IN-CUS1 - HP india customer 1  
 Category: Customer  
 Site: HPIN1  
 Wanted Delivery Date/Ti...

**Sales Quotation Amounts**

**QUOTATION DETAILS** INVOLVED PARTIES BUSINESS ACTIVITIES

**General** Delivery Address

**Document Address**

Document Address  
 2DOC - HP india custo...

**Sales Quotation Dates** Delivery Settings

**Miscellaneous** Freight

**Invoice**

Invoice Customer	Address ID	Payment Terms	Use Price Incl ...
		0 - Due Immediately	No
Tax Liability	Tax Paying Party for FOC	Supply Country	
TAX	No Tax	INDIA	
Customer Tax Usage Type	Use Customer Document Address for Tax Calculation <input checked="" type="checkbox"/>		

- 5) If you change the Sales Quotation line or Sales Quotation header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
- Delivery Address of Sales Quotation header
  - Delivery Address of Sales Quotation Part Lines
  - Part No
  - HSN/SAC Code
  - Planned Due Date

### Sales Quotation Rental Lines

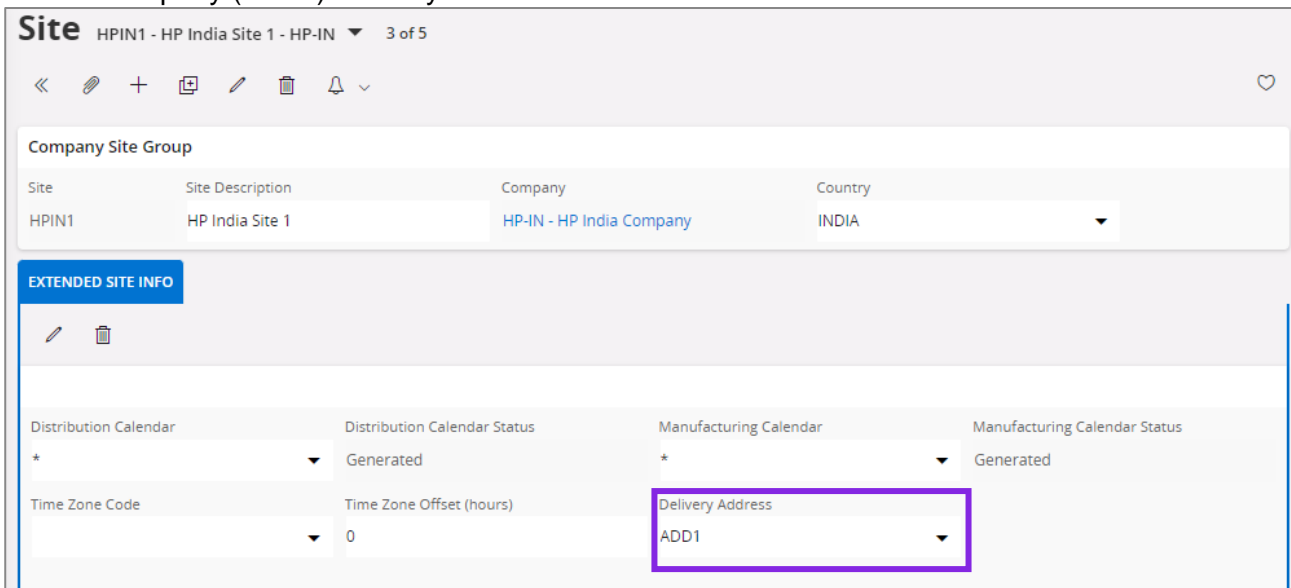
1) A new column is added to the *Sales Quotation/Rental Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Part* page or the *Non-Inventory Sales Part* page respectively.

2) When you enter a new Rental Line, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

#### Company (Seller) Delivery Address

Company (Seller) Delivery Address available on Site is validated.



**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

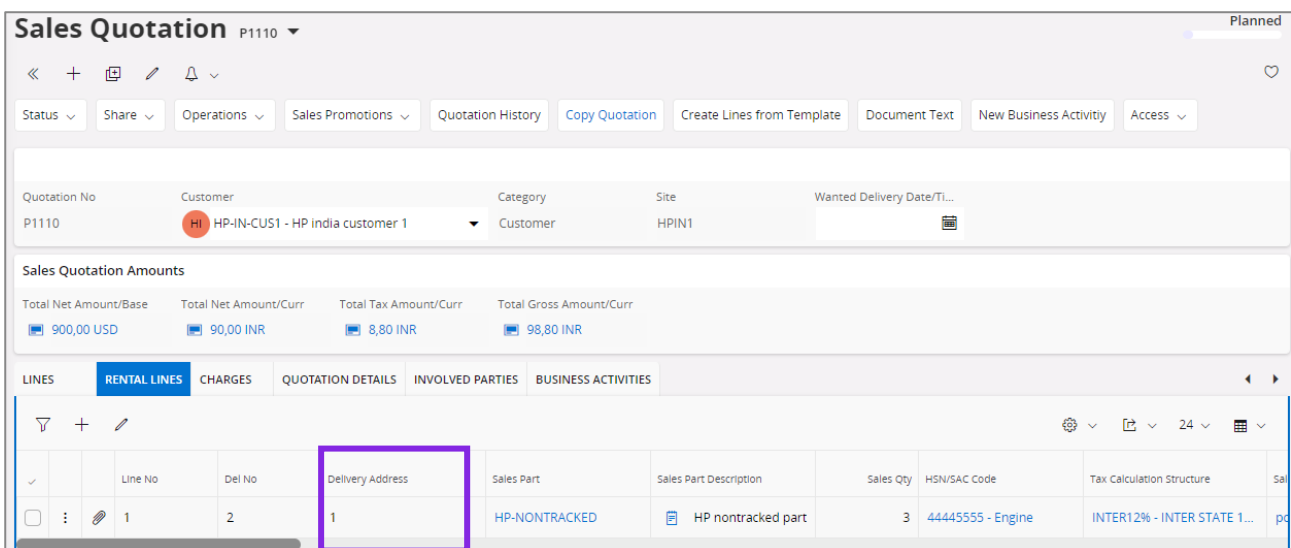
Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

#### Customer (buyer) Delivery Address

Customer (buyer) Delivery Address available on Rental Quotation Lines are validated.



**Sales Quotation** P1110 Planned

Quotation No: P1110, Customer: HP-IN-CUS1 - HP india customer 1, Category: Customer, Site: HPIN1, Wanted Delivery Date/TL...

**Sales Quotation Amounts**

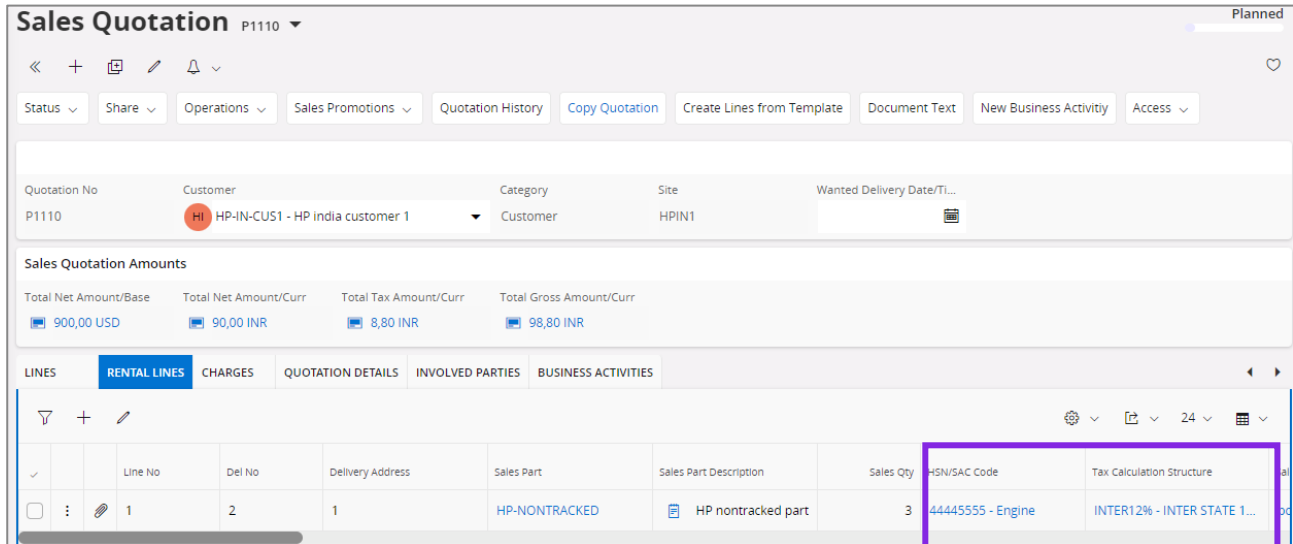
Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
900,00 USD	90,00 INR	8,80 INR	98,80 INR

**LINES** RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	2	1	HP-NONTRACKED	HP nontracked part	3	44445555 - Engine	INTER12% - INTER STATE 1...



- When you enter a Part No connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Sales Quotation Rental line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Due Date on the Sales Quotation Rental line.



**Sales Quotation** P1110

Quotation No: P1110, Customer: HP-IN-CUS1 - HP India customer 1, Category: Customer, Site: HPIN1, Wanted Delivery Date/Tl...

**Sales Quotation Amounts**

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
900,00 USD	90,00 INR	8,80 INR	98,80 INR

**LINES** RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

Line No	Del No	Delivery Address	Sales Part	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure
1	2	1	HP-NONTRACKED	HP nontracked part	3	44445555 - Engine	INTER12% - INTER STATE 1...

- Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.
- If you change the Sales Quotation Rental line or Sales Quotation header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address of Sales Quotation header
  - Delivery Address of Sales Quotation Rental Lines
  - Part No
  - HSN/SAC Code
  - Planned Due Date

### Sales Quotation Charges

- A new column is added to the *Sales Quotation/Charges* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Charge Type* page. If the Charge Type Category is "Pack Size" or "Promotion", the value cannot be changed.

- When you enter a new *Sales Quotation Charge Line*, application will first validate the Country (India) and state of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Delivery Address validation on Sales Quotation Charges could be describe in two scenarios.

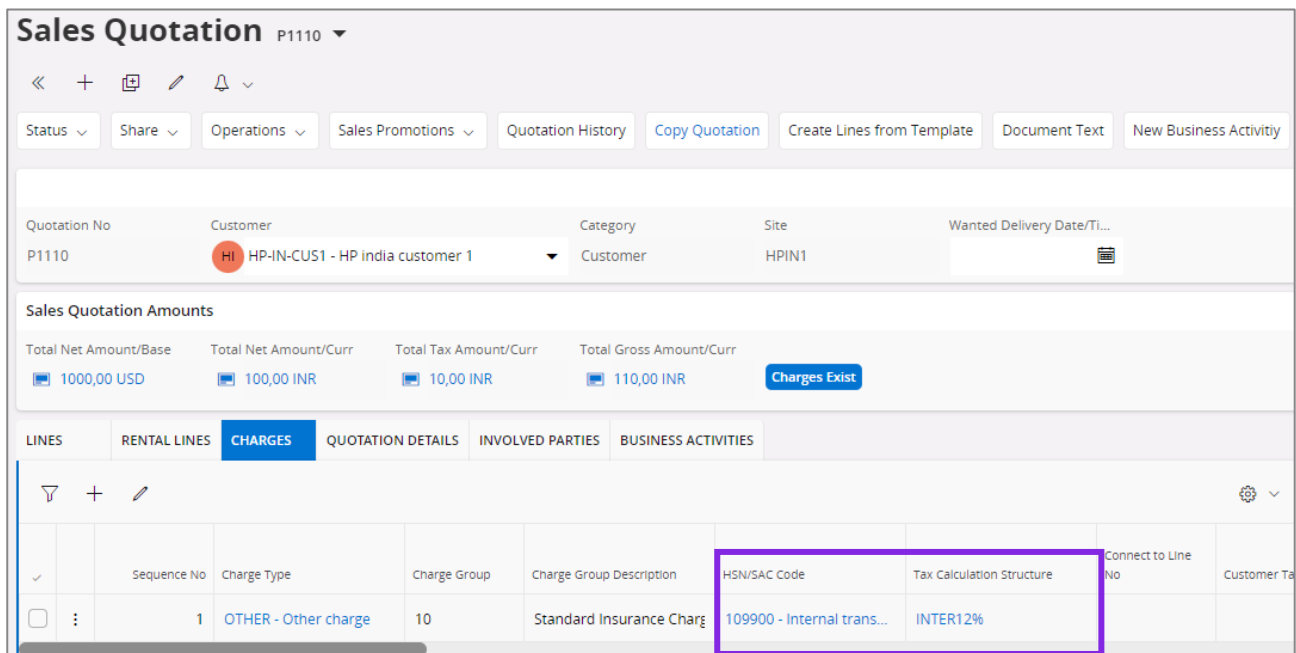
**Scenario-01:** Charge line is not connected to a Sales Quotation line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on Site is validated.	Customer (buyer) Delivery Address available on Sales Quotation header is validated.

**Scenario-02:** Charge line is connected to a Sales Quotation line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on Site is validated.	Customer (buyer) Delivery Address presented on connected Sales Quotation Line is validated.

- 3) Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address. The Sales Quotation header document address is considered for charge line both connected and not connected to a Sales Quotation line.
- 4) When you enter a *Sales Charge Type* connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Sales Quotation Charges line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Due Date if the charge line is connected to a Sales Quotation line, if not, the Wanted Delivery Date is considered.



The screenshot shows the 'Sales Quotation' interface for quotation P1110. The 'CHARGES' tab is active, displaying a table with the following data:

Sequence No	Charge Type	Charge Group	Charge Group Description	HSN/SAC Code	Tax Calculation Structure	Connect to Line	Customer Ta
1	OTHER - Other charge	10	Standard Insurance Charge	109900 - Internal trans...	INTER12%	No	

The 'HSN/SAC Code' and 'Tax Calculation Structure' columns are highlighted with a purple box in the original image.

- 5) If you change the Sales Quotation Charge line or Sales Quotation header, it will re-fetch the new tax structure accordingly. Re-fetch of tax structure is done for below changes:
  - Delivery Address of Sales Quotation header
  - Sales Charge Type
  - HSN/SAC Code
  - Planned Due Date

## 7.5.6 CUSTOMER ORDER

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Customer Order Lines*
- *Customer Order Rental Lines*
- *Customer Order Charges*

## Customer Order Lines

- 1) A new column is added to the *Customer Order/Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Part* page, the *Non-Inventory Sales Part* page or the *Package Part* page respectively.

- 2) When you enter a new *Customer Order Line*, application will first validate the Country (India), and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

### Company (Seller) Delivery Address

State from the company (Seller) Delivery Address available on site is validated.

**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

### Customer (Buyer) Delivery Address

State from the Customer (Buyer) Delivery Address available on Customer Order Lines is validated.

**Customer Order** P10922 Planned

Status Share Operations Freight Invoice Related Pages Copy Order Order History Sales Promotions Commissions Project Document Text

Order No	Customer	Site	Order Type	Wanted Delivery Date/Ti...
P10922	HP-IN-CUS1 - HP india customer 1	HPIN1	NO	2022-11-10 00:00

**Order Amounts**

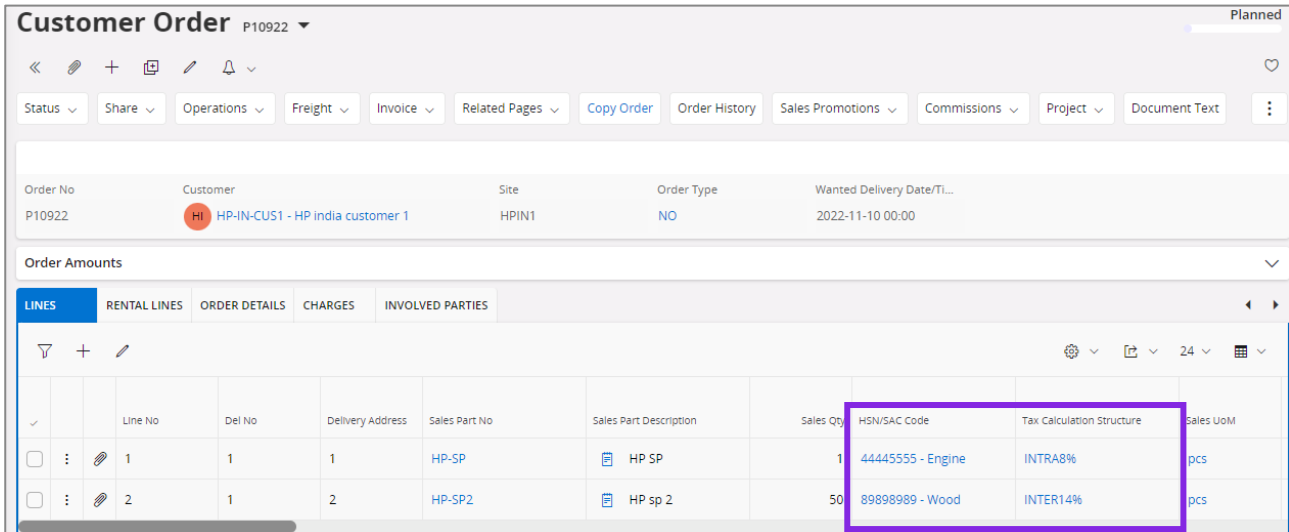
Total Net Amount/Base	Total Contribution Margi...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
5250,00 USD	5100,00 USD	100,00	525,00 INR	72,00 INR	597,00 INR

**Charges Exist**

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

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	1	1	HP-SP	HP SP	1	44445555 - Engine	INTRA8%	pcs
2	1	2	HP-SP2	HP sp 2	50	89898989 - Wood	INTER14%	pcs

- 3) When you enter a Part No connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Customer Order line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Ship Date on the Customer Order part line.



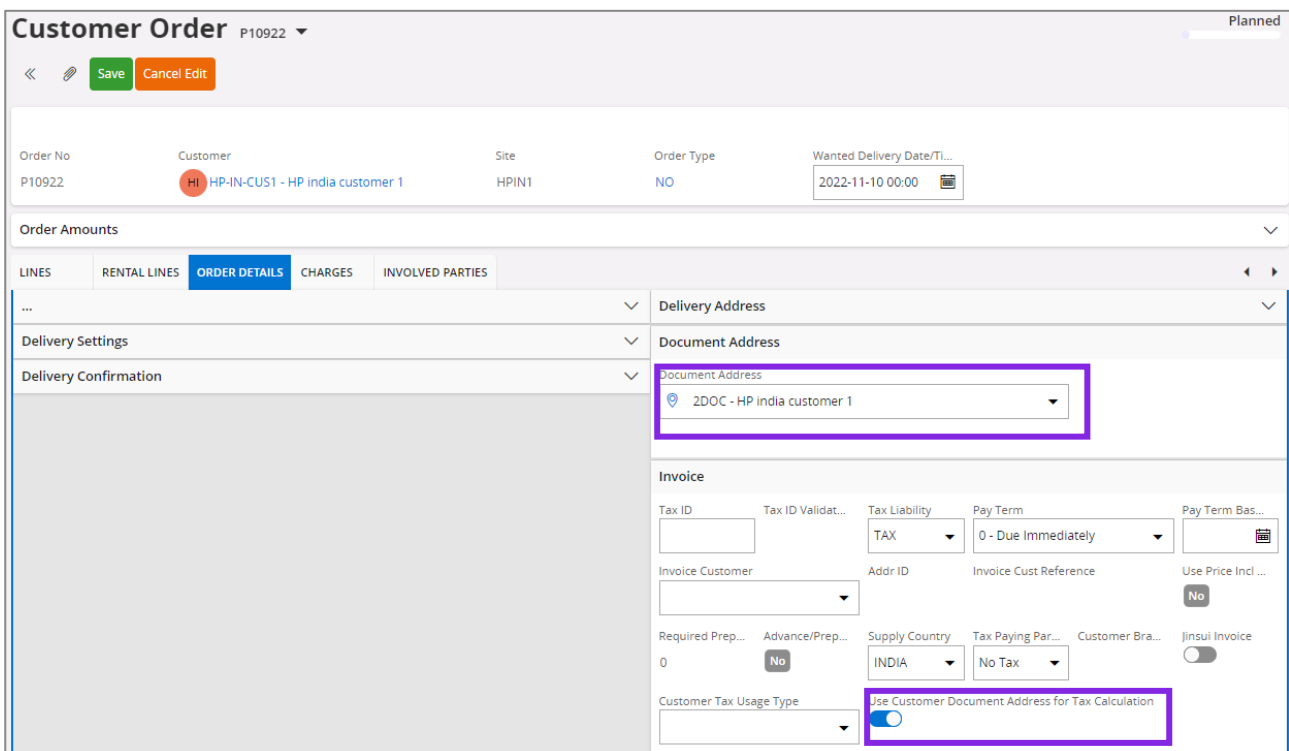
**Customer Order** P10922 Planned

Order No: P10922, Customer: HP-IN-CUS1 - HP india customer 1, Site: HPIN1, Order Type: NO, Wanted Delivery Date/TI...: 2022-11-10 00:00

**Order Amounts**

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	1	1	HP-SP	HP SP	1	44445555 - Engine	INTRA8%	pcs
2	1	2	HP-SP2	HP sp 2	50	89898989 - Wood	INTER14%	pcs

- 4) Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.



**Customer Order** P10922 Planned

Order No: P10922, Customer: HP-IN-CUS1 - HP india customer 1, Site: HPIN1, Order Type: NO, Wanted Delivery Date/TI...: 2022-11-10 00:00

**Order Amounts**

**ORDER DETAILS**

Delivery Address: ...

Delivery Settings: ...

Delivery Confirmation: ...

Document Address: 2DOC - HP india customer 1

**Invoice**

Tax ID: [ ], Tax ID Validat...: [ ], Tax Liability: TAX, Pay Term: 0 - Due Immediately, Pay Term Bas...: [ ]

Invoice Customer: [ ], Addr ID: [ ], Invoice Cust Reference: [ ], Use Price Incl...: No

Required Prep...: 0, Advance/Prep...: No, Supply Country: INDIA, Tax Paying Par...: No Tax, Customer Bra...: [ ], Inslui Invoice: [ ]

Customer Tax Usage Type: [ ], **Use Customer Document Address for Tax Calculation:**

- 5) If you change Customer Order line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;

- Delivery Address of Customer Order header
- Delivery Address of Customer Order Lines
- Part No

- HSN/SAC Code
- Planned Ship Date

### Customer Order Rental Lines

1) A new column is added to the *Customer Order/Rental Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Part* page or the *Non-Inventory Sales Part* page respectively.

2) When you enter a new *Customer Order Rental Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

#### Company (Seller) Delivery Address

State from the company (Seller) Delivery Address available on site is validated.

**Site** HPIN1 - HP India Site 1 - HP-IN 3 of 5

Company Site Group

Site	Site Description	Company	Country
HPIN1	HP India Site 1	HP-IN - HP India Company	INDIA

**EXTENDED SITE INFO**

Distribution Calendar	Distribution Calendar Status	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

#### Customer (Buyer) Delivery Address

State from the Customer (Buyer) Delivery Address available on Customer Order Rental line is validated.

**Customer Order** P10922 Planned

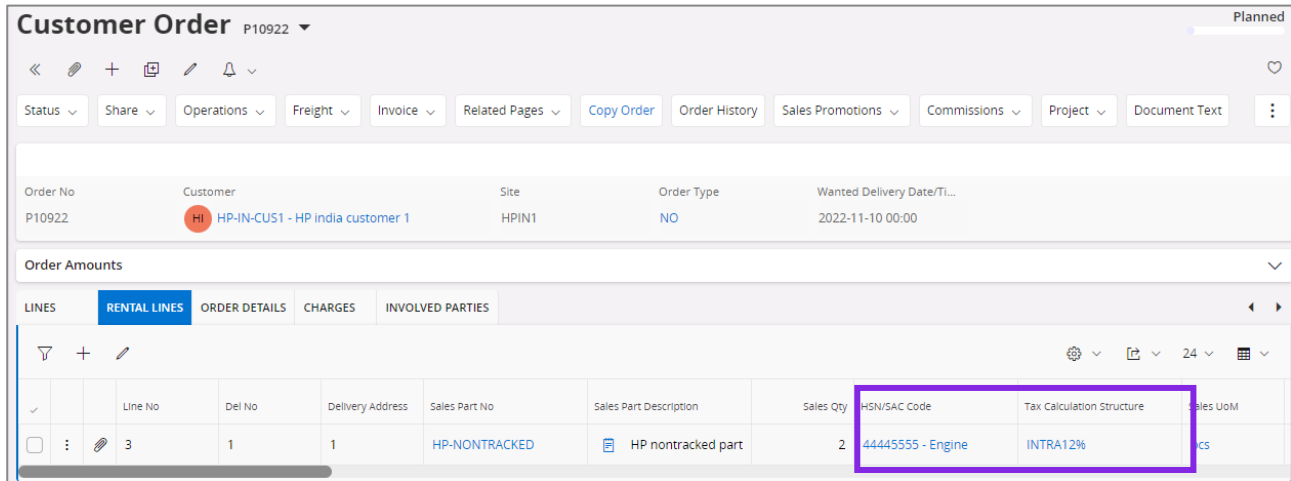
Order No: P10922, Customer: HP-IN-CUS1 - HP india customer 1, Site: HPIN1, Order Type: NO, Wanted Delivery Date/TL: 2022-11-10 00:00

**Order Amounts**

**RENTAL LINES**

Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
3	1	1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	pcs

- When you enter a Part No connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Customer Order Rental line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Ship Date on the Customer Order Rental part line.



Line No	Del No	Delivery Address	Sales Part No	Sales Part Description	Sales Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
3	1	1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	CS

- Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.
- If you change Customer Order Rental line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address of Customer Order header
  - Delivery Address of Customer Order Rental Lines
  - Part No
  - HSN/SAC Code
  - Planned Ship Date

### Customer Order Charges

- A new column is added to the *Customer Order/Charges* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Sales Charge Type* page. If the Charge Type Category is "Pack Size" or "Promotion", the value cannot be changed.

- When you enter a new Customer Order Charge line, application will first validate the Country (India) and state of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Delivery Address validation on Customer Order Charge lines could be describe in two scenarios.

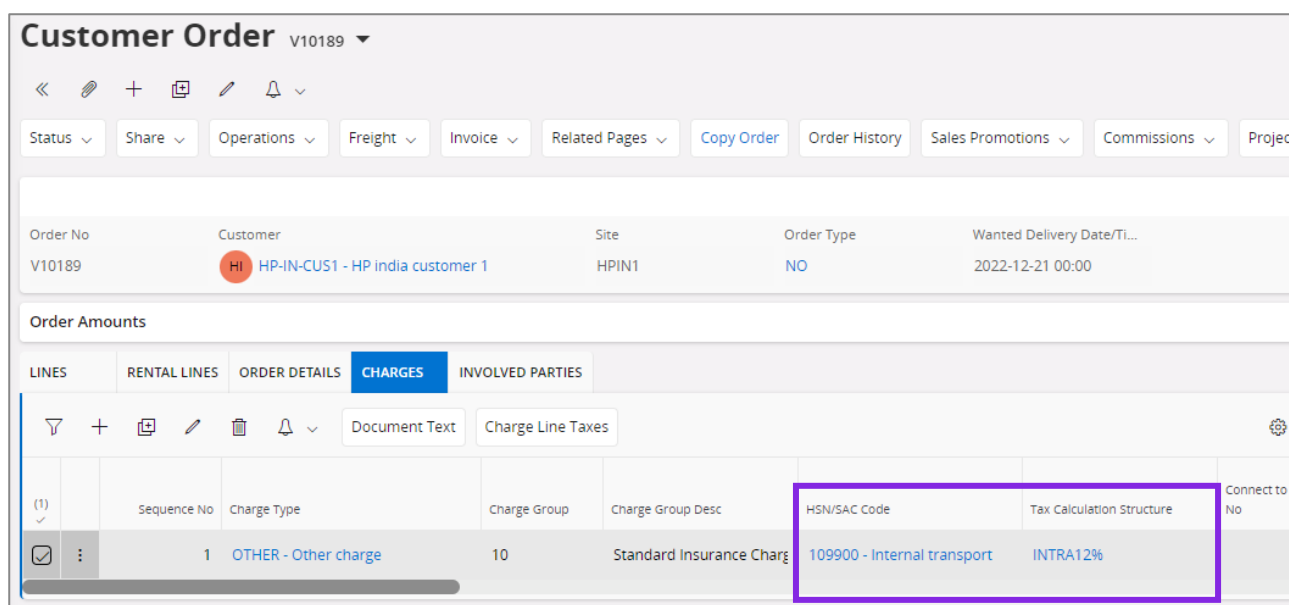
**Scenario-01:** Charge line is not connected to a Customer Order line.

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on site is validated.	Customer (buyer) Delivery Address available on Customer Order header is validated.

**Scenario-02:** Charge Line is connected to a Customer Order line:

Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available site is validated.	Customer (Buyer) Delivery Address available on connected Customer Order Line/Rental Lines is validated.

- 3) Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address. The Customer Order header document address is considered for charge line both connected and not connected to a Customer Order line.
- 4) When you enter a *Sales Charge Type* connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Customer Order Charges line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the Planned Ship Date if the charge line is connected to a Customer Order line, if not, the Wanted Delivery Date is considered.



The screenshot shows the 'Customer Order' interface for order V10189. The 'CHARGES' tab is active, displaying a table with the following data:

Sequence No	Charge Type	Charge Group	Charge Group Desc	HSN/SAC Code	Tax Calculation Structure	Connect to L No
1	OTHER - Other charge	10	Standard Insurance Charge	109900 - Internal transport	INTRA12%	

- 4) If you change Customer Order Charge line or Customer Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address of Customer Order header
  - Delivery Address of Customer Order Charge lines
  - Sales Charge Type
  - HSN/SAC Code
  - Planned Ship Date

## 7.5.7 CUSTOMER INVOICE

1) A new column is added to the *Customer Invoice/Lines* tab:

**HSN/SAC Code:** If the line was created on the base of customer order, the default value is fetched from the *Customer Order* page. If the line was created on the base of the return material authorization, the default value is retrieved from the *Return Material Authorization* page. If the line was created on the base of a debit invoice line, default value is fetched from the *Customer Invoice* page.

Customer Invoice HP-IN-CUS1 - HP india customer 1 - 970000002 - CUSTORDDEB - P11520 1 of 1							
Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	
HP-IN-CUS1	HP india customer 1	CD	970000002	HP-IN	HPIN1	2023-01-03	
Amounts							
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate		
INR	89,20	80,00	9,20	10	10		
LINES							
Pos	Invoice Item	Description	Invoiced Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM	
1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	pcs	
2	HP-SP	HP SP	1	22223333LT - Laptop	INTRA8%	pcs	
3	FREIGHT	Freight Charge	1	109900 - Internal trans...	INTRA12%	pcs	

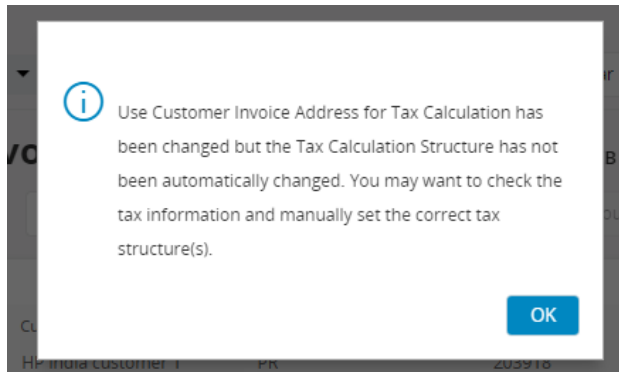
2) Address Handling

In case HSN/SAC code is manually changed, the following information is used in order to determine whether transaction is inter or intra state:

- State from company (seller) address
  - State from the company delivery address connected to site.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address
    - If invoice line was created on the base of customer order, the customer order line delivery address will be considered.
    - If invoice line was created on the base of return material authorization, the return material authorization Return From address is considered.
  - Country must be India.

3) **Use Customer Invoice Address for Tax Calculation** toggle has been introduced on Customer Invoice header and the value is inherited from the connected customer order, return material authorization or debit invoice. Changing value on the toggle gives below information message and does not trigger a re-fetch of the taxes.





4) Re-fetch of tax structure is done for below changes;

- HSN/SAC Code

### 7.5.8 PRINT CUSTOMER INVOICE

Print and preview the customer invoice using IFS Could standard functionality. In the *Report Archive* page use command Save XML Data. The following information is added to the XML:

- Header section of the XML
  - **<STATE\_CODE\_NUMBER>**
    - Value from the **State Code No** field from the *States* page. It is retrieved from the state of the customer delivery address.
  - **<STATE\_NAME>**
    - Value from the **State Name** field from the *States* page. It is retrieved from the state of the customer delivery address.
- Invoice line section of the XML
  - **<HSN\_SAC\_CODE>**
    - HSN/SAC code from the invoice line.
  - **<CGST\_TAX\_AMNT>, <CGST\_TAX\_PCT>, <CGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "CGST".
  - **<SGST\_TAX\_AMNT>, <SGST\_TAX\_PCT>, <SGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "SGST".
  - **<IGST\_TAX\_AMNT>, <IGST\_TAX\_PCT>, <IGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "IGST".
  - **<UGST\_TAX\_AMNT>, <UGST\_TAX\_PCT>, <UGST\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for the tax type category "UGST".
  - **<OTHER\_TAX\_AMNT>, <OTHER\_TAX\_PCT>, <OTHER\_FEE\_TYPE>**
    - Tax amount, tax percentage and tax type per invoice line for other tax type categories.

Header section:

```

<BILL_ADDR_1>Maria's Customer, India</BILL_ADDR_1>
<BILL_ADDR_2>Customer Address in UP state</BILL_ADDR_2>
<BILL_ADDR_3>-</BILL_ADDR_3>
<BILL_ADDR_4>UP</BILL_ADDR_4>
<BILL_ADDR_5>IN - INDIA</BILL_ADDR_5>
<BILL_ADDR_6 xsi:nil="1"/>
<BILL_ADDR_7 xsi:nil="1"/>
<LABEL_NOTE xsi:nil="1"/>
<VAT_NO xsi:nil="1"/>
<PRINT_PRICES_INCL_TAX>N</PRINT_PRICES_INCL_TAX>
<USE_PRICE_INCL_TAX>FALSE</USE_PRICE_INCL_TAX>
<WANTED_DELIVERY_DATE>2017-10-17T00:00:00</WANTED_DELIVERY_DATE>
<LATEST_SHIP_DATE>2017-10-17T00:00:00</LATEST_SHIP_DATE>
<PAY_TERMS_DESC>Due Immediately</PAY_TERMS_DESC>
<TAX_REGIME>SALETX</TAX_REGIME>
<PRINT_ADV_PAY_ON_CU_INV>TRUE</PRINT_ADV_PAY_ON_CU_INV>
<SEVERAL_VALUE>FALSE</SEVERAL_VALUE>
<USE_TAX_CODE_STRUCTURE>Y</USE_TAX_CODE_STRUCTURE>
<EXCISE_INVOICE_TYPE>0</EXCISE_INVOICE_TYPE>
<DUE_DATE>2017-10-17T00:00:00</DUE_DATE>
<CURR_CODE>INR</CURR_CODE>
<COPY_TEXT>,1</COPY_TEXT>
<CUSTOMER_PO_NO xsi:nil="1"/>
<HEADER_INVOICE_TEXT xsi:nil="1"/>
<HEADER_CORRECTION_REASON xsi:nil="1"/>
<SHIP_ADDR_1>Maria's Customer, India</SHIP_ADDR_1>
<SHIP_ADDR_2>Customer Address in UP state</SHIP_ADDR_2>
<SHIP_ADDR_3>-</SHIP_ADDR_3>
<STATE_CODE_NUMBER>09</STATE_CODE_NUMBER>
<STATE_NAME>Uttar Pradesh</STATE_NAME>
<SHIP_ADDR_4>UP</SHIP_ADDR_4>
<SHIP_ADDR_5>IN - INDIA</SHIP_ADDR_5>
<SHIP_ADDR_6 xsi:nil="1"/>
<SHIP_ADDR_7 xsi:nil="1"/>
<SHIP_VIA_DESC>IFS Applications</SHIP_VIA_DESC>
<FORWARD_AGENT xsi:nil="1"/>
<DELIVERY_TERMS_DESC>Calculate Freight Charge</DELIVERY_TERMS_DESC>

```

Invoice line section:

```

<LINE_DEBIT_TAX xsi:nil="1"/>
<LINE_VAT_CODE xsi:nil="1"/>
<LINE_DISC_AMOUNT>0</LINE_DISC_AMOUNT>
<LINE_VAT_PERCENT xsi:nil="1"/>
<REF_INVOICE_LINE_DATE xsi:nil="1"/>
<PREPAY_TAX_AMOUNT xsi:nil="1"/>
<LINE_DEL_TERMS_LOCATION xsi:nil="1"/>
<LINE_FORWARD_AGENT xsi:nil="1"/>
<LINE_VAT_NO xsi:nil="1"/>
<DELIVERY>200786</DELIVERY>
<DELIVERY_NOTE_REF xsi:nil="1"/>
<AIRWAY_BILL_NO xsi:nil="1"/>
<NET_SALES_PRICE_CURR>100</NET_SALES_PRICE_CURR>
<COUNTRY_OF_ORIGIN xsi:nil="1"/>
<CUSTOMS_STAT_NO xsi:nil="1"/>
<INVOICE_TEXT xsi:nil="1"/>
<CORRECTION_REASON xsi:nil="1"/>
<HSN_SAC_CODE>HSN12</HSN_SAC_CODE>
<CGST_TAX_AMNT>6</CGST_TAX_AMNT>
<SGST_TAX_AMNT>6</SGST_TAX_AMNT>
<IGST_TAX_AMNT>0</IGST_TAX_AMNT>
<UGST_TAX_AMNT>0</UGST_TAX_AMNT>
<OTHER_TAX_AMNT>0</OTHER_TAX_AMNT>
<CGST_TAX_PCT>6</CGST_TAX_PCT>
<SGST_TAX_PCT>6</SGST_TAX_PCT>
<IGST_TAX_PCT>0</IGST_TAX_PCT>
<UGST_TAX_PCT>0</UGST_TAX_PCT>
<OTHER_TAX_PCT>0</OTHER_TAX_PCT>
<CGST_FEE_TYPE>SALETX</CGST_FEE_TYPE>
<SGST_FEE_TYPE>SALETX</SGST_FEE_TYPE>
<IGST_FEE_TYPE xsi:nil="1"/>
<UGST_FEE_TYPE xsi:nil="1"/>
<OTHER_FEE_TYPE xsi:nil="1"/>
<LINE_DOC_TEXTS/>
<CATALOG_DOC_TEXTS/>
<INVENT_DOC_TEXTS/>
<REAL_SHIP_DATES/>
<STAGED_BILLING_ITEMS/>
</INVOICE_LINE>
</INVOICE_LINES>
<INVOICE_RENTAL_LINES/>
</INVOICE_LINES/>

```

Solution is available for the following reports:

CUSTOMER_ORDER_IVC_REP	Invoice
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice

### 7.5.9 RETURN MATERIAL AUTHORIZATION

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Return Material Authorization Lines*
- *Return Material Authorization Credit Charges*

#### Return Material Lines

1) A new column is added to the *Return Material Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code.

- If the line has a reference to a debit invoice, default value is retrieved from the *Customer Invoice* page.
- If the line has a reference to a customer order, the default value is retrieved from the *Customer Order* page.
- Otherwise, the default value is retrieved from the *Sales Part* page or the *Non-Inventory Sales Part* page respectively.
- **Note:** If Package part is returned from a *Customer Order*, the respective component sales part(s) are listed in the RMA and HSN/SAC code value is then retrieved from the package part from the connected *Customer Order*.

2) Address Handling

In case of lines that are not connected to debit invoice/customer order, the following information is used in order to determine whether transaction is inter-state or intra-state.

- State of company (seller) address:
  - State from the company delivery address connected to site, that is, same solution as for the *Customer Order/Lines* tab.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address selected in the **Delivery Address** field in the **Return From Address** section on the *Return Material Authorization/Return Handling Address* tab.
  - Country must be India.

### Return Material Authorization

200389 - HPETSE - 2022-11-17 - HPIN1 - HP-IN-CUS1

Quick RMA Registration | Print Return Note | Document Text | Return History

RMA No: 200389 | Customer: HP-IN-CUS1 - HP india customer 1 | Site: HPIN1 | Printed: No

**General**

**Total Amounts**

RETURN MATERIAL LINES | CREDIT CHARGES | **RETURN HANDLING ADDRESS** | MISC RMA INFO

**Return From Address**

Delivery Address: 1 | Name: HP india customer 1 | Single Occurance:

Return From Customer No: HP-IN-CUS1 | Ship-Via: | Delivery Terms:

**Return to Address**

Return Address: ADD1 | Name:

**Document Information**

Document Address: 2DOC - HP india customer 1

**Credit Information**

Credit Customer: | Credit Address:

- When manually enter a Part No connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Return Material line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.

### Return Material Authorization

200735 - - 2023-01-03 - HPIN1 - HP-IN-CUS1

Quick RMA Registration | Release | Deny | Cancel | Document Text | Return History

RMA No: 200735 | Customer: HP-IN-CUS1 - HP india customer 1 | Site: HPIN1 | Printed: No

**General**

**Total Amounts**

Total Net Amount/Base: 0,00 USD | Total Net Amount/Curr: 0,00 INR | Total Tax Amount/Curr: 0,00 INR

RETURN MATERIAL LINES | CREDIT CHARGES | RETURN HANDLING ADDRESS | MISC RMA INFO

Return Completed Date	Qty To Return	Return Material Reason	Sales Part No	HSN/SAC Code	Tax Calculation Structure	Order No	Line No
	2	30 - Ordered the wrong...	HP-NONTRACKED	44445555 - Engine	INTRA12%		

- Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.

### Return Material Authorization

200735 - - 2023-01-03 - HPIN1 - HP-IN-CUS1

Quick RMA Registration Release Deny Cancel Document Text Return History

RMA No: 200735 Customer: HP-IN-CUS1 - HP india customer 1 Site: HPIN1 Printed: No

**General**

**Total Amounts**

RETURN MATERIAL LINES CREDIT CHARGES RETURN HANDLING ADDRESS **MISC RMA INFO**

<b>Originating Information</b> Originating RMA No:      Receipt RMA No:		<b>RMA Indications</b> Intrastat Exempt: <input type="button" value="No"/> Document Text: <input type="button" value="No"/> Notes:	
<b>Tax Information</b> Tax Liability: TAX Supply Country: IN - INDIA Use Price Incl Tax: <input type="button" value="No"/> Customer Tax Usage Type: <input checked="" type="checkbox"/> Use Customer Document Address for Tax Calculation		<b>Other Information</b> Language: en - English Jinsui Invoice: <input type="checkbox"/> Case ID: Cancellation Reason:	

### Return Material Authorization

200735 - - 2023-01-03 - HPIN1 - HP-IN-CUS1

Quick RMA Registration Release Deny Cancel Document Text Return History

RMA No: 200735 Customer: HP-IN-CUS1 - HP india customer 1 Site: HPIN1 Printed: No

**General**

**Total Amounts**

RETURN MATERIAL LINES CREDIT CHARGES **RETURN HANDLING ADDRESS** MISC RMA INFO

<b>Return From Address</b> Delivery Address: 1 Name: HP india customer 1 Single Occurance: <input type="checkbox"/> Return From Customer No: HP-IN-CUS1 Ship-Via: Delivery Terms:			<b>Return to Address</b> Return Address: ADD1 Name:	
<b>Document Information</b> Document Address: 2DOC - HP india customer 1			<b>Credit Information</b> Credit Customer: Credit Address:	

5) For not connected Return Material Lines, re-fetch of tax structure is done for below changes;

- Return From Delivery Address of RMA header
- Part No
- HSN/SAC Code
- Return Completed Date

## Return Material Credit Charges

1) A new column is added to the *Credit Charges* tab:

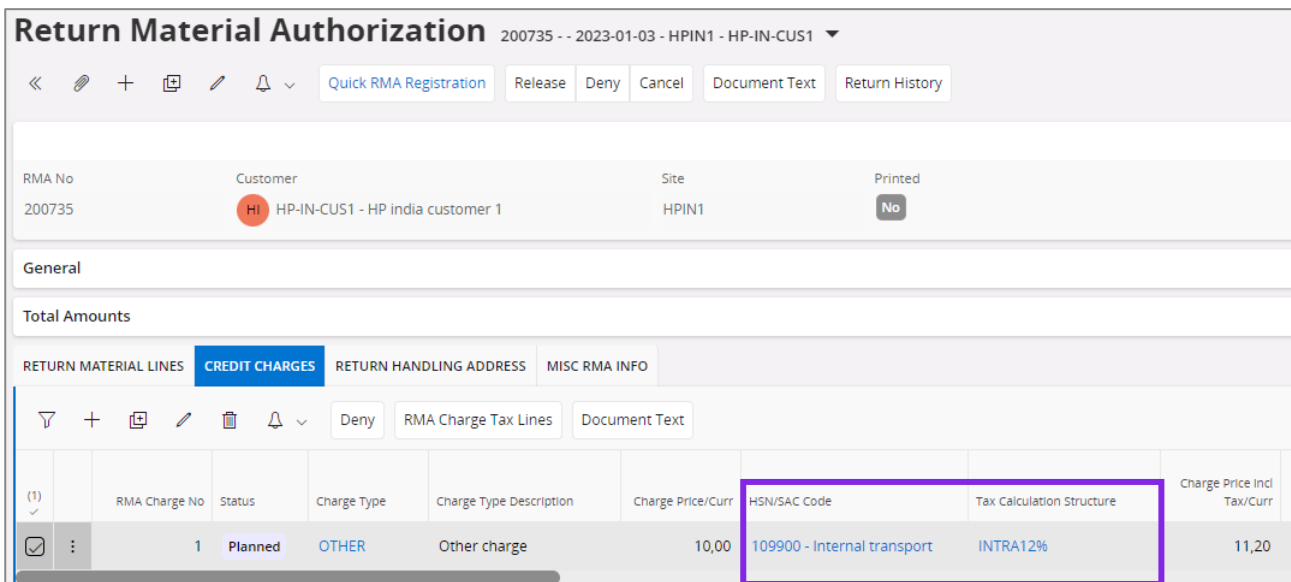
**HSN/SAC Code.** Use this field to enter HSN/SAC code. If the charge line has a reference to the customer order, the default value is retrieved from the *Customer Order* page. Otherwise the default value is retrieved from the *Sales Charge Type* page.

2) Address Handling

In case of lines that are not connected to customer order, the following information is used to determine whether transaction is inter or intra state:

- State from company (seller) address:
  - State from the company delivery address connected to site, that is same solution as for the *Customer Order/Order Lines* tab.
- Country and state from customer (buyer) address:
  - Country and state from the customer delivery address selected in the **Delivery Address** field in the **Return From Address** section on the *Return Material Authorization/Return Handling Address* tab.
  - That is, same solution as for the *Return Material Authorization/Return Material Lines* tab.
  - Country must be India.

3) When manually enter a Sales Charge Type connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Credit Charge line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



The screenshot displays the 'Return Material Authorization' interface for RMA No. 200735. The 'CREDIT CHARGES' tab is active, showing a table with the following data:

(1) ✓	RMA Charge No	Status	Charge Type	Charge Type Description	Charge Price/Curr	HSN/SAC Code	Tax Calculation Structure	Charge Price Incl Tax/Curr
☑	1	Planned	OTHER	Other charge	10,00	109900 - Internal transport	INTRA12%	11,20

4) Select the **Use Customer Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.

5) For not connected Credit Charge lines, re-fetch of tax structure is done for below changes;  
 - Return From Delivery Address of RMA header  
 - Part No

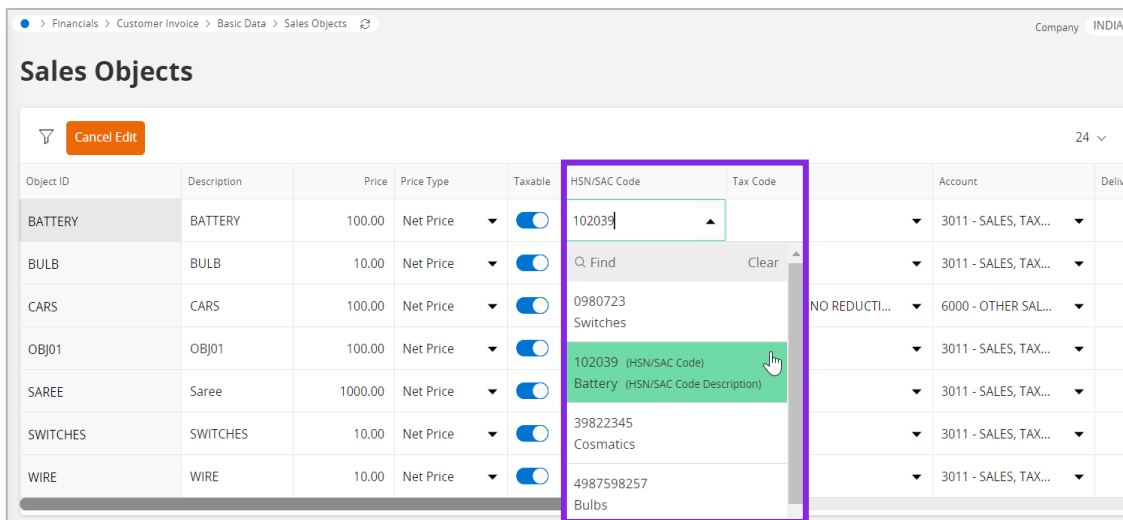


- HSN/SAC Code
- Return Completed Date

## 7.5.10 INSTANT INVOICE

### 7.5.10.1 Sales Object

HSN/SAC Code column is introduced to **Sales Object** page, allowing the user to connect an HSN/SAC Code to a Sales Object. The HSN/SAC Codes defined on the **HSN/SAC Code** page, is made available in the list of values to be selected.



Object ID	Description	Price	Price Type	Taxable	HSN/SAC Code	Tax Code	Account	Delive
BATTERY	BATTERY	100.00	Net Price	<input checked="" type="checkbox"/>	102039		3011 - SALES, TAX...	
BULB	BULB	10.00	Net Price	<input checked="" type="checkbox"/>	Q. Find	Clear	3011 - SALES, TAX...	
CARS	CARS	100.00	Net Price	<input checked="" type="checkbox"/>	0980723 Switches	NO REDUCTI...	6000 - OTHER SAL...	
OBJ01	OBJ01	100.00	Net Price	<input checked="" type="checkbox"/>	102039 (HSN/SAC Code) Battery (HSN/SAC Code Description)		3011 - SALES, TAX...	
SAREE	Saree	1000.00	Net Price	<input checked="" type="checkbox"/>			3011 - SALES, TAX...	
SWITCHES	SWITCHES	10.00	Net Price	<input checked="" type="checkbox"/>	39822345 Cosmetics		3011 - SALES, TAX...	
WIRE	WIRE	10.00	Net Price	<input checked="" type="checkbox"/>	4987598257 Bulbs		3011 - SALES, TAX...	

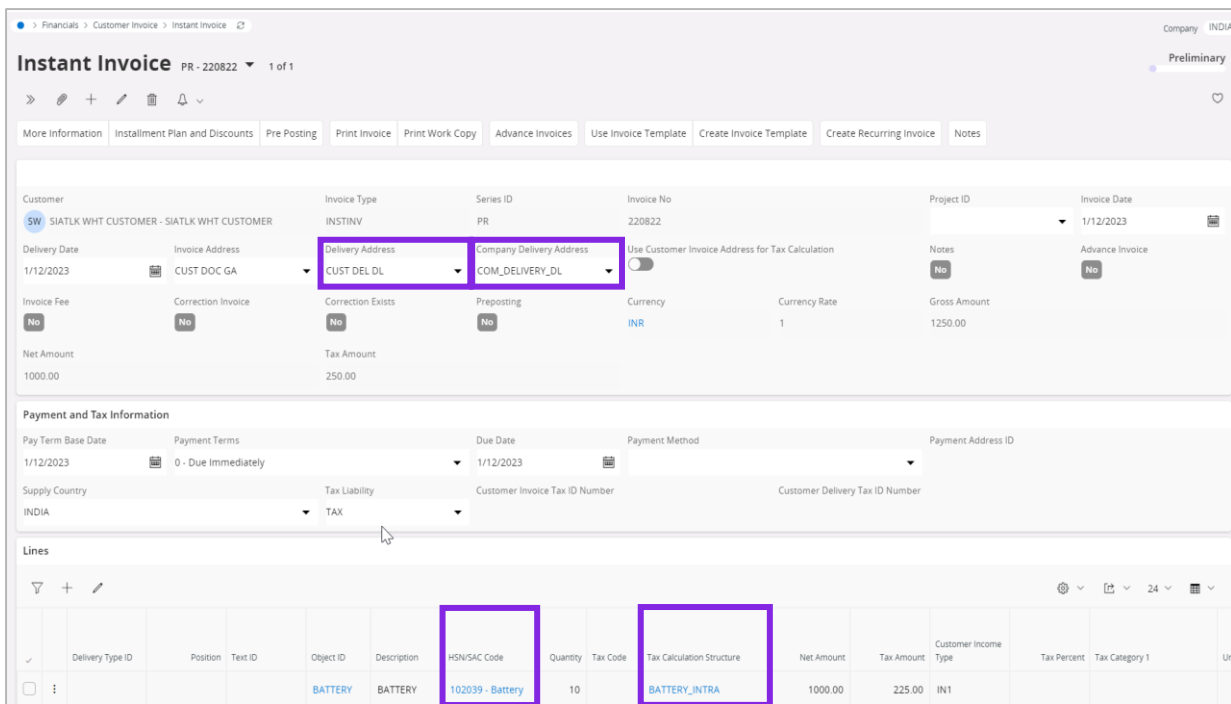
Note that, default tax information (tax codes, tax classes or tax structures) relevant for company, customer, supplier, or objects that are defined in basic data level will not be automatically fetched to invoice line items in Indian Localization enabled companies, as the tax fetching for India is based on HSN/SAC codes. However, such tax information defined under tax exempt (zero percent tax codes defined under tax exempt) scenarios, will be fetched to tax lines as HSN/SAC Code fetching will not function in tax exempt scenarios. Nevertheless, the user can add any above default information to invoice line items manually.

However, if the **Company / Tax Control / General / Customer Tax Code Validation / Object Level** is enabled, the user will not be able to save the Sales Object record without entering a Tax Code or a Tax Class. Therefore, the user is expected to disable the said validation at Object Level while leaving the Transaction Level enabled, so that the presence of a tax transaction will be validated at Transaction Level.

### 7.5.10.2 Instant Invoice header and lines

1. At **Instant Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the customer and the company, to determine whether the transaction is Interstate or Intrastate.
2. Then, once the above sales object is introduced in Instant Invoice line-item level, the relevant HSN/SAC code connected to the Sales object will be automatically fetched to Instant Invoice Line-item level, Ultimately, fetching the applicable Tax Structure for the HSN/SAC Code based on the Interstate, Intrastate determination.

*Example: If the state in the **Company Delivery address** is DL and the State in **Delivery address** (Customer Delivery address) is also DL, the transaction is classified as an **Intrastate** transaction at header level and the **Tax Structure** specified for **Intrastate** transactions in **HSN/SAC Groups** page will be fetched when the sales object is entered to invoice line as per below screenshot.*



**Instant Invoice** PR - 220822 1 of 1

Customer: SIATLK WHT CUSTOMER - SIATLK WHT CUSTOMER  
 Invoice Type: INSTINV  
 Series ID: PR  
 Invoice No: 220822  
 Project ID: [Dropdown]  
 Invoice Date: 1/12/2023

Delivery Date: 1/12/2023  
 Invoice Address: CUST DOC GA  
 Delivery Address: CUST DEL DL  
 Company Delivery Address: COM\_DELIVERY\_DL  
 Use Customer Invoice Address for Tax Calculation:

Invoice Fee: No  
 Correction Invoice: No  
 Correction Exists: No  
 Preposting: No  
 Currency: INR  
 Currency Rate: 1  
 Gross Amount: 1250.00  
 Net Amount: 1000.00  
 Tax Amount: 250.00

**Payment and Tax Information**

Pay Term Base Date: 1/12/2023  
 Payment Terms: 0 - Due Immediately  
 Due Date: 1/12/2023  
 Payment Method: [Dropdown]  
 Payment Address ID: [Dropdown]

Supply Country: INDIA  
 Tax Liability: TAX  
 Customer Invoice Tax ID Number: [Dropdown]  
 Customer Delivery Tax ID Number: [Dropdown]

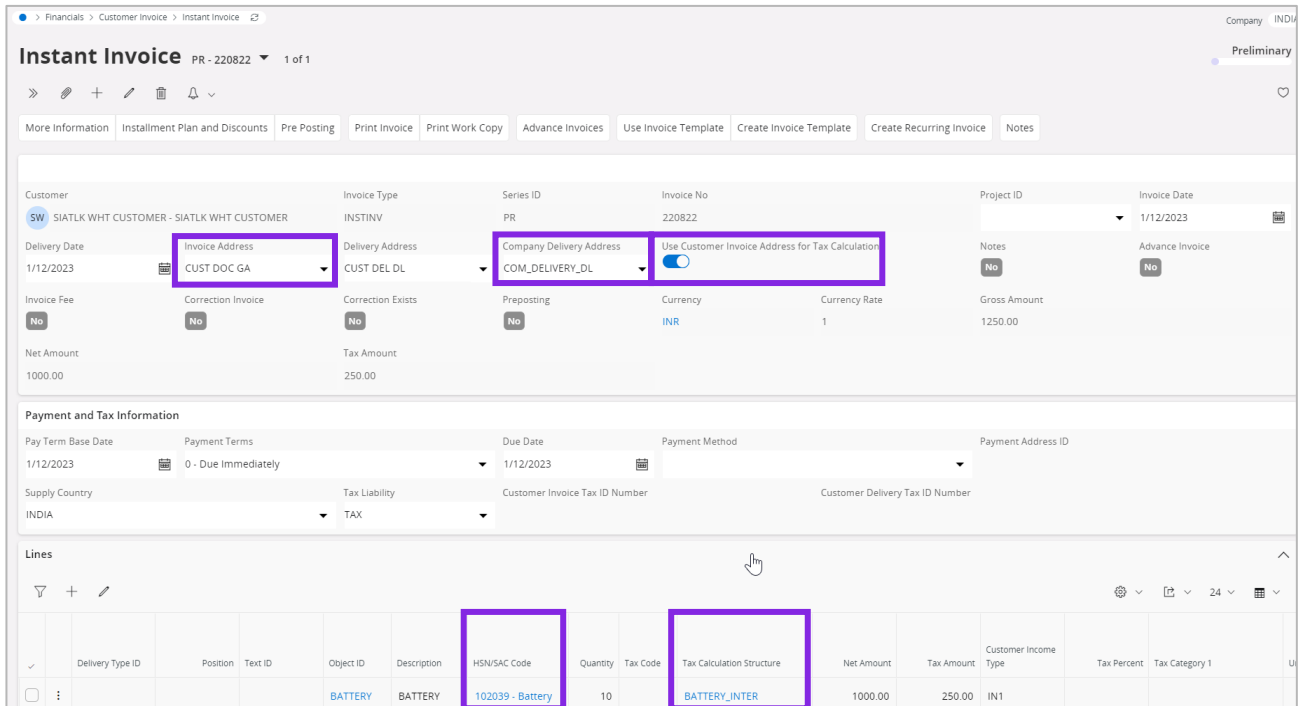
**Lines**

Delivery Type ID	Position	Text ID	Object ID	Description	HSN/SAC Code	Quantity	Tax Code	Tax Calculation Structure	Net Amount	Tax Amount	Customer Income Type	Tax Percent	Tax Category 1	UR
			BATTERY	BATTERY	102039 - Battery	10		BATTERY_INTRA	1000.00	225.00	IN1			

3. The user can alternatively select the state in the document address/invoice address of the customer instead of the state in delivery address of the customer via enabling the toggle **Use Customer Invoice Address for Tax Calculation**.

*Example: Once the toggle **Use Customer Invoice Address for Tax Calculation** is enabled, the comparison will now change to the state in the **Company Delivery address** that is DL and the state in **Invoice Address** (Customer Invoice Address) that is GA, the same transaction is now classified as an **Interstate** transaction at header level and the **Tax Structure** specified for **Interstate** transactions in **HSN/SAC Groups** page will be fetched when the sales object is entered to invoice line. Assume if the state in **Invoice Address** (Customer Invoice Address) is DL, then the transaction will remain as an **Interstate** transaction even after the toggle is enabled as per below screenshot.*





The relevant Tax Structure must be re fetched accordingly, even after changes are done to the Invoice elements like,

- Addresses available on the **Instant Invoice / General** tab
- Enable and disable the toggle to use Invoice Address
- Sales Object
- HSN/SAC Code

HSN/SAC Code based fetching is also supported in creation of **Recurring Invoices, Correction Invoices, Credit Invoices** and **Collective Invoices** so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice** created.

However, HSN/SAC Code based fetching functionality is not supported for **Instant Invoice Template**. Therefore, the user is expected to manually enter **Company Delivery Address** and **HSN/SAC Code** manually in Invoice lines when an invoice is created using an **Instant Invoice Template**.

Moreover, the RDF of the Instant Invoice that is created at the point of printing the Instant Invoice will depict the HSN/SAC Code, the relevant Tax Category and the State Code.

### 7.5.11 MANUAL CUSTOMER INVOICE

1. At **Manual Customer Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the customer and the company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at **Manual Customer Invoice** line-item level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and Interstate/Intrastate.

*Example: If the state in the **Company Delivery address** is DL and the state in **Delivery address** (Customer Delivery address) is also DL, the transaction is classified as an **Intrastate Transaction** at header level and the **Tax Structure** specified for **Intrastate transactions** in **HSN/SAC Groups** page will be fetched when the **HSN/SAC Code** is entered to invoice line as per below screenshot.*

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: F | Voucher No:

Customer: SW SIATLK WHT CUSTOMER - SIATLK WHT CUSTO... | Series ID: CI | Invoice No: INV 974192749742 | Currency: INR | Invoice type: CUSTINV | Advance Invoice:

**More Information**

Invoice Date: 1/12/2023 | Delivery Date: 1/12/2023 | Pay. Term Base Date: 1/12/2023 | Payment Terms: 0 - Due Immediately | Due Date: 1/12/2023 | Invoice Address: CUST DOC GA | **Delivery Address: CUST DEL DL**

**Company Delivery Address: COM\_DELIVERY\_DL** | Use Customer Invoice Address for Tax Calculation:

Reference Invoice No: | Voucher Type: | Voucher Date: | Period: | Deduction Group: | Deduction Amount: 0

Payment Method: | Payment Address ID: | Payer: SIATLK WHT CUSTO... | Payment Reference: | Language Code: English | Branch: | Customer Branch: | Project ID:

Tax Invoice Series ID: | Tax Invoice Number: | Tax Invoice Date: | Creator Reference: | Additional Reference: | Correction Reason ID:

Correction Reason:

Pre Postings

Previous | Next | Finish | Cancel

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Customer	Series ID	Invoice No	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT CUSTOMER	CI	INV 974192749742	1225.00	1000.00	225.00

**Line Information**

Delivery Type	HSN/SAC Code	Income Type	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Gross Amount	Net Amount	Tax Percent	Tax Amount	Tax Method Tax Disburse
	102039 - Battery	IN1		BATTERY_INTRA	Yes	1225.00	1000.00		225.00	

Previous | Next | Finish | Cancel

**3. The user can alternatively select the state in the document address/invoice address of the customer instead of the state in delivery address of the customer via enabling the toggle **Use Customer Invoice Address for Tax Calculation**.**

*Example: Once the toggle **Use Customer Invoice Address for Tax Calculation** is enabled, the comparison will now change to the state in the **Company Delivery address** that is DL and the state in **Invoice Address** (Customer Invoice Address address) that is GA, the same transaction is now classified as an **Interstate Transaction** at header level and the **Tax Structure** specified for **Interstate transactions** in **HSN/SAC Groups** page will be fetched when the **HSN/SAC Code** is entered to invoice line as per below screenshot. Assume if the state in **Invoice Address***

(Customer Invoice Address) is DL, then the transaction will remain as an Interstate transaction even after the toggle is enabled.

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: F | Voucher No:

Customer: SW SIATLK WHT CUSTOMER - SIATLK WHT CUSTO... | Series ID: CI | Invoice No: INV 974192749742 | Currency: INR | Invoice type: CUSTINV | Advance Invoice: No

**More Information**

Invoice Date: 1/12/2023 | Delivery Date: 1/12/2023 | Pay. Term Base Date: 1/12/2023 | Payment Terms: 0 - Due Immediately | Due Date: 1/12/2023 | **Invoice Address: CUST DOC GA** | Delivery Address: CUST DEL DL

Company Delivery Address: COM\_DELIVERY\_DL | **Use Customer Invoice Address for Tax Calculation:**  | Currency Rate: 1 | Tax Currency Rate: 1 | Customer Reference: | Reference Series: | Reference Invoice No: | Voucher Type: | Voucher Date: | Period: | Deduction Group: | Deduction Amount: 0

Payment Method: | Payment Address ID: | Payer: SIATLK WHT CUSTO... | Payment Reference: | Language Code: English | Branch: | Customer Branch: | Project ID: | Tax Invoice Series ID: | Tax Invoice Number: | Tax Invoice Date: | Creator Reference: | Additional Reference: | Correction Reason ID: | Correction Reason: |

Pre Postings

Financials > Customer Invoice > New Manual Customer Invoice

### New Manual Customer Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Customer	Series ID	Invoice No	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT CUSTOMER	CI	INV 974192749742	1250.00	1000.00	250.00

**Line Information**

Delivery Type	HSN/SAC Code	Income Type	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Gross Amount	Net Amount	Tax Percent	Tax Amount	Tax Method Tax Disburse
	102039 - Battery	IN1		BATTERY_INTER	No	1250.00	1000.00		250.00	

Navigation: Previous | Next | Finish | Cancel

The relevant Tax Structure must be re fetched accordingly, even after changes at **Manual Customer Invoice Assistant** are done to the Invoice elements like,

- Addresses
- Enable and disable the toggle to use Invoice Address
- HSN/SAC Code

Moreover, as an enhancement, the HSN/SAC related information is made visible in **Customer Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Company Delivery address, Invoice Address, Delivery address** and the **Use Customer Invoice Address for Tax Calculation** toggle in **More Information** section.
- The **HSN/SAC Code** and **Tax Calculation Structure** in **Invoice Lines**

However, note that the Manual Customer Invoice is not supported to handle HSN/SAC Code based tax fetching for External Customer Invoices flow.

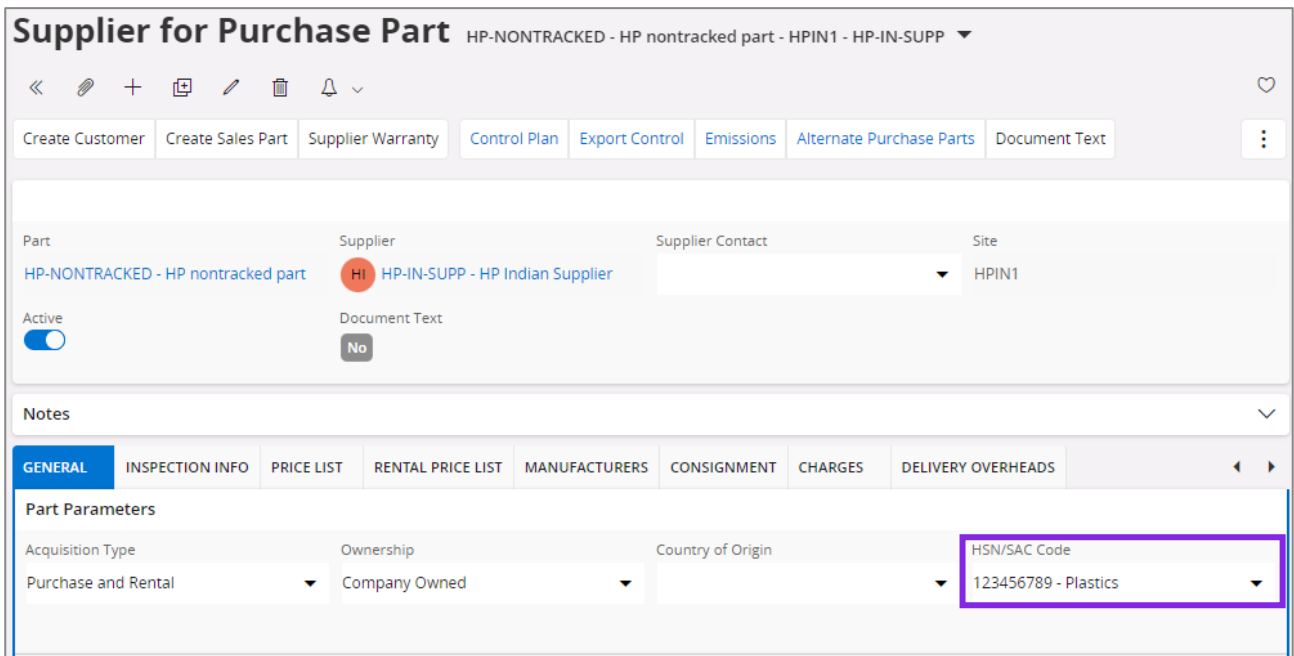
## 7.6 Procurement flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

A new field for adding a default HSN/SAC code has been introduced to the following pages:

- *Supplier for Purchase Part*
- *Purchase Charge Type*

Use this field to enter HSN/SAC code for the part or charge type. List of Values shows HSN/SAC codes defined on the *HSN/SAC Codes* page.

### 7.6.1 SUPPLIER FOR PURCHASE PART



**Supplier for Purchase Part** HP-NONTRACKED - HP nontracked part - HPIN1 - HP-IN-SUPP

Part: HP-NONTRACKED - HP nontracked part | Supplier: HP-IN-SUPP - HP Indian Supplier | Supplier Contact: | Site: HPIN1

Active:  | Document Text: No

Notes

GENERAL | INSPECTION INFO | PRICE LIST | RENTAL PRICE LIST | MANUFACTURERS | CONSIGNMENT | CHARGES | DELIVERY OVERHEADS

**Part Parameters**

Acquisition Type	Ownership	Country of Origin	HSN/SAC Code
Purchase and Rental	Company Owned		123456789 - Plastics

## 7.6.2 PURCHASE CHARGE TYPE

### Purchase Charge Type

REP - Repair charge - HPIN1 ▾

Charge Type
Description
Charge Group
Charge Group Description
Site
Price UoM

REP	Repair charge	PPCG3 ▾	Service Charges	HPIN1	PCS ▾
-----	---------------	---------	-----------------	-------	-------

GENERAL
DESCRIPTIONS
◀ ▶

**Details**

Distribute Charge By ▾

Invoicing Supplier ▾

Charge Price

150,00 USD

Charge Price incl Tax

187,50 USD

Charge (%)

Unit Charge

Distribute on Receipt

HSN/SAC Code

33333 - Repair ▾

**Tax**

Tax Code

1 - Tax with no reduction 25% ▾

Taxable

Use Price Incl Tax

**Indicators**

Intrastat Exempt

Print Charge Amount

## 7.6.3 PURCHASE ORDER

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Purchase Order Part Lines*
- *Purchase Order No Part Lines*
- *Purchase Order Rental Lines*
- *Purchase Order Charges*

### Purchase Order Part Lines

- 1) A new column is added to the *Purchase Order/Part Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Supplier for Purchase Part* page.

- 2) When you enter a new *Purchase Order Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order Part Line is validated.

### Purchase Order D555047 - HP-IN-SUPP - HPIN1 Planned

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0...

**Order Amounts**

**PART LINES** | NO PART LINES | RENTAL PART LINES | ORDER DETAILS | CHARGES | LANDED COST | AUTHORIZATION

Line No	Relea... No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Delivery Address	Invoic...
1	1	HP-NONTRACKED	HP nontra	1	123456789 - Plastics	INTER8%	ADD1	HI
1	2	HP-NONTRACKED	HP nontra	1	22223333LT - Laptop	INTRA8%	ADD2	HI

### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the *Order Details* tab is validated.

### Purchase Order D555047 - HP-IN-SUPP - HPIN1 Planned

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0...

**Order Amounts**

PART LINES | NO PART LINES | RENTAL PART LINES | **ORDER DETAILS** | CHARGES | LANDED COST | AUTHORIZATION

**General**

Delivery Address | Document Address

**Delivery Information**

Supplier Delivery Address: 1 | Supplier Document Address: 1 | Ship-Via: \*- test | Delivery Terms: \*- TEST

- When you enter a Part No connected to a HSN/SAC Code in Supplier for Purchase Part, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Order Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.

**Purchase Order** D555047 - HP-IN-SUPP - HPIN1 Planned

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0...

Order Amounts

**PART LINES** | NO PART LINES | RENTAL PART LINES | ORDER DETAILS | CHARGES | LANDED COST | AUTHORIZATION

Line No	Relea... No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Delivery Address	Invoicing
1	1	HP-NONTRACKED	HP nontra	1	123456789 - Plastics	INTER8%	ADD1	HI
1	2	HP-NONTRACKED	HP nontra	1	22223333LT - Laptop	INTRA8%	ADD2	HI

- Select the **Use Company Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on company document address and supplier delivery address.

Company (buyer) Document Address

Company (buyer) Document Address available on *Order Details* tab is validated.

**Purchase Order** D555047 - HP-IN-SUPP - HPIN1

Order Amounts

**PART LINES** | NO PART LINES | RENTAL PART LINES | **ORDER DETAILS** | CHARGES | LANDED COST | AUTHORIZATION

General

Delivery Address Document Address

Document Address: DOC1

Delivery Information

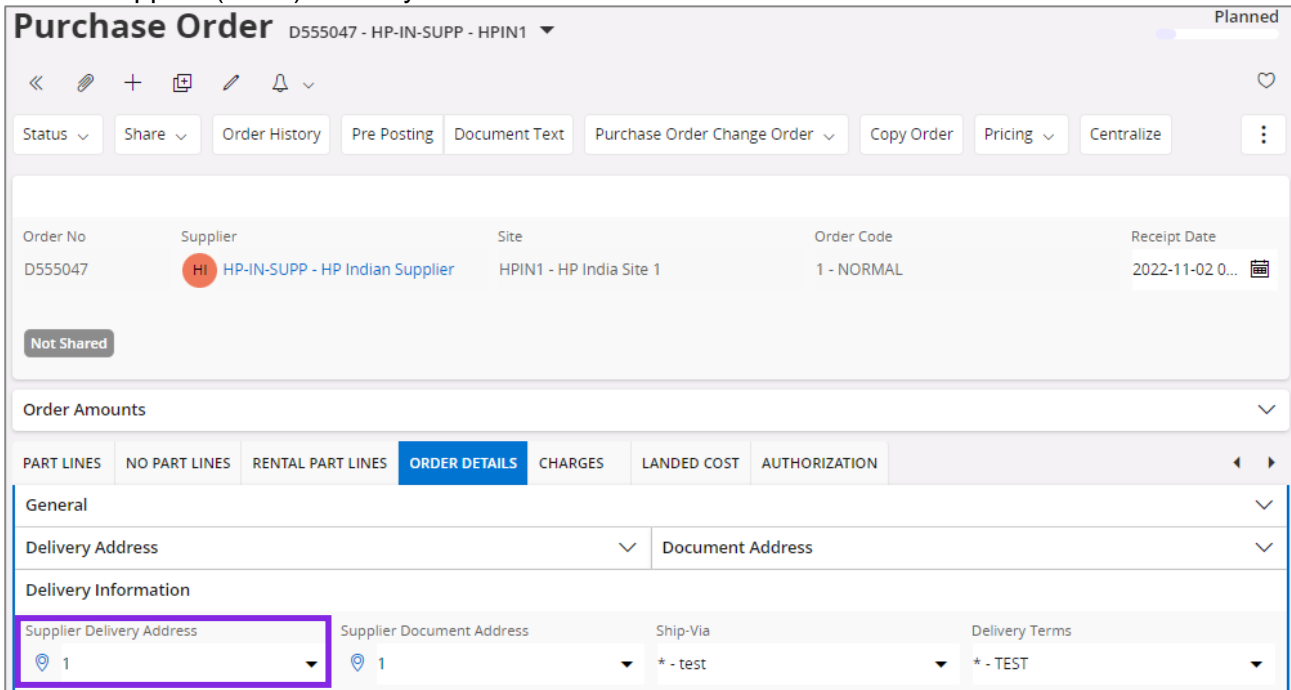
Invoicing

Invoicing Supplier: HP-IN-SUPP - HP Indian Supplier | Payment Terms: 0 - Due Immediately | Tax Liability: TAX - TAX | Pre-posting: No | Consolidation: No

Use Company Document Address for Tax Calculation:

### Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the *Order Details* tab is validated.



**Purchase Order** D555047 - HP-IN-SUPP - HPIN1 Planned

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0...

Not Shared

**Order Amounts**

PART LINES | NO PART LINES | RENTAL PART LINES | **ORDER DETAILS** | CHARGES | LANDED COST | AUTHORIZATION

General

Delivery Address | Document Address

Delivery Information

Supplier Delivery Address: 1 | Supplier Document Address: 1 | Ship-Via: \* - test | Delivery Terms: \* - TEST

- 5) If you change the Purchase Order Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address in PO header
  - Delivery Address in Part Lines
  - Supplier Delivery Address in PO header
  - Part No
  - HSN/SAC Code

### **Purchase Order No Part Lines**

- 1) A new column is added to the *Purchase Order/No Part Lines* tab:  
**HSN/SAC Code:** Use this field to enter HSN/SAC code manually.
- 2) When you enter a new *Purchase Order No Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

### Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order Part Line is validated.



**Purchase Order** D555047 - HP-IN-SUPP - HPIN1 Planned

<< 🔗 + 📄 ✎ 🔔 ⌵
❤️

Status ⌵ | Share ⌵ | Order History | Pre Posting | Document Text | Purchase Order Change Order ⌵ | Copy Order | Pricing ⌵ | Centralize | Set Authorization ⌵ | ⋮

---

Order No: D555047 | Supplier: HI HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 00:00 📅

Not Shared

---

**Order Amounts** ⌵

PART LINES | **NO PART LINES** | RENTAL PART LINES | ORDER DETAILS | CHARGES | LANDED COST | AUTHORIZATION

🔍 + ✎
⚙️ ⌵ 📄 ⌵ 24 ⌵ 📅 ⌵

✓		Line No	Description	Quantity	Purch UoM	Price/Curr	HSN/SAC Code	Tax Calculation Structure	Delivery Address
<input type="checkbox"/>	:	2	📄 Test Part 12345	1	pcs	100,00	123HC - Haircut	INTRA8%	ADD1
<input type="checkbox"/>	:	3	📄 Test Part 9999	14	pcs	50,00	22223333LT - Laptop	INTER8%	ADD2

Supplier (seller) Delivery Address  
 Supplier (seller) Delivery Address available on the *Order Details* tab is validated.

**Purchase Order** D555047 - HP-IN-SUPP - HPIN1 Planned

<< 🔗 + 📄 ✎ 🔔 ⌵
❤️

Status ⌵ | Share ⌵ | Order History | Pre Posting | Document Text | Purchase Order Change Order ⌵ | Copy Order | Pricing ⌵ | Centralize | ⋮

---

Order No: D555047 | Supplier: HI HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0... 📅

Not Shared

---

**Order Amounts** ⌵

PART LINES | NO PART LINES | RENTAL PART LINES | **ORDER DETAILS** | CHARGES | LANDED COST | AUTHORIZATION

**General** ⌵

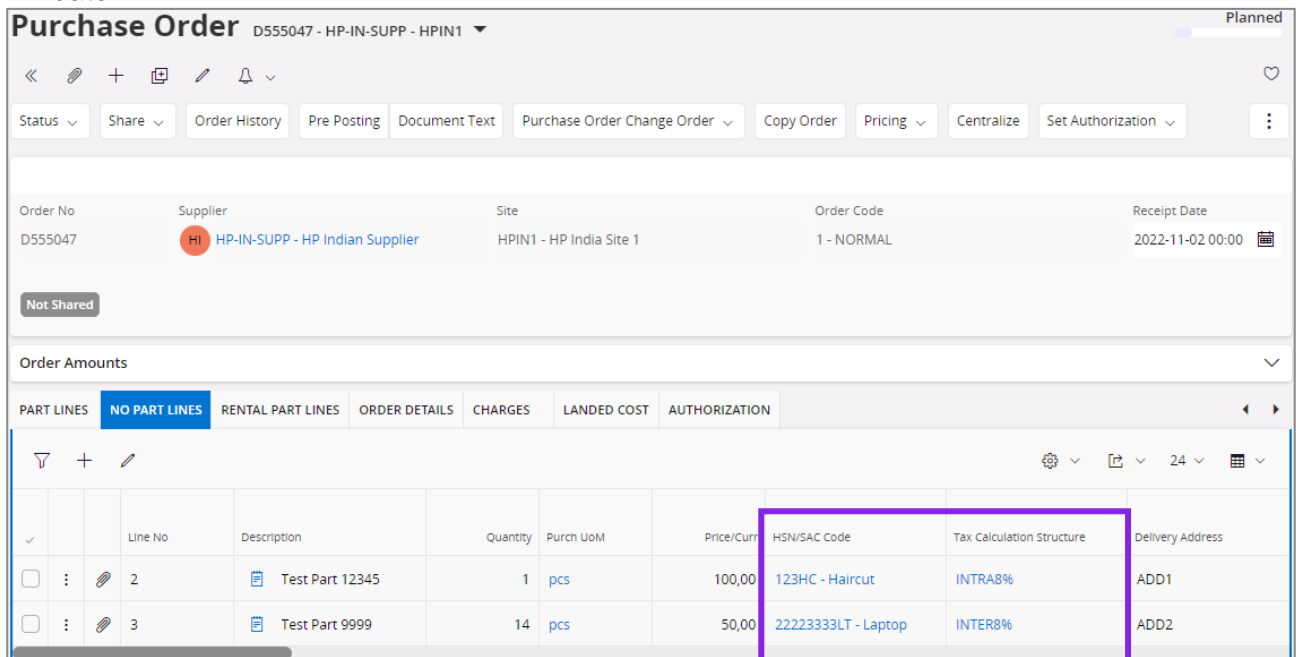
Delivery Address ⌵ | Document Address ⌵

**Delivery Information**

Supplier Delivery Address
Supplier Document Address
Ship-Via
Delivery Terms

📍 1
📍 1
\* - test
\* - TEST

- When you manually enter a HSN/SAC Code on the Purchase Order No Part Line, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



Line No	Description	Quantity	Purch UoM	Price/Curr	HSN/SAC Code	Tax Calculation Structure	Delivery Address
2	Test Part 12345	1	pcs	100,00	123HC - Haircut	INTRA8%	ADD1
3	Test Part 9999	14	pcs	50,00	22223333LT - Laptop	INTER8%	ADD2

- Select the **Use Company Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on company document address and supplier delivery address.

Company (buyer) Document Address

Company (buyer) Document Address available on *Order Details* tab is validated.

Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the *Order Details* tab is validated.

- If you change the Purchase Order No Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address in PO header
  - Delivery Address in No Part Lines
  - Supplier Delivery Address in PO header
  - HSN/SAC Code

**Purchase Order Rental Lines**

- A new column is added to the *Purchase Order/Rental Part Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Supplier for Purchase Part* page.

- When you enter a new *Purchase Order Rental Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order Rental Line is validated.

**Purchase Order** D555047 - HP-IN-SUPP - HPIN1

Status | Share | Order History | Pre Posting | Document Text | Purchase Order Change Order | Copy Order | Pricing | Centralize | Set Authorization

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02

Not Shared

**Order Amounts**

PART LINES | NO PART LINES | **RENTAL PART LINES** | ORDER DETAILS | CHARGES | LANDED COST | AUTHORIZATION

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Delivery Address
4	1	HP-NONTRACKED	HP nontr	1	123456789 - Plastics	INTRA12%	ADD1

Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the *Order Details* tab is validated.

**Purchase Order** D555047 - HP-IN-SUPP - HPIN1 Planned

Status | Share | Order History | Pre Posting | Document Text | Purchase Order Change Order | Copy Order | Pricing | Centralize

Order No: D555047 | Supplier: HP-IN-SUPP - HP Indian Supplier | Site: HPIN1 - HP India Site 1 | Order Code: 1 - NORMAL | Receipt Date: 2022-11-02 0...

Not Shared

**Order Amounts**

PART LINES | NO PART LINES | RENTAL PART LINES | **ORDER DETAILS** | CHARGES | LANDED COST | AUTHORIZATION

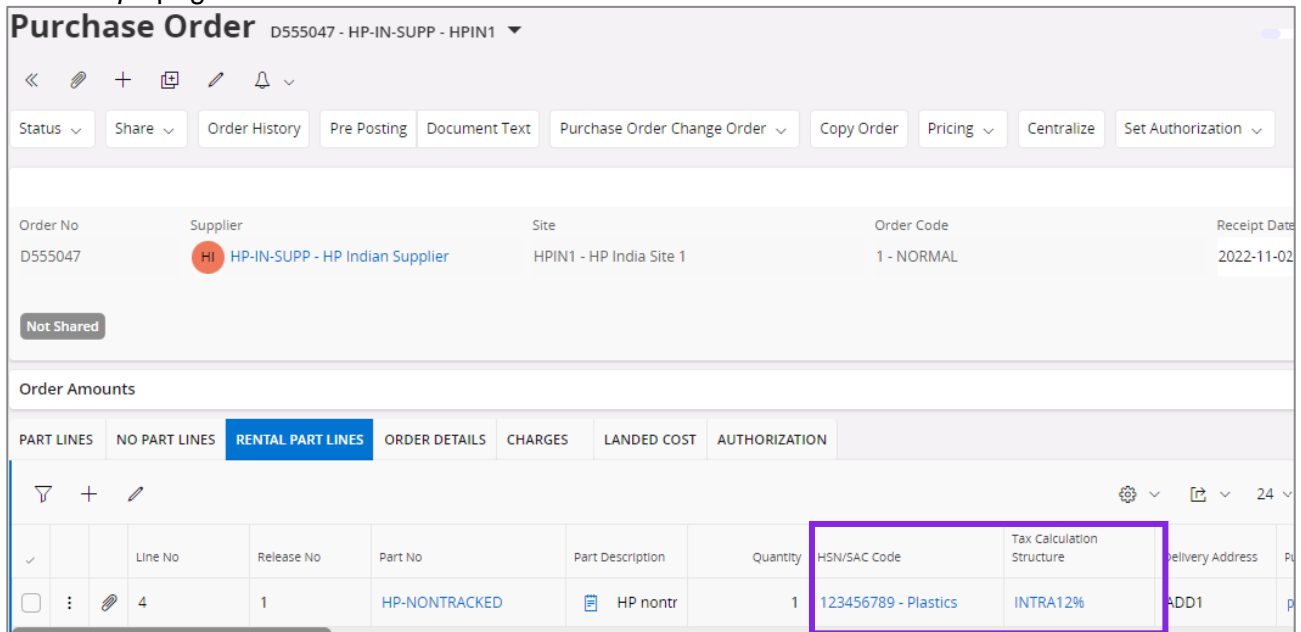
General

Delivery Address | Document Address

**Delivery Information**

Supplier Delivery Address	Supplier Document Address	Ship-Via	Delivery Terms
1	1	* - test	* - TEST

- When you enter a Rental Part No connected to a HSN/SAC Code in Supplier for Purchase Part, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Order Rental Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



Order No	Supplier	Site	Order Code	Receipt Date
D555047	HP-IN-SUPP - HP Indian Supplier	HPIN1 - HP India Site 1	1 - NORMAL	2022-11-02

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure
4	1	HP-NONTRACKED	HP nontr	1	123456789 - Plastics	INTRA12%

- Select the **Use Company Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on company document address and supplier delivery address.

Company (buyer) Document Address

Company (buyer) Document Address available on *Order Details* tab is validated.

Supplier (seller) Delivery Address

Supplier (seller) Delivery Address available on the *Order Details* tab is validated.

- If you change the Purchase Order Rental Part Lines or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Delivery Address in PO header
  - Delivery Address in Rental Part Lines
  - Supplier Delivery Address in PO header
  - Part No
  - HSN/SAC Code

### Purchase Order Charges

- A new column is added to the *Purchase Order/Charges* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Purchase Charge Type* page.

- When you enter a new *Purchase Order Charge Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Delivery Address validation on Purchase Order Charge Lines could be describe in two scenarios.

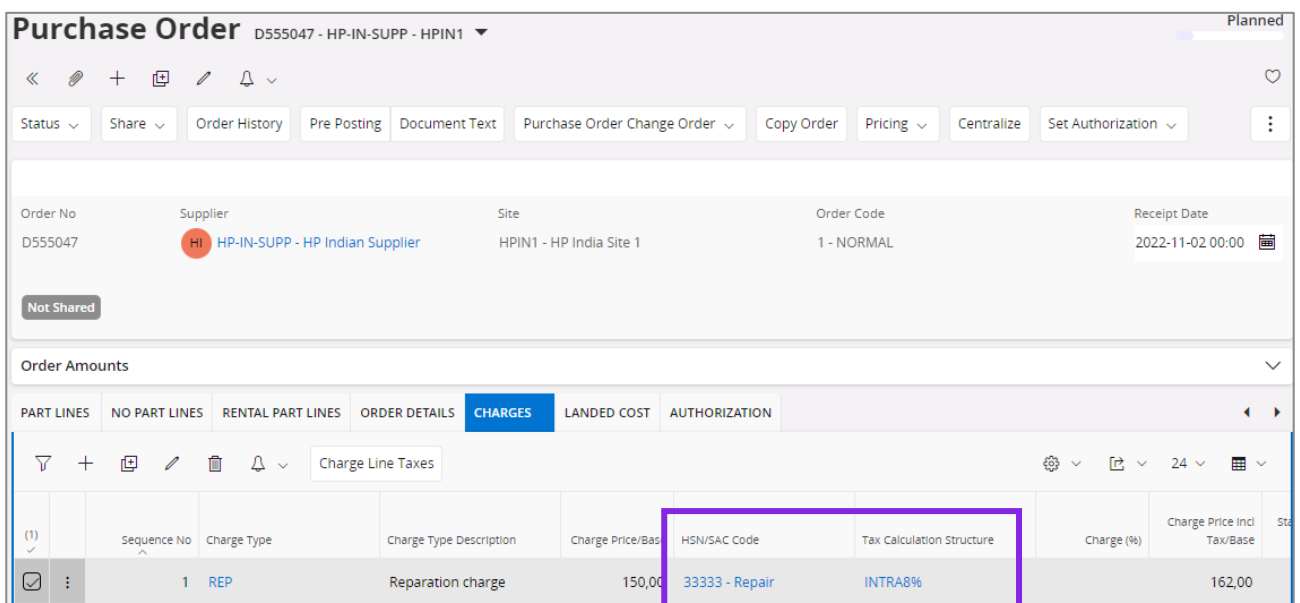
**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Delivery Address
Company (buyer) Delivery Address available on Order Details tab is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is same as header Supplier = Supplier Delivery Address available on Order Details tab is validated.</li> <li>• If Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

**Scenario-02:** Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Delivery Address	Supplier (seller) Delivery Address
Company (buyer) Delivery Address on connected Part Line, No Part Line or Rental Part Line is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is same as header Supplier = Supplier Delivery Address available on Order Details tab is validated.</li> <li>• If Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

- 3) When you enter a Purchase Charge Type connected to a HSN/SAC Code, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Order Charge line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



The screenshot shows a 'Purchase Order' interface for order D555047. The order is planned and has a status of 'Not Shared'. Key details include: Supplier: HP-IN-SUPP - HP Indian Supplier; Site: HPIN1 - HP India Site 1; Order Code: 1 - NORMAL; Receipt Date: 2022-11-02 00:00. The 'Order Amounts' section is expanded to show 'CHARGES'. A table lists a charge line with the following details:

Sequence No	Charge Type	Charge Type Description	Charge Price/Bas	HSN/SAC Code	Tax Calculation Structure	Charge (%)	Charge Price Incl Tax/Base
1	REP	Reparation charge	150.00	33333 - Repair	INTRA8%		162.00

- 4) Select the **Use Company Document Address for Tax Calculation** toggle to fetch Indian GST Taxes based on company document address and supplier delivery address.

**Scenario-01:** Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Delivery Address
Company (buyer) Document Address available on Order Details tab is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is same as header Supplier = Supplier Delivery Address available on Order Details tab is validated.</li> <li>• If Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> </ul>

**Scenario-02:** PO Charge Line is connected to a Part Line, No Part Line or Rental Part Line.

Company (buyer) Document Address	Supplier (seller) Delivery Address
Company (buyer) Document Address available on Order Details tab is validated.	<ul style="list-style-type: none"> <li>• If Invoicing Supplier on the charge line is same as header Supplier = Supplier Delivery Address available on Order Details tab is validated.</li> <li>• If Invoicing Supplier on the charge line is <u>not</u> the same as header Supplier = Invoicing Supplier's default delivery address is validated.</li> <li>•</li> </ul>

- 5) If you change the Purchase Order Charge Line or Purchase Order header, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
- Delivery Address in PO header
  - Delivery Address in connected Part Lines
  - Invoicing Supplier on PO Charge line
  - Supplier Delivery Address in PO header
  - Purchase Charge Type
  - HSN/SAC Code

#### 7.6.4 PURCHASE ORDER CHANGE ORDER (POCO)

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Purchase Order Change Order Part Lines*
- *Purchase Order Change Order No Part Lines*
- *Purchase Order Change Order Rental Lines*
- *Purchase Order Change Order Charges*

HSN/SAC Codes, Use Company Document Address for Tax Calculation toggle and the tax fetching logic behave the same way as previously explained in Purchase Order functionalities.

## Update PO from the POCO

When you perform the “Update Purchase Order” action (core functionality) from the POCO, the changes you made to the POCO regarding the HSN/SAC Codes and Tax Structures information are updated to the purchase order.

### 7.6.5 PURCHASE REQUISITION

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Purchase Requisition Lines*
- *Purchase Requisition No Part Lines*
- *Purchase Requisition Rental Lines*

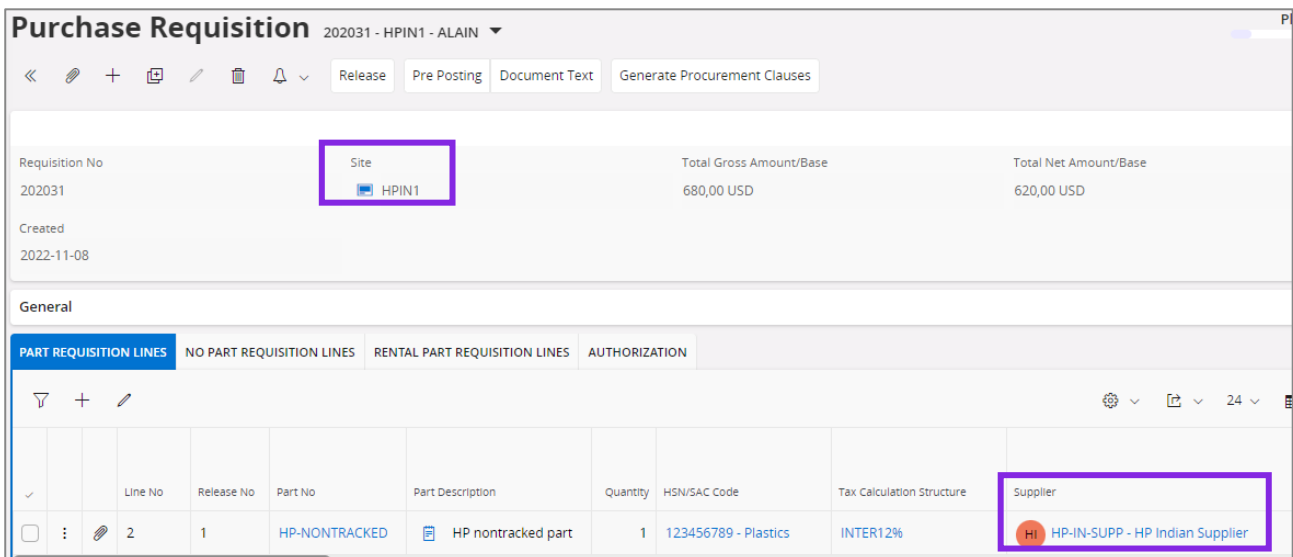
#### Purchase Requisition Part Lines

- 1) A new column is added to the *Purchase Requisition/Part Lines* tab:

**HSN/SAC Code:** The default value is retrieved from the *Supplier for Purchase Part* page. The field is not editable.

- 2) When you enter a new *Purchase Requisition Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address available on connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.



**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	680,00 USD	620,00 USD
Created			
2022-11-08			

General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
2	1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER12%	HP-IN-SUPP - HP Indian Supplier

- When you enter a Part No connected to a HSN/SAC Code in Supplier for Purchase Part, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Requisition Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.

**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	680,00 USD	620,00 USD
Created	2022-11-08		

General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
2	1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER12%	HP-IN-SUPP - HP Indian Supplier

- If you change the Purchase Requisition Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Supplier

### Purchase Requisition No Part Lines

- A new column is added to the *Purchase Requisition/No Part Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code.

- When you enter a new *Purchase Requisition No Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address available on connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.

**Purchase Requisition** 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	560,00 USD	500,00 USD
Created	2022-11-08		

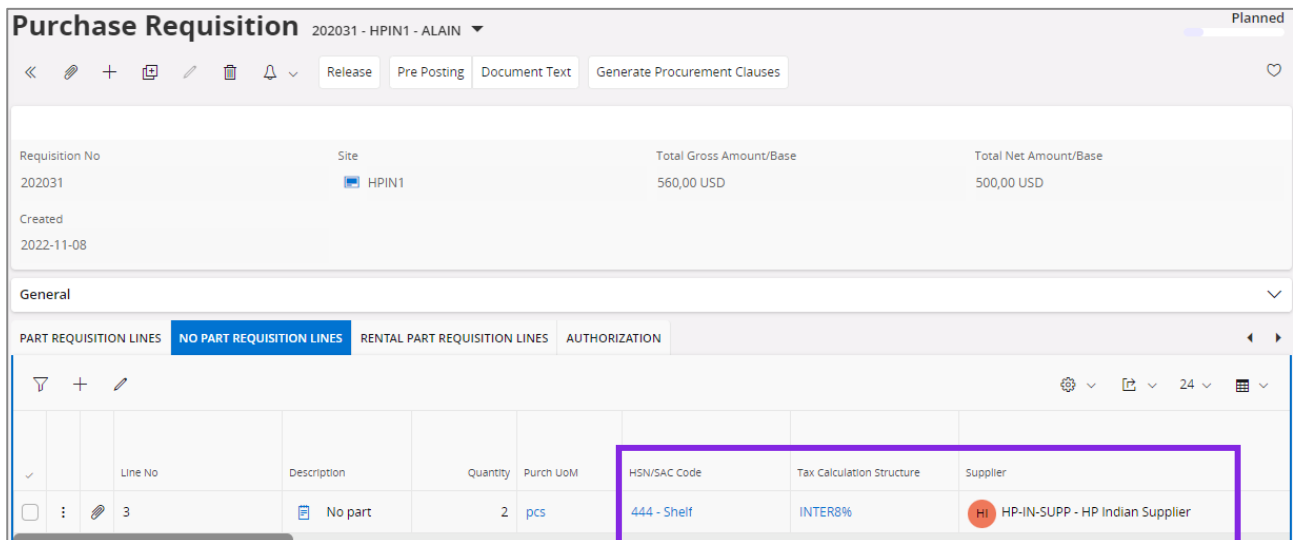
General

PART REQUISITION LINES NO PART REQUISITION LINES RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Description	Quantity	Purch UoM	HSN/SAC Code	Tax Calculation Structure	Supplier
3	No part	2	pcs	444 - Shelf	INTER8%	HP-IN-SUPP - HP Indian Supplier



- When you select a HSN/SAC Code from the List of Values and add a Supplier to the line, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Requisition No Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No	Site	Total Gross Amount/Base	Total Net Amount/Base
202031	HPIN1	560,00 USD	500,00 USD
Created	2022-11-08		

**General**

PART REQUISITION LINES **NO PART REQUISITION LINES** RENTAL PART REQUISITION LINES AUTHORIZATION

Line No	Description	Quantity	Purch UoM	HSN/SAC Code	Tax Calculation Structure	Supplier
3	No part	2	pcs	444 - Shelf	INTER8%	HP-IN-SUPP - HP Indian Supplier

- If you change the Purchase Requisition No Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - Supplier
  - HSN/SAC Code

### Purchase Requisition Rental Lines

- A new column is added to the *Purchase Requisition/Rental Part Lines* tab:
  - HSN/SAC Code:** The default value is retrieved from the *Supplier for Purchase Part* page. The field is not editable.
- When you enter a new *Purchase Requisition Rental Part Line*, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address available on connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.

**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No 202031	Site HPIN1	Total Gross Amount/Base 657,20 USD	Total Net Amount/Base 590,00 USD
--------------------------	---------------	---------------------------------------	-------------------------------------

Created  
2022-11-08

**General**

PART REQUISITION LINES NO PART REQUISITION LINES **RENTAL PART REQUISITION LINES** AUTHORIZATION

Status Part Pricing Supply Document Text Pre Posting Project Connection Procurement Clauses

(1)	Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
✓	4	1	HP-NONTRACKED	HP nontracked part	2	22223333LT - Laptop	INTRA8%	HP-IN-SUPP2 - HP india supplier 2

- 3) When you enter a Rental Part No connected to a HSN/SAC Code in Supplier for Purchase Part, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Purchase Requisition Rental Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.

**Purchase Requisition** 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

Requisition No 202031	Site HPIN1	Total Gross Amount/Base 657,20 USD	Total Net Amount/Base 590,00 USD
--------------------------	---------------	---------------------------------------	-------------------------------------

Created  
2022-11-08

**General**

PART REQUISITION LINES NO PART REQUISITION LINES **RENTAL PART REQUISITION LINES** AUTHORIZATION

Status Part Pricing Supply Document Text Pre Posting Project Connection Procurement Clauses

(1)	Line No	Release No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier
✓	4	1	HP-NONTRACKED	HP nontracked part	2	22223333LT - Laptop	INTRA8%	HP-IN-SUPP2 - HP india supplier 2

- 4) If you change the Purchase Requisition Rental Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
- Supplier

## 7.6.6 ORDER QUOTATION

HSN/SAC Codes and tax fetching logic has been introduced to;

- *Order Quotation Lines*
- *Order Quotation No Part Lines*

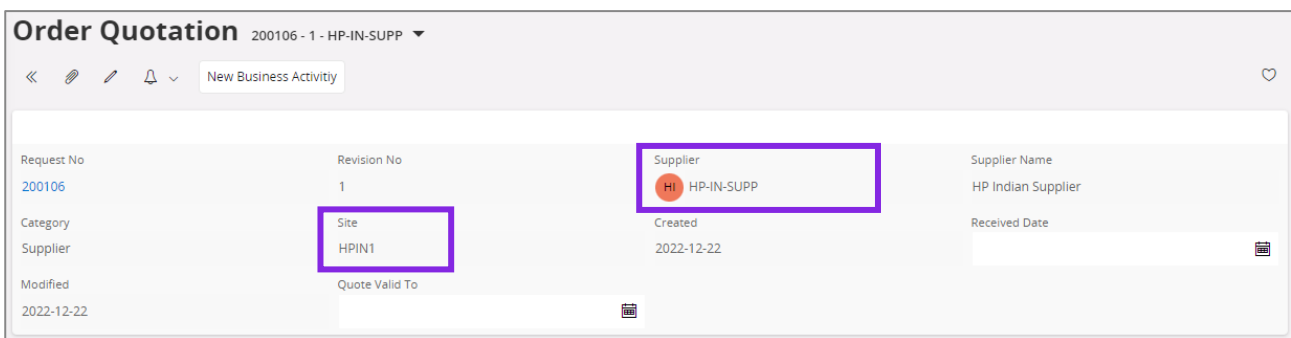
## Order Quotation Lines

- 1) A new column is added to the *Order Quotation Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code. The default value is retrieved from the *Supplier for Purchase Part* page.

- 2) When a new Order Quotation line is created from the Request for Quotation, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

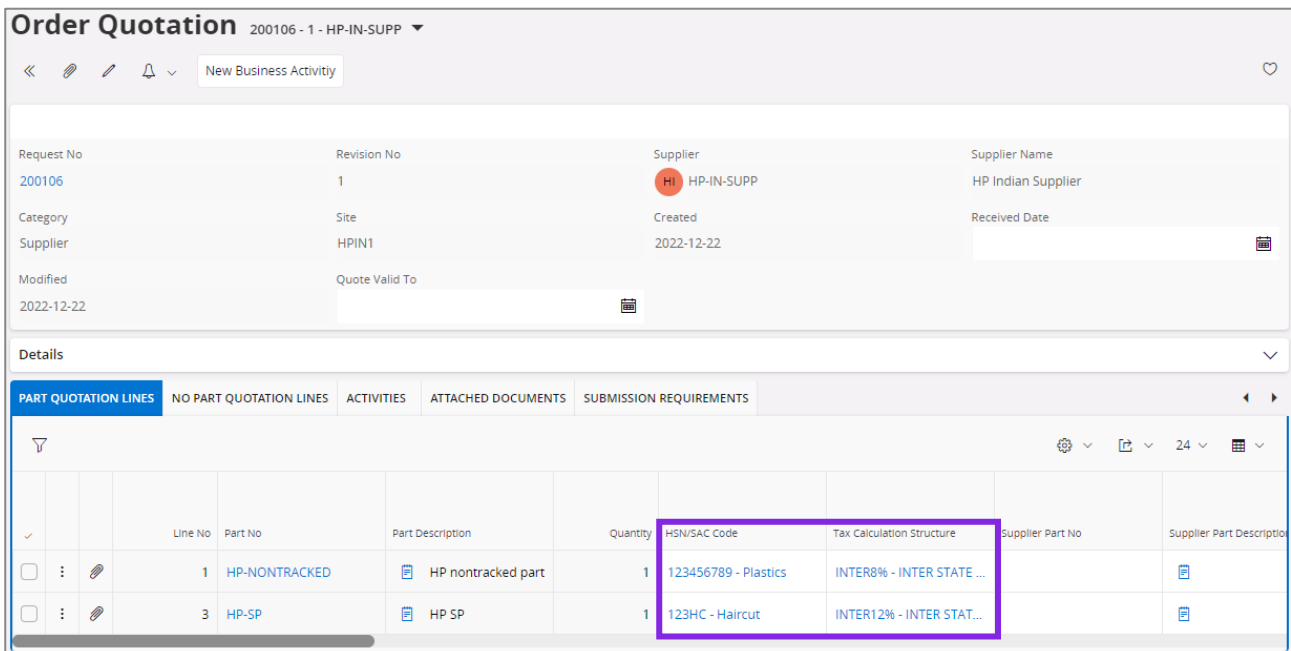
Company (buyer) Delivery Address available on connected Site is validated.  
Supplier (seller) Delivery Address available on the connected Supplier is validated.



**Order Quotation** 200106 - 1 - HP-IN-SUPP

Request No: 200106  
Revision No: 1  
Supplier: HP-IN-SUPP  
Supplier Name: HP Indian Supplier  
Category: Site  
Supplier: HPIN1  
Created: 2022-12-22  
Modified: 2022-12-22  
Quote Valid To:

- 3) If the Part No is connected to a HSN/SAC Code in Supplier for Purchase Part, you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Order Quotation Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



**Order Quotation** 200106 - 1 - HP-IN-SUPP

Request No: 200106  
Revision No: 1  
Supplier: HP-IN-SUPP  
Supplier Name: HP Indian Supplier  
Category: Site  
Supplier: HPIN1  
Created: 2022-12-22  
Modified: 2022-12-22  
Quote Valid To:

**Details**

Line No	Part No	Part Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier Part No	Supplier Part Description
1	HP-NONTRACKED	HP nontracked part	1	123456789 - Plastics	INTER8% - INTER STATE ...		
3	HP-SP	HP SP	1	123HC - Haircut	INTER12% - INTER STAT...		

- 4) If you change the Order Quotation Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;
  - HSN/SAC Code

### Order Quotation No Part Lines

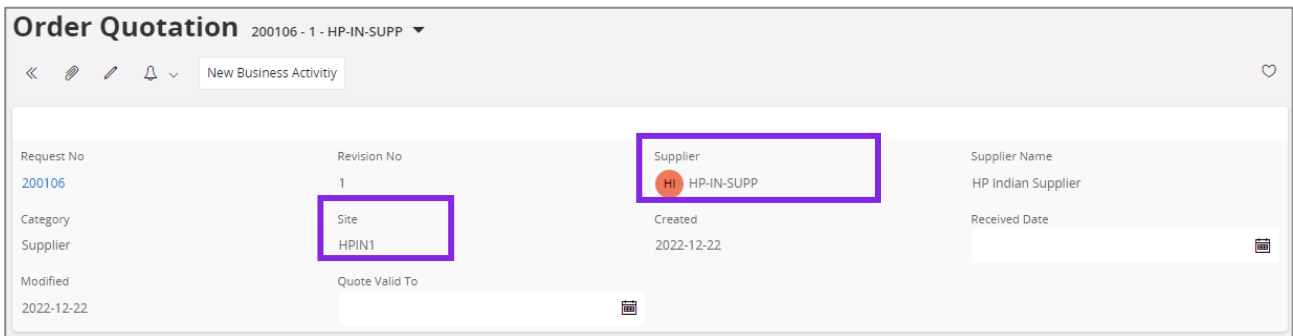
1) A new column is added to the *Order Quotation No Part Lines* tab:

**HSN/SAC Code:** Use this field to enter HSN/SAC code.

2) When a new Order Quotation No Part line is created from the Request for Quotation, application will first validate the Country (India) and then the states of buyer and seller delivery address to determine whether the transaction is Intra/Inter State.

Company (buyer) Delivery Address available on connected Site is validated.

Supplier (seller) Delivery Address available on the connected Supplier is validated.



**Order Quotation** 200106 - 1 - HP-IN-SUPP

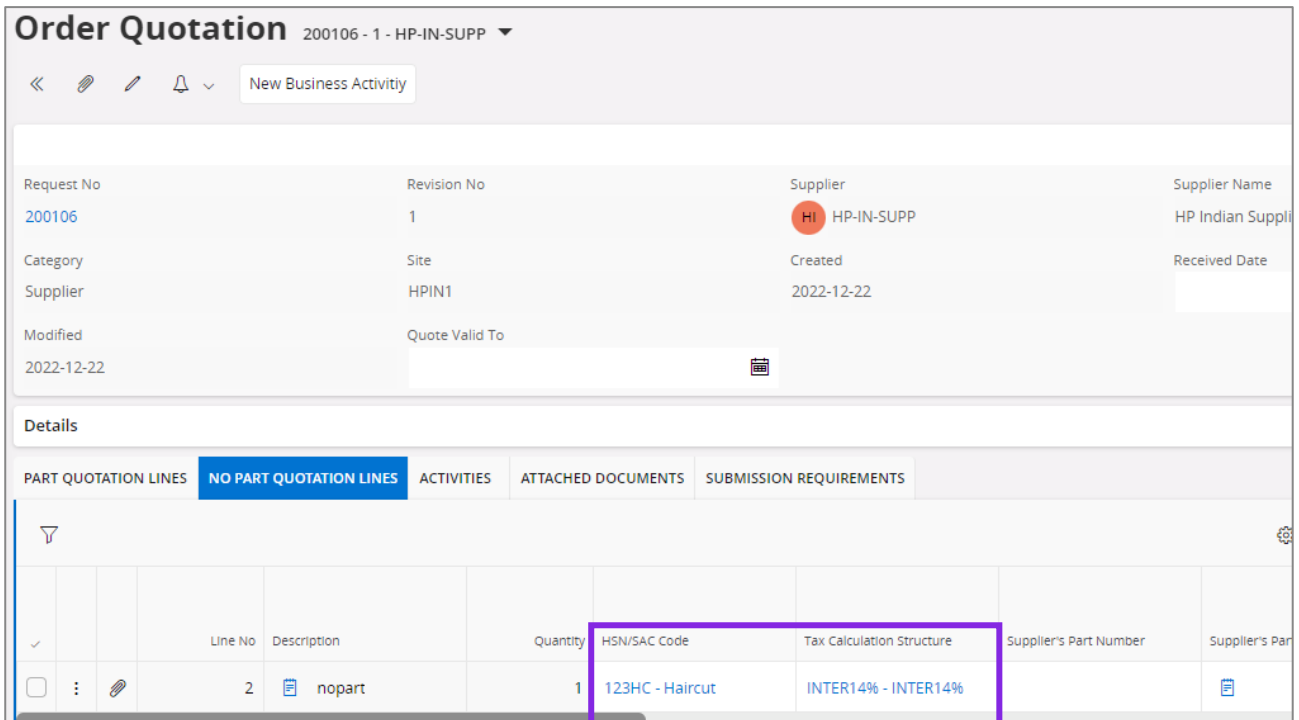
Request No: 200106  
 Revision No: 1  
 Supplier: HP-IN-SUPP  
 Site: HPIN1  
 Quote Valid To: [Calendar Icon]

Supplier Name: HP Indian Supplier  
 Received Date: [Calendar Icon]

Created: 2022-12-22

Modified: 2022-12-22

3) When you select a HSN/SAC Code from the List of Values you will be directed to the *HSN/SAC Groups* page and fetch the correct tax structure to the Order Quotation No Part Line. The valid HSN/SAC Code per Group in the *HSN/SAC Groups* page is considered based on the site date.



**Order Quotation** 200106 - 1 - HP-IN-SUPP

Request No: 200106  
 Revision No: 1  
 Supplier: HP-IN-SUPP  
 Site: HPIN1  
 Quote Valid To: [Calendar Icon]

Supplier Name: HP Indian Supplier  
 Received Date: [Calendar Icon]

Created: 2022-12-22

Modified: 2022-12-22

**Details**

PART QUOTATION LINES | **NO PART QUOTATION LINES** | ACTIVITIES | ATTACHED DOCUMENTS | SUBMISSION REQUIREMENTS

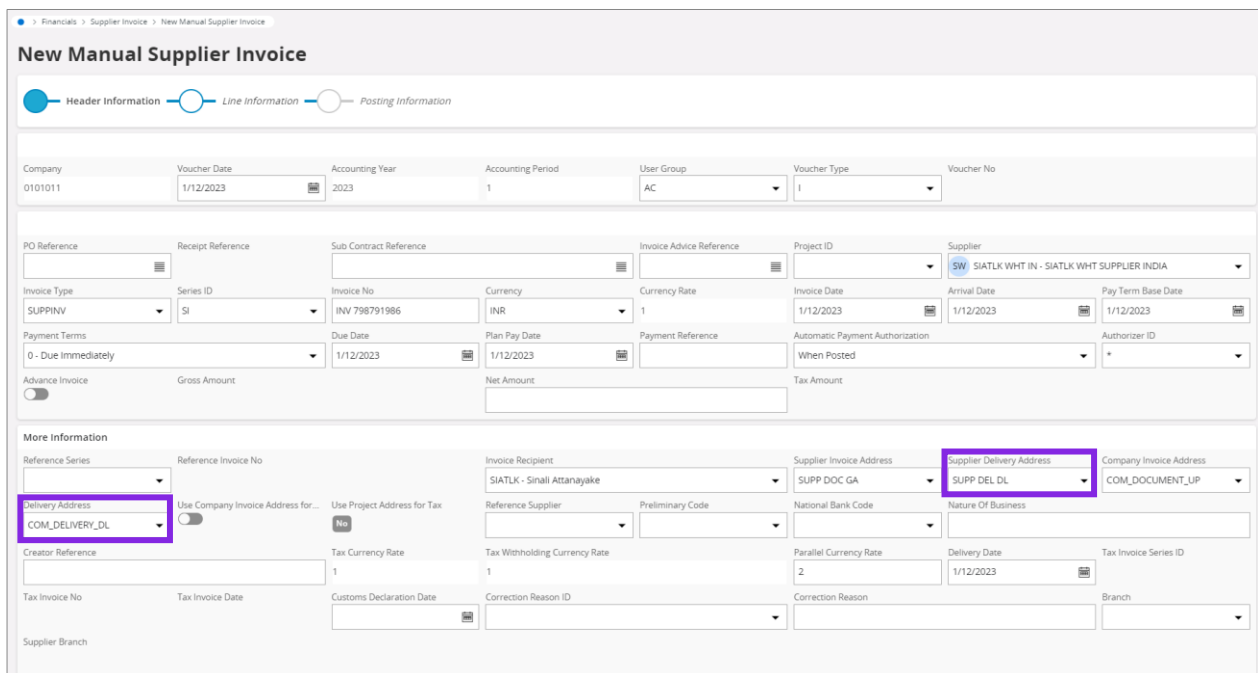
Line No	Description	Quantity	HSN/SAC Code	Tax Calculation Structure	Supplier's Part Number	Supplier's Part
2	nopart	1	123HC - Haircut	INTER14% - INTER14%		

- 4) If you change the Order Quotation No Part Lines, it will re-fetch the tax structure accordingly. Re-fetch of tax structure is done for below changes;  
 -HSN/SAC Code

### 7.6.7 MANUAL SUPPLIER INVOICE

1. At **Manual Supplier Invoice** header level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the supplier and the company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at Manual Supplier Invoice line-item level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and Interstate/Intrastate.

*Example: If the state in the Delivery address (Company Delivery address) is DL and the state in Supplier Delivery address is also DL, the transaction is classified as an Intrastate Transaction at header level and the Tax Structure specified for Intrastate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot.*



**New Manual Supplier Invoice**

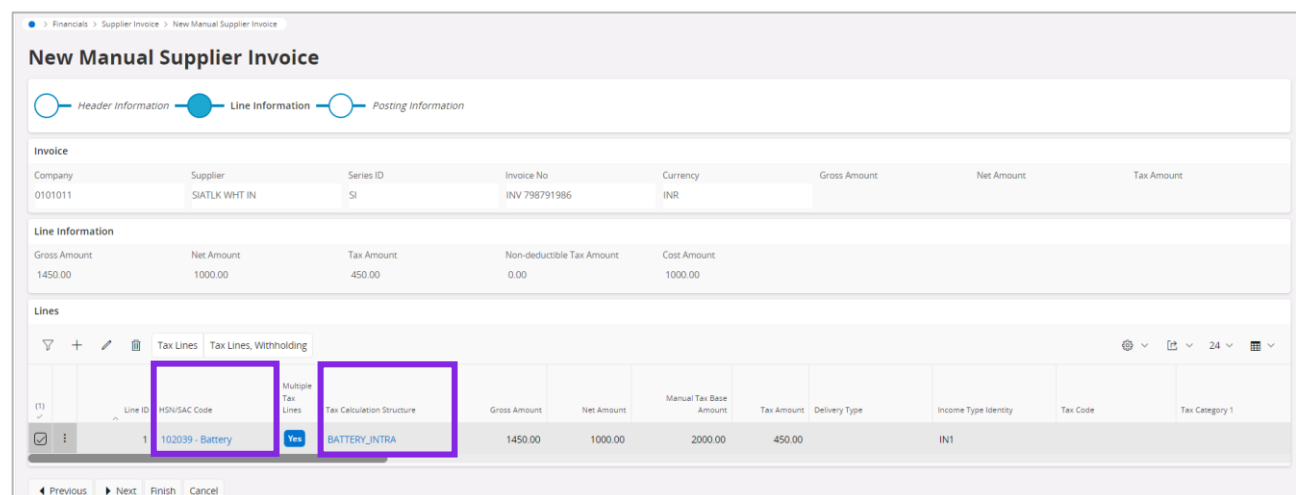
Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: I | Voucher No: 1

Supplier: SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA

Supplier Delivery Address: SUPP DEL DL

Company Delivery Address: COM\_DELIVERY\_DL



**New Manual Supplier Invoice**

Header Information | Line Information | Posting Information

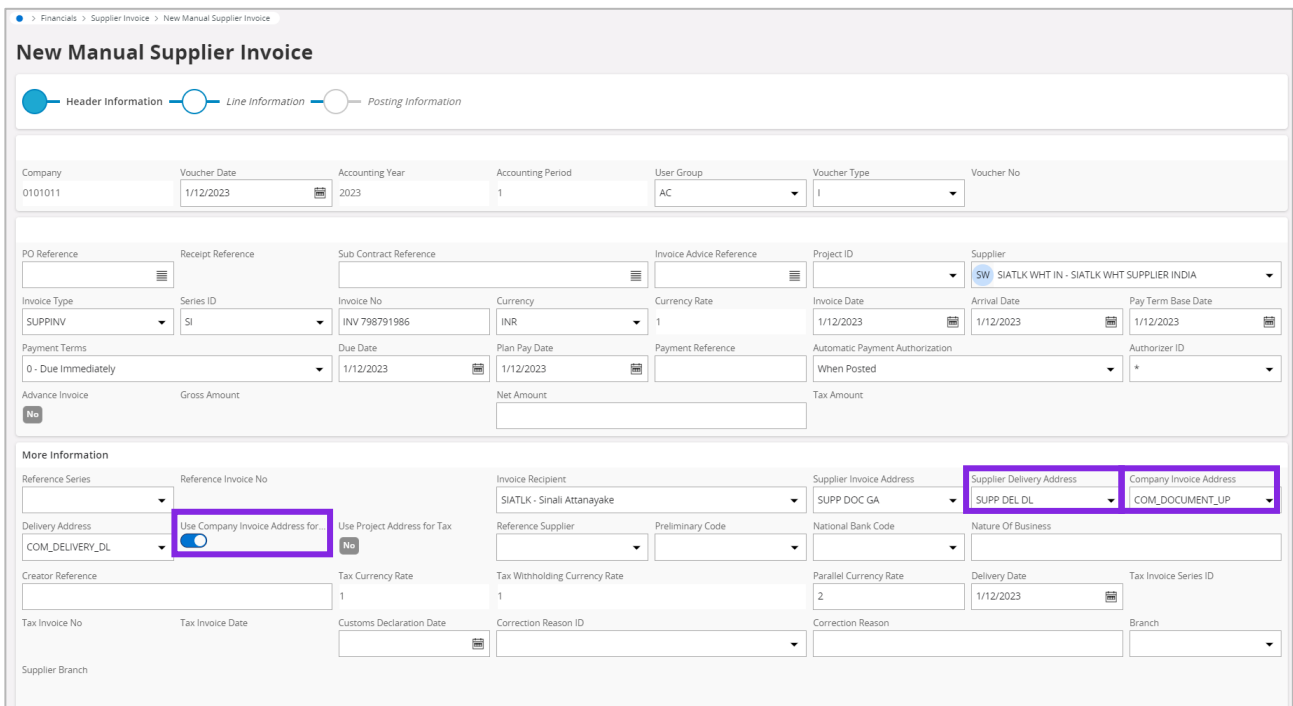
Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	INV 798791986	INR			

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1450.00	1000.00	450.00	0.00	1000.00

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type	Income Type Identity	Tax Code	Tax Category 1
1	102039 - Battery	Yes	BATTERY_INTRA	1450.00	1000.00	2000.00	450.00		IN1		

- The user can alternatively select the state in the document address/invoice address of the Company instead of the state in delivery address of the company via enabling the toggle **Use Company Invoice Address for Tax Calculation**.

*Example: Once the toggle **Use Company Invoice Address for Tax Calculation** is enabled, the comparison will now change to the state in the **Supplier Delivery address** that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Company Invoice Address** is DL, then the transaction will remain as an Interstate transaction even after the toggle is enabled.*



**New Manual Supplier Invoice**

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV 798791986 | Currency: INR | Currency Rate: 1 | Invoice Date: 1/12/2023 | Arrival Date: 1/12/2023 | Pay Term Base Date: 1/12/2023

Payment Terms: 0 - Due Immediately | Due Date: 1/12/2023 | Plan Pay Date: 1/12/2023 | Payment Reference: | Automatic Payment Authorization: When Posted | Authorizer ID: \*

Advance Invoice: No | Gross Amount: | Net Amount: | Tax Amount:

**More Information**

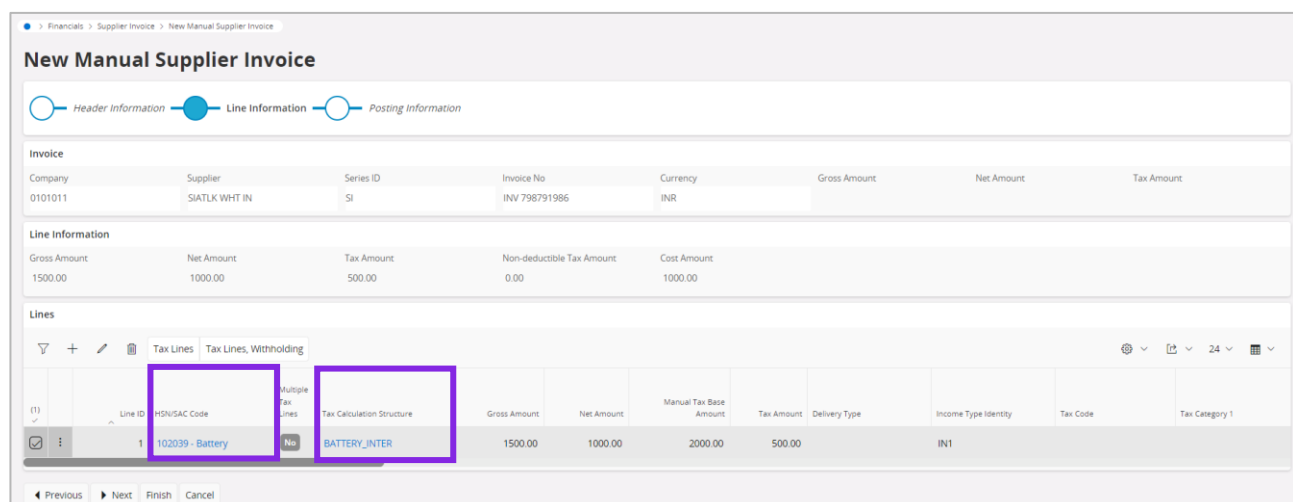
Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake | Supplier Invoice Address: SUPP DOC GA | **Supplier Delivery Address: SUPP DEL DL** | **Company Invoice Address: COM\_DOCUMENT\_UP**

Delivery Address: COM\_DELIVERY\_DL | **Use Company Invoice Address for Tax Calculation: [Enabled]** | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code: | National Bank Code: | Nature Of Business:

Creator Reference: | Tax Currency Rate: 1 | Tax Withholding Currency Rate: 1 | Parallel Currency Rate: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ID:

Tax Invoice No: | Tax Invoice Date: | Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch:

Supplier Branch:



**New Manual Supplier Invoice**

Header Information | **Line Information** | Posting Information

**Invoice**

Company: 0101011 | Supplier: SIATLK WHT IN | Series ID: SI | Invoice No: INV 798791986 | Currency: INR | Gross Amount: | Net Amount: | Tax Amount:

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1500.00	1000.00	500.00	0.00	1000.00

**Lines**

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type	Income Type Identity	Tax Code	Tax Category 1
1	103039 - Battery	No	BATTERY_INTER	1500.00	1000.00	2000.00	500.00		IN1		

Navigation: Previous | Next | Finish | Cancel

The relevant Tax Structure must be re fetched accordingly, even after changes are done to the Invoice elements like,

- Addresses available in **More Information** section of **Manual Supplier Invoices** page
- Enable and disable the toggle to use Invoice Address of the company
- HSN/SAC Code

If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address, Delivery Address** (Company Delivery address), **Company Invoice Address** and the status of **Use Company Invoice Address for Tax Calculation** toggle in the header level of the **Purchase Order** will be fetched and displayed to **Manual Supplier Invoice** page header level.

When the user selects either of the options, **Copy Unmatched PO Receipts** or **Copy Unreceived PO Lines**, the Purchase Order lines will be copied to **Manual Supplier Invoice** line-item level, along with **HSN/SAC Codes** and **Tax Structures** fetched from **Purchase Order**. The user can also manually change the HSN/SAC Codes, which will direct to re fetch the tax structure on supplier invoice line level. However, if Match PO Receipts command is used to manually match the invoice with purchase order, no HSN/SAC Codes or tax information will be fetched to the invoice lines, same as in the core solution.

HSN/SAC Code based fetching is also supported in creation of **Recurring Invoices**, so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice** created.

If the **Tax Structure** is with **Allow Manual Amount in Tax Base** toggle enabled, then the user has the option to enter a value in the **Manual tax base amount** column available in the Invoice Line-item level. If a value is entered in the **Manual Tax Base Amount** column, the taxes will be calculated considering the same as the tax base and if the field remains blank, the tax will be based on net value of the invoice if **Include Price in Tax Base** toggle is also enabled for the selected tax structure line.

Moreover, as an enhancement, the HSN/SAC related information is made visible in **Supplier Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Supplier Delivery Address, Supplier Invoice Address, Company Invoice Address, Delivery Address** and the **Use Company Invoice Address for Tax Calculation** toggle in **More Information** section.
- The **HSN/SAC Code** and **Tax Calculation Structure** in **Invoice Lines**

However, HSN/SAC Code based fetching functionality is not supported for **Supplier Invoice Template**. Therefore, the user is expected to manually enter **Supplier Delivery Address** and **HSN/SAC Code** manually in Invoice lines when an invoice is created using a Supplier **Invoice Template**.

#### 7.6.8 POSTING PROPOSAL

1. Same as in **Manual Supplier Invoice** header level, in **Posting Proposal** level, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the Supplier and the Company, to determine whether the transaction is Interstate or Intrastate.
2. Then, at **Posting Proposal** line level, the relevant HSN/SAC code must be manually entered by the user, resulting in applicable Tax Structure fetching based on the predefined combination for the HSN/SAC Code and interstate/intrastate.

*Example: If the state in the **Delivery address** (Company Delivery address) is DL and the state in **Supplier Delivery address** is also DL, the transaction is classified as an **Intrastate Transaction** at header level and the **Tax Structure** specified for **Intrastate transactions** in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot.*

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV 798791986 | Currency: INR | Currency Rate: 1 | Invoice Date: 1/12/2023 | Arrival Date: 1/12/2023 | Pay Term Base Date: 1/12/2023

Payment Terms: 0 - Due Immediately | Due Date: 1/12/2023 | Plan Pay Date: 1/12/2023 | Payment Reference: | Automatic Payment Authorization: When Posted | Authorizer ID: \*

Advance Invoice: No | Gross Amount: | Net Amount: | Tax Amount:

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake | Supplier Invoice Address: SUPP DOC GA | **Supplier Delivery Address: SUPP DEL DL** | **Company Invoice Address: COM\_DOCUMENT\_UP**

Delivery Address: COM\_DELIVERY\_DL | **Use Company Invoice Address for Tax Calculation: [Checked]** | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code: | National Bank Code: | Nature Of Business: |

Creator Reference: | Tax Currency Rate: 1 | Tax Withholding Currency Rate: 1 | Parallel Currency Rate: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ID: |

Tax Invoice No: | Tax Invoice Date: | Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch: |

Supplier Branch: |

3. The user can alternatively select the state in the document address/invoice address of the Company instead of the state in delivery address of the company via enabling the toggle **Use Company Invoice Address for Tax Calculation**.

*Example: Once the toggle **Use Company Invoice Address for Tax Calculation** is enabled, the comparison will now change to the state in the **Supplier Delivery address** that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Company Invoice Address** is DL, then the transaction will remain as an Interstate transaction even after the toggle is enabled.*

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | **Line Information** | Posting Information

**Invoice**

Company	Supplier	Series ID	Invoice No	Currency	Gross Amount	Net Amount	Tax Amount
0101011	SIATLK WHT IN	SI	INV 798791986	INR			

**Line Information**

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1500.00	1000.00	500.00	0.00	1000.00

**Lines**

Line ID	HSN/SAC Code	Multiple Tax Lines	Tax Calculation Structure	Gross Amount	Net Amount	Manual Tax Base Amount	Tax Amount	Delivery Type	Income Type Identity	Tax Code	Tax Category 1
1	102039 - Battery	No	BATTERY_INTER	1500.00	1000.00	2000.00	500.00		IN1		

Navigation: Previous | Next | Finish | Cancel



The relevant Tax Structure must be re fetched accordingly, even after changes are done to the Invoice elements like,

- Addresses available in **More Information** section of **Posting Proposal** page
- Enable and disable the toggle to use Invoice Address
- HSN/SAC Code

If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address, Delivery Address** (Company Delivery address), **Company Invoice Address** and the status of **the Use Company Invoice Address for Tax Calculation** toggle in the header level of the Purchase Order will be fetched and displayed in **Manual Supplier Invoice** page header level.

When the user selects either of the options, **Copy Unmatched PO Receipts** or **Copy Unreceived PO Lines**, the Purchase Order lines will be copied to **Manual Supplier Invoice** line-item level, along with **HSN/SAC Codes** and **Tax Structures** fetched in **Purchase Order**. The user can also manually change the HSN/SAC Codes, which will direct to re fetch the tax structure on supplier invoice line level.

However, if “Match PO Receipts” command is used to manually match the invoice with purchase order, no HSN/SAC Codes or tax information will be fetched to the invoice lines, same as in the core solution.

HSN/SAC Code based fetching is also supported in creation of **Recurring Invoices**, so that the user will be able to bring the information in addresses, HSN/SAC Codes, and fetched Tax Structures of a base Invoice to a **Recurring Invoice** created.

If the **Tax Structure** fetched is with **Allow Manual Amount in Tax Base** toggle enabled, then the user has the option to enter a value in the **Manual tax base amount** column available in the Invoice Line-item level. If a value is entered in the **Manual Tax Base Amount** Column, the Taxes will be calculated considering the same as the tax base and if the field remains blank, the tax amounts will be calculated based on net value of the invoice if **Include Price in Tax Base** toggle is also enabled for the selected tax structure line.

Moreover, as an enhancement, the HSN/SAC related information is made visible in **Supplier Invoice Analysis** page. Accordingly, the user will be able to view,

- The **Supplier Delivery Address, Supplier Invoice Address, Company Invoice Address, Delivery Address** and the **Use Company Invoice Address for Tax Calculation** toggle in **More Information** tab.
- The **HSN/SAC Code** and **Tax Calculation Structure** in **Invoice Lines**

However, HSN/SAC Code based fetching functionality is not supported for Supplier invoice Template. Therefore, the user is expected to manually enter **Supplier Delivery Address** and **HSN/SAC Code** in invoice lines when an invoice is created using a Supplier Invoice Template.

## 7.7 Tax Transactions

Once the core process to bring Tax Information to **Tax Transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information are performed**, the relevant **HSN/SAC Code, To State** and **From State** will be made visible in the Tax transactions page.

**HSN Code** - The **HSN/SAC Code** that is selected in the invoice entry pages to determine the tax calculation structure, is fetched to the tax line in **Tax Transaction** page so that the user can report the HSN/SAC Code relevant to the tax transaction.

**To State** – A new column named **To State** is added to **Tax Transaction** page, in order to depict the state in the buyer’s address.

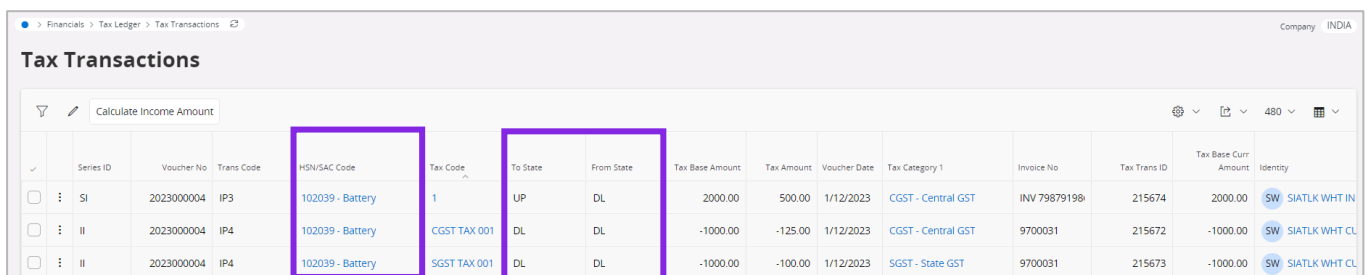
Accordingly,

- **For Procurement Transactions - To State** would be identified from the delivery address of the company mentioned in the invoice and, if the **Use Company Invoice Address for Tax Calculation** option is enabled in the invoice, the **To State** will depict the state in the invoice address/document address of the company mentioned in the invoice.
- **For Sales Transactions - To State** would be identified from the delivery address of the customer mentioned in the invoice and, if the **Use Customer Invoice Address for Tax Calculation** option is enabled in the invoice, the **To State** will depict the state in the invoice address/document address of the customer mentioned in the invoice.

**From State** - A new column named **From State** is added to **Tax Transaction** page, in order to depict the state in the seller’s delivery address.

Accordingly,

- **For Procurement Transactions - From State** would be identified from the delivery address of the supplier, mentioned in the invoice.
- **For Sales Transactions - From State** would be identified from the delivery address of the company, mentioned in the invoice.



Series ID	Voucher No	Trans Code	HSN/SAC Code	Tax Code	To State	From State	Tax Base Amount	Tax Amount	Voucher Date	Tax Category 1	Invoice No	Tax Trans ID	Tax Base Curr Amount	Identity
SI	2023000004	IP3	102039 - Battery	1	UP	DL	2000.00	500.00	1/12/2023	CGST - Central GST	INV 79879198	215674	2000.00	SW SIATLK WHT IN
II	2023000004	IP4	102039 - Battery	CGST TAX 001	DL	DL	-1000.00	-125.00	1/12/2023	CGST - Central GST	9700031	215672	-1000.00	SW SIATLK WHT CL
II	2023000004	IP4	102039 - Battery	SGST TAX 001	DL	DL	-1000.00	-100.00	1/12/2023	SGST - State GST	9700031	215673	-1000.00	SW SIATLK WHT CL

Note: The **To State** and **From State**, are new columns introduced in IFS Cloud Solution as an enhancement, so that the user will now be able to separately identify the two states, that was considered in tax transactions, to arrive at the fetched tax structure, at **Tax Transaction** page.

Furthermore, an upgrade handling is facilitated for the customers shifting their application from App10 GET to IFS Cloud 23R1 in order to fetch information of their existing tax transactions to these two new columns. Accordingly, the user can view the fetched information to the new columns **To State** and **From State** for transactions backdating up to eight years.

## 7.8 Delimitations

- HSN/SAC codes are not available in overview and analysis pages. (Except **Supplier Invoice Analysis** and **Customer Invoice Analysis**)
- Self-Billing Invoices are not supported for HSN/SAC Code based fetching.
- Single Occurrence address changes does not re-fetch any tax calculations.

## 8 Address Specific Tax Registration Number

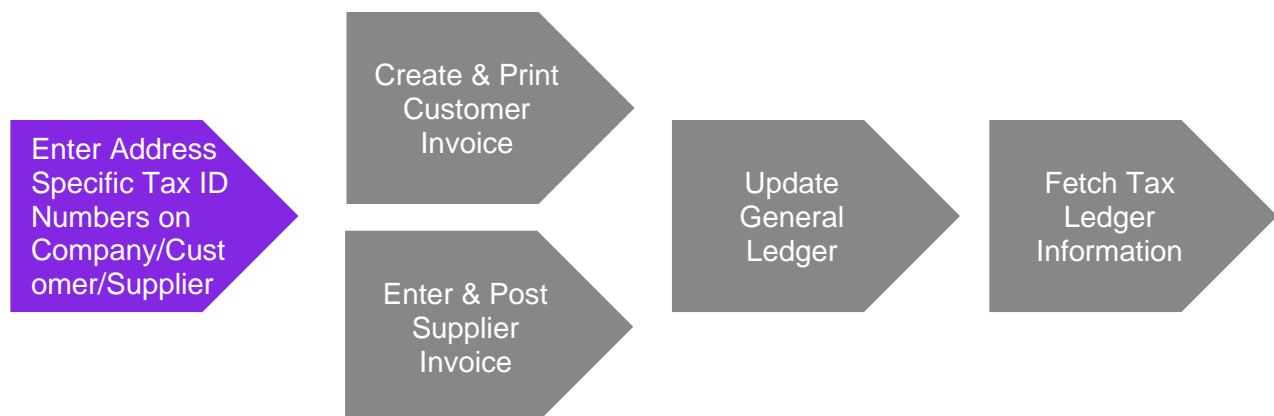
This is a country specific functionality introduced for India in IFS Cloud 23R1. This functionality is shared with Brazil and France and is introduced to cater the requirements in India previously handled by the two country specific functionalities in “Multiple Tax Registration” and “Additional Tax Numbers in Customer/Supplier Pages”.

### 8.1 Overview Legal Requirement

According to the Indian Tax Legislation, companies must apply mainly two types of Tax Identification Numbers into their transactions.

- PAN (Permanent Account Number) – One unique number given for each taxpayer.
- GSTIN (Goods and Services Tax Identification Number)
  - GST registration is state wise, each company must have separate tax registration per each state in which it has a place of business.
  - Separate invoice numbering should be used per each tax registration.
  - Separate tax reporting applies per each tax registration, both for sales as well as for procurement.

### 8.2 Process Overview



### 8.3 Solution Overview

#### 8.3.1 MULTIPLE TAX REGISTRATION IN COMPANY

Tax Identity Number in IFS core is used to handle *Permanent Account Number (PAN)* for the company. This PAN is fetched to the Tax Ledger through Company basic data.

Defining *Multiple Goods and Services Tax Identification Numbers (GSTIN)* based on the different addresses of the Company supported under *Address Specific Tax ID Numbers* section. GSTIN relevant to the *Company Delivery Address* is fetched to the Tax Ledger once tax transactions are fetched from the general ledger.

### 8.3.2 ADDITIONAL TAX ID NUMBERS REGISTRATION IN CUSTOMER/SUPPLIER

*Permanent Account Number (PAN) and Goods and Services Tax Identification Numbers (GSTIN) for the Customer and Supplier are supported under Address Specific Tax ID Numbers section in basic data.*

These different Tax ID numbers retrieve to the Tax Ledger from different Invoice Types once user fetched the tax transactions.

## 8.4 Prerequisites

The company must be set-up to use Indian localization, see the [Company Set-Up](#) chapter, and the “Address Specific Tax Registration Numbers” and “Indian Specific Additional Tax ID Numbers” parameters are mandatory and enabled as default.

**Localization Control Center** CHBELK INDIA PP - CHBELK INDIA PP 4 of 5

Company	Name	Association No	Created By
CHBELK INDIA PP	CHBELK INDIA PP		CHBELK
Localization India			

Functionality	Description	Mandato...	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting pu	Yes	Yes
<input type="checkbox"/> : E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	Yes
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	Yes
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or service:	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the pr	No	Yes
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currer	No	Yes

## 8.5 Set up Basic Data

Ensure the Tax ID Types “PAN” and “GST” are defined for Country Code “IN” in the *Application Base Setup/Enterprise/Tax/Tax ID Types* page (standard functionality)

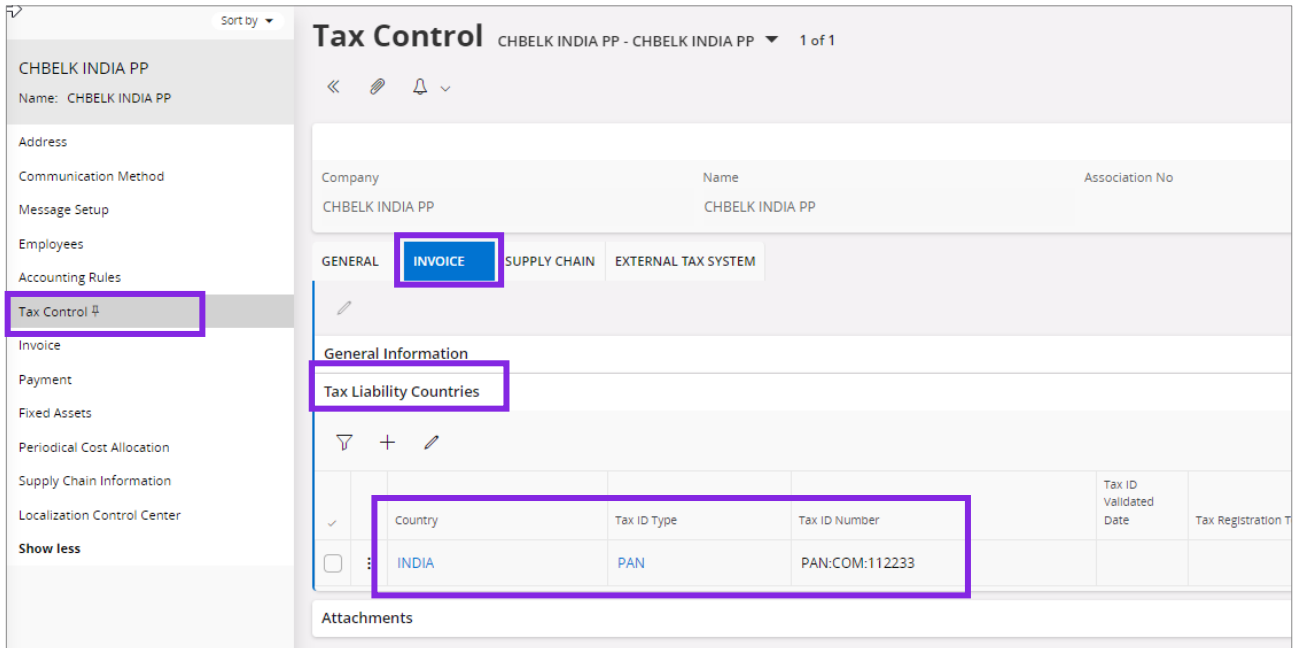
**Tax ID Types**

Tax ID Type Country Code: IN Report Code More Favorites Apply Clear

✓	Tax ID Type	Country Code	Report Code	Description	Layout Format	Validate Tax ID Number
<input type="checkbox"/>	PAN	IN	1			No
<input type="checkbox"/>	GST	IN	1			No

### 8.5.1 ENTER BASIC DATA IN COMPANY PAGE

Enter Company *Permanent Account Number (PAN)* under **Application Base Setup/ Enterprise/ Company/ Tax Control/ Invoice/ Tax Liability Countries.**



**Tax Control** CHBELK INDIA PP - CHBELK INDIA PP 1 of 1

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: CHBELK INDIA PP

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

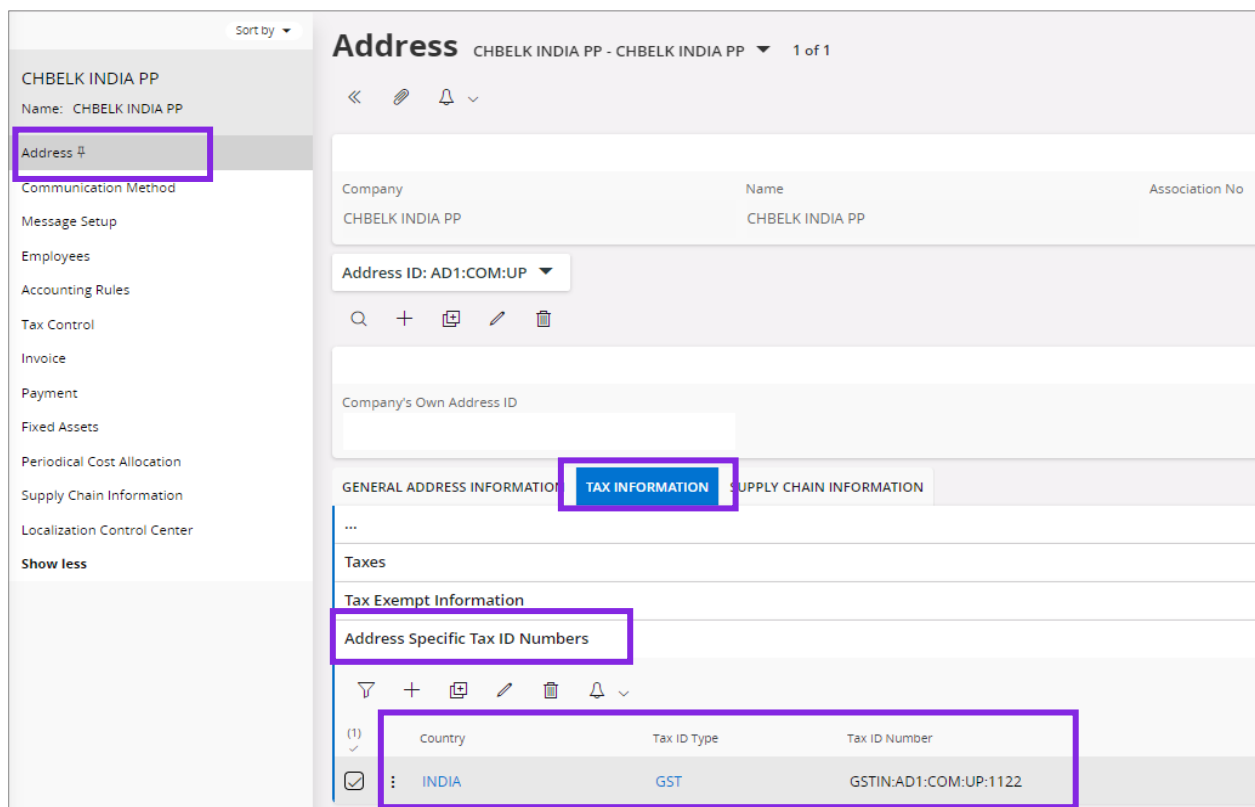
General Information

**Tax Liability Countries**

Country	Tax ID Type	Tax ID Number	Tax ID Validated Date	Tax Registration T
INDIA	PAN	PAN:COM:112233		

Attachments

Enter address specific *Goods and Services Tax ID numbers (GSTIN)* for your company in the **Application Base Setup/ Enterprise/ Company/ Address Tab/ Tax Information/ Address Specific Tax ID Numbers Section.**



**Address** CHBELK INDIA PP - CHBELK INDIA PP 1 of 1

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: CHBELK INDIA PP

Address ID: AD1:COM:UP

Tabs: GENERAL ADDRESS INFORMATION, **TAX INFORMATION**, SUPPLY CHAIN INFORMATION

Taxes

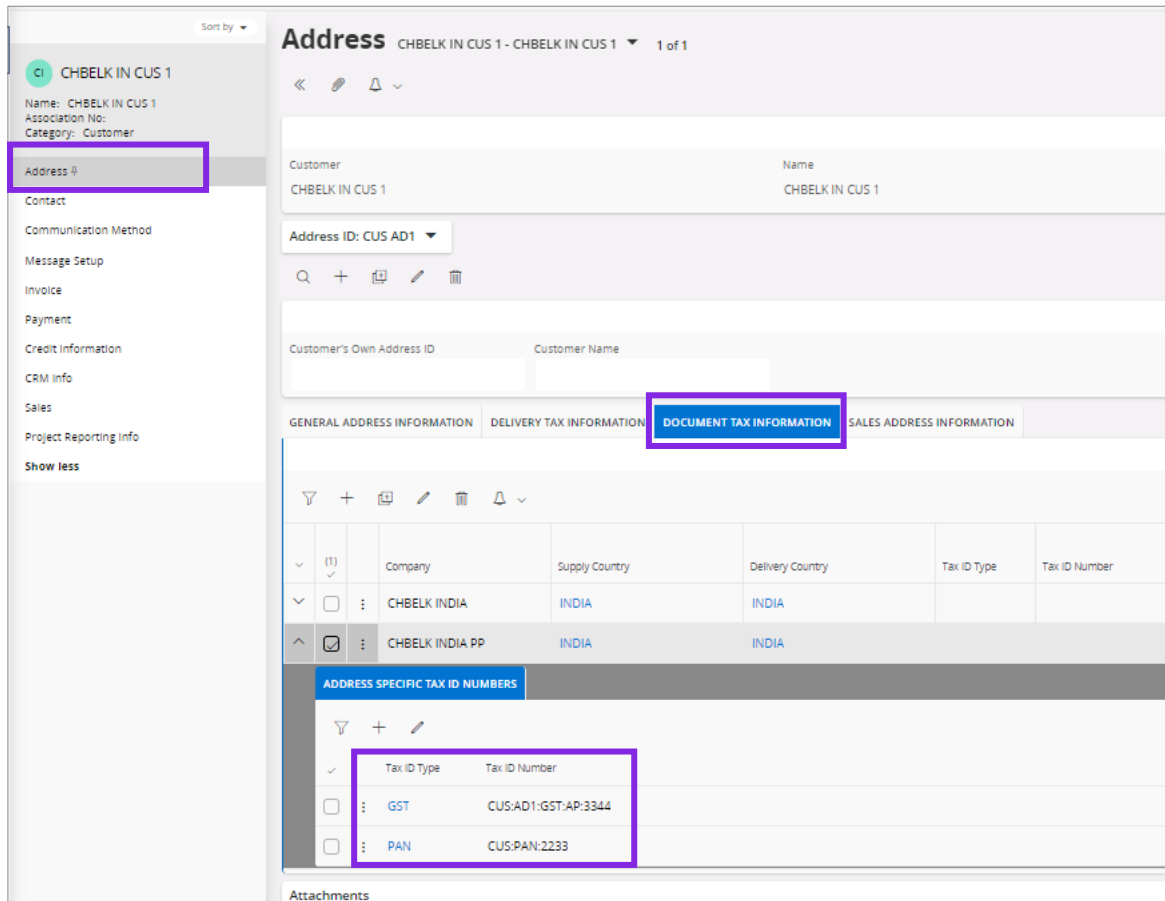
Tax Exempt Information

**Address Specific Tax ID Numbers**

Country	Tax ID Type	Tax ID Number
INDIA	GST	GSTIN:AD1:COM:UP:1122

## 8.5.2 ENTER BASIC DATA IN CUSTOMER / SUPPLIER PAGES

Enter the *Permanent Tax ID Number (PAN)* and address specific *Goods and Services Tax ID numbers (GSTIN)* for Customers and Suppliers under **Financials/ Customer Invoice or Supplier Invoice/ Customer or Supplier/ Address Tab, in the nested list below under Document Tax Information.**



**Address** CHBELK IN CUS 1 - CHBELK IN CUS 1 1 of 1

Customer: CHBELK IN CUS 1 Name: CHBELK IN CUS 1

Address ID: CUS AD1

Customer's Own Address ID: Customer Name:

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

	Company	Supply Country	Delivery Country	Tax ID Type	Tax ID Number
<input type="checkbox"/>	CHBELK INDIA	INDIA	INDIA		
<input checked="" type="checkbox"/>	CHBELK INDIA PP	INDIA	INDIA		

**ADDRESS SPECIFIC TAX ID NUMBERS**

	Tax ID Type	Tax ID Number
<input type="checkbox"/>	GST	CUS:AD1:GST:AP:3344
<input type="checkbox"/>	PAN	CUS:PAN:2233

### Special Notes:

- 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.
- PAN should be defined under each Address of the Customer/Supplier.
- It is must to have **Address Type for Document** for each address of the Customer or Supplier to include Tax ID numbers under *Document Tax Information* for that particular address in Basic Data.

Address CHBELK IN CUS 1 - CHBELK IN CUS 1 1 of 1

Address ID: CUS AD1

End Customer

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

Country: INDIA Validity Period: [Calendar Icon]

Address: D1:CUS:AP, AP, ZIP1 - AP, AP, INIDA, IN - INDIA [Open Map]

Address Types

Address Type	Default Address
<input type="checkbox"/> : Delivery	No
<input type="checkbox"/> : Document	Yes
<input type="checkbox"/> : Pay	Yes
<input type="checkbox"/> : PrimaryContact	Yes
<input type="checkbox"/> : SecondaryContact	Yes
<input type="checkbox"/> : Visit	Yes

Other Information

Jurisdiction Code	Customer Branch	Primary Contact

### 8.5.3 ENTER BASIC DATA IN SITE

In the Site/ Extended Site Info in General page, connect the *Delivery Address* considering the 'State' of the Company Site.

Site S IN - S IN std company GOA - CHBELK INDIA PP 2 of 2

Company Site Group

Site	Site Description	Company	Country
S IN	S IN std company GOA	CHBELK INDIA PP - CHBELK INDIA PP	INDIA

EXTENDED SITE INFO

Distribution Calendar: \* Distribution Calendar Status: Generated Manufacturing Calendar: \* Manufactur...

Time Zone Code: Time Zone Offset (hours): 0

Delivery Address: AD2:COM:GOA

Users

### 8.5.4 ADDITIONAL BASIC DATA SETUP

- In the *Branches* page, define a separate branch per State.
- In the *Invoice Series* page, define separate invoice series per State.
- In the *Invoice Type* page, context menu *Combinations per Invoice Type*, connect invoice series to invoice type. Use branch to have different number series for each State.

- On the *Document Footer/Define Footer* tab, define a new footer. Make sure to use the system defined field “TAX\_NO”.
- On the *Document Footer/Connect Report* tab, connect the document footer to reports:

Report ID	Report Title	Module
CUSTOMER_ORDER_ADV_IVC_REP	Advance Invoice	ORDER
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice	ORDER
CUSTOMER_ORDER_IVC_REP	Invoice	ORDER
INSTANT_INVOICE_REP	Instant Invoice	INVOIC
PROJECT_INVOICE_REP	Invoice Printout	PRJREP

## 8.6 Multiple Tax ID Numbers in Customer Invoice Flow

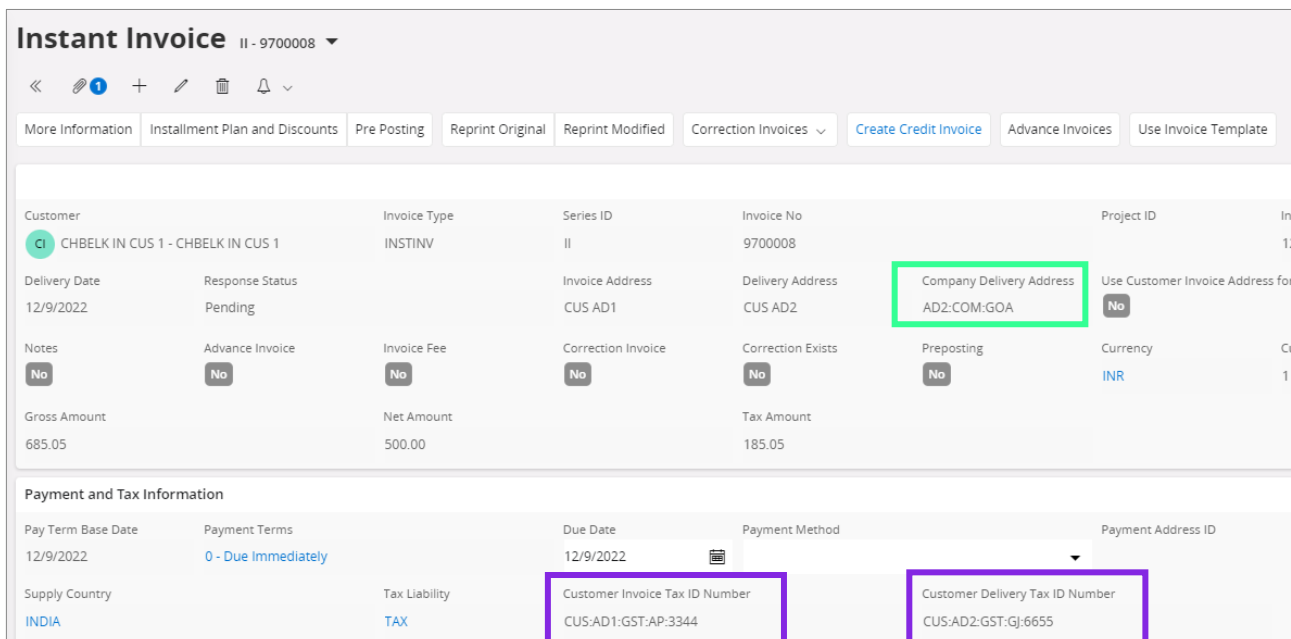
### 8.6.1 INSTANT INVOICE

Follow the IFS Cloud core processes to create Instant Invoice.

Two new fields are introduced under ‘Payment and Tax Information’ section to display GSTIN numbers related to *Invoice Address* and *Delivery Address* specified in the Invoice.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When Invoice is in Preliminary State, Users can change the Address IDs according to the Business Requirement and GSTIN numbers of these new fields are changing accordingly.



**Instant Invoice** II - 9700008

More Information | Installment Plan and Discounts | Pre Posting | Reprint Original | Reprint Modified | Correction Invoices | **Create Credit Invoice** | Advance Invoices | Use Invoice Template

Customer	Invoice Type	Series ID	Invoice No	Project ID
CHBELK IN CUS 1 - CHBELK IN CUS 1	INSTINV	II	9700008	
Delivery Date	Response Status	Invoice Address	Delivery Address	Company Delivery Address
12/9/2022	Pending	CUS AD1	CUS AD2	AD2:COM:GOA
Notes	Advance Invoice	Invoice Fee	Correction Invoice	Correction Exists
No	No	No	No	No
Gross Amount	Net Amount		Tax Amount	
685.05	500.00		185.05	

**Payment and Tax Information**

Pay Term Base Date	Payment Terms	Due Date	Payment Method	Payment Address ID
12/9/2022	0 - Due Immediately	12/9/2022		
Supply Country	Tax Liability	Customer Invoice Tax ID Number	Customer Delivery Tax ID Number	
INDIA	TAX	CUS:AD1:GST:AP:3344	CUS:AD2:GST:GJ:6655	

GSTIN related to the Company is fetched from the *Company Delivery Address* specified in the Invoice.

**Note:** Same process is applying when creating Credit Instant Invoice and Correction Instant Invoice.



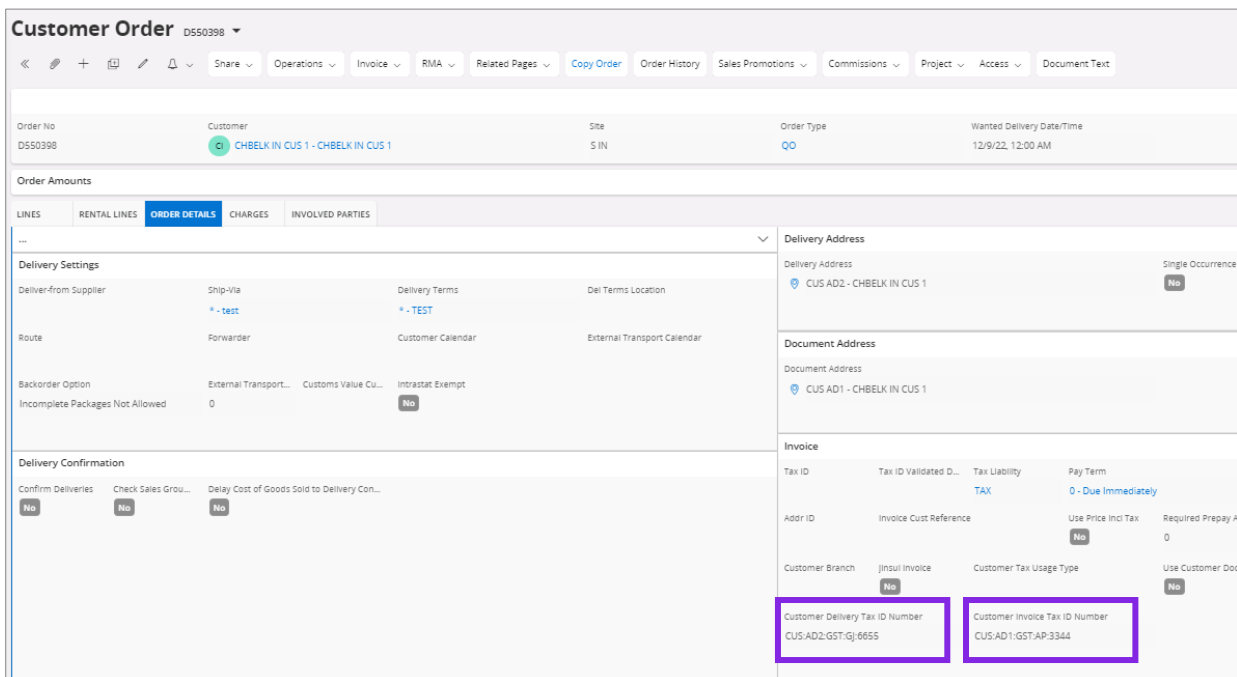
## 8.6.2 CUSTOMER ORDER

Follow the IFS Cloud core processes to create Customer Order.

Two new fields are introduced under 'Invoice' group box in 'Order Details' tab to display GSTIN numbers related to *Document Address* and *Delivery Address* specified in the *Customer Order*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When Customer Order is in Planned State, Users can change the Address IDs according to the Business Requirement and GSTIN numbers of these new fields are changing accordingly.



**Customer Order** D550398

Order No: D550398 | Customer: CHBELK IN CUS 1 - CHBELK IN CUS 1 | Site: SIN | Order Type: QO | Wanted Delivery Date/Time: 12/9/22, 12:00 AM

**ORDER DETAILS**

**Delivery Settings**

Deliver-from Supplier	Ship-via: *-test	Delivery Terms: *-TEST	Del Terms Location
Route	Forwarder	Customer Calendar	External Transport Calendar
Backorder Option: Incomplete Packages Not Allowed	External Transport...: 0	Customs Value Cu...: No	Intrastat Exempt: No

**Delivery Confirmation**

Confirm Deliveries: No	Check Sales Grow...: No	Delay Cost of Goods Sold to Delivery Con...: No
------------------------	-------------------------	---

**Delivery Address**

Delivery Address: CUS AD2 - CHBELK IN CUS 1 (Single Occurrence: No)

**Document Address**

Document Address: CUS AD1 - CHBELK IN CUS 1

**Invoice**

Tax ID	Tax ID Validated D...: TAX	Tax Liability	Pay Term: 0 - Due Immediately
Addr ID	Invoice Cust Reference: No	Use Price Ind Tax	Required Prepay A: 0
Customer Branch	Joint Invoice: No	Customer Tax Usage Type	Use Customer Doc: No

**Customer Delivery Tax ID Number**: CUS-AD2-GST-GJ:6655

**Customer Invoice Tax ID Number**: CUS-AD1-GST-AP:3344

**Note:** All the customer order lines connected to a single customer order are supposed to have a common GSTIN defined in the customer order header level. Therefore, customer order lines which are supposed to have different GSTIN should not be connected the same customer order.

## 8.6.3 CUSTOMER ORDER INVOICE

Follow the IFS Cloud core processes to create Customer Order Invoice. If creating Collective Customer Order Invoices, make sure to connect Customer Orders which have same GSTIN.

Two new fields are introduced under 'Tax Registration Details' group box under 'General' tab to display GSTIN numbers related to *Invoice Address* and *Delivery Address* specified in the *Customer Order Invoice*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When Customer Order Invoice is in Preliminary State, Users can change the Invoice Address ID of the Invoice according to the Business Requirement and *Customer Invoice Tax ID Number* is updating accordingly.

**Customer Invoice** CHBELK IN CUS 1 - CHBELK IN CUS 1 - 970000002 - CUSTORDDEB - D550398 1 of 1

Share Credit/Correction Invoice Posting Installation Plan and Discounts Notes

Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created
CHBELK IN CUS 1	CHBELK IN CUS 1	CD	970000002	CHBELK INDIA PP	S IN	12/15/2022

**Amounts**

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	1120.00	1000.00	120.00	1	1

**LINES** GENERAL HISTORY

Payment Indicators

References Delivery

Order No	Shipment ID	RMA No	Invoice Text ID	Invoice Text
D550398				

Debit/Corr Invoice Series Debit/Corr Invoice No Project ID

SBI Ref No Rebate Settlement Final Settlement No

**Tax Registration Details**

Customer Invoice Tax ID Number	Customer Delivery Tax ID Number
CUS:AD1:GST:AP:3344	CUS:AD2:GST:GJ:6655

Use Customer Invoice Address for Tax Calculation

GSTIN related to the Company is fetched from the *Company Delivery Address* linked to the relevant *Site*.

**Note:** Same process is applying when creating following Customer Order Invoices as well.

- Credit Customer Order Invoice
- Correction Customer Order Invoice
- Advance Customer Order Invoice
- Credit Advance Customer Order Invoice
- Collective Customer Order Invoice
- Collective Customer Order Invoice - Credit
- Collective Customer Order Invoice - Correction

#### 8.6.4 PROJECT INVOICE

Follow the IFS Cloud core processes to create Project Invoice.

Two new fields are introduced under 'Customer Information' group box in 'General' tab to display GSTIN numbers related to *Invoice Address* and *Delivery Address* specified in the *Customer Order Invoice*.

- **Customer Invoice Tax ID Number**
- **Customer Delivery Tax ID Number**

When Project Invoice is in Preliminary State, Users can change the Address IDs of the Invoice according to the Business Requirement and GSTIN numbers of these new fields are changing accordingly.

**Project Invoice** PJ - 20010015 ▾

[Notes](#)
[Printout](#)
[Credit Entire Invoice](#)
[Create Correction Invoice](#)
[Customer Installment Plan](#)

Customer	Customer Name	Project	Invoice Series
CHBELK IN CUS 1	CHBELK IN CUS 1		PJ
Invoice No	Invoice Period Start	Invoice Period End	Notes
20010015	12/1/2022	12/8/2022	No

**Amounts**

[LINES](#)
[GENERAL](#)
[PRE POSTING](#)
[ACCOUNTING](#)

**Invoice Information**


**Customer Information**

Invoice Address	Delivery Address	Payment Address	Media Code
CUS AD2	CUS AD1		E-INVOICE
Pay Term Base Date	Due Date	Payment Terms	Branch
12/21/2022	12/21/2022	0 - Due Immediately	
Payment Method	Supply Country	Customer Branch	Tax ID Number
	INDIA		
Customer Invoice Tax ID Number	Customer Delivery Tax ID Number		
CUS:AD2:GST:Gj:6655	CUS:AD1:GST:AP:3344		

**Note:** Same process is applying when creating Credit and Correction Project Invoices.

## 8.7 Print Multiple Tax ID Numbers on the Invoice PDF

When the customer invoice is printed, these multiple tax ID Numbers are print on the invoice header and Company Delivery GSTIN related to the Invoice is displayed in the footer.

		<b>INVOICE</b>		<b>ORIGINAL</b>	
		Invoice Date	1/11/23	Invoice Number	II9700037
		Order Date		Order Number	
		Permanent Account Number PAN:COM:112233			
Our Reference	Customer Tax Number CUS:PAN:2233	Customer Number	CHBELK IN CUS	Customer Reference	
Delivery Address		Invoice Address			
CHBELK IN CUS1		CHBELK IN CUS1			
AD2:CUS:GJ		D1:CUS:AP			
GJ		AP			
ZIP2-GJ		ZIP1-AP			
GJ		AP			
INDIA		INDIA			
IN-INDIA		IN-INDIA			
Delivery Tax ID Number CUS:AD2:GST:GJ:6655		Invoice Tax ID Number CUS:AD1:GST:AP:3344			
Pay Term Base Date	1/11/23	Delivery Date	1/11/23	Due Date	1/11/23
Ref Invoice No				Ref Net Amount	Ref Tax Amount
Terms of Payment	Due Immediately	Payment Method		Bank Account	
Payment Reference					

Pos	Object	Description	Tax Code	Multiple Tax	Sales UoM	Quantity	Price	Amount
	LG AC	LG Air Conditioners		Yes		1.00	500.00	500.00
								Total Exclusive Tax
								500.00
								Total Tax
								60.00
<b>Tax Totals</b>								
TaxCode	Description	Tax (%)	Total Net Amount	Tax Base Amount	Tax Amount			
6	Tax 5%	5.00	500.00	500.00	25.00			
8	TAX 7%	7.00	500.00	500.00	35.00			
<b>Total</b>					<b>INR</b>	<b>560.00</b>		

Address: City Office,India	SERIAL NUMBER: CC9900#2023	Tax No: GSTIN:AD1:COM:UP:1122
-------------------------------	-------------------------------	----------------------------------

Page 1

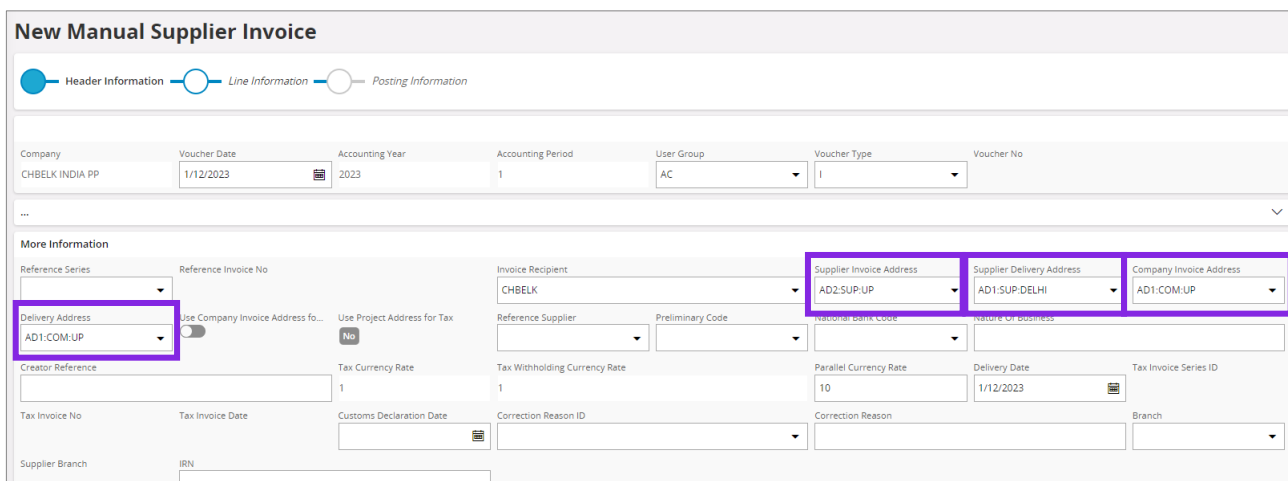
## 8.8 Multiple Tax ID Numbers in Supplier Invoice Flow

### 8.8.1 ENTER AND POST SUPPLIER INVOICES WITHOUT PO

Follow the IFS Cloud core processes to create Manual Supplier Invoice.

There are four Addresses are visible in 'New Manual Supplier Invoice' Assistant and 'Manual Supplier Invoice' page under 'More Information' section.

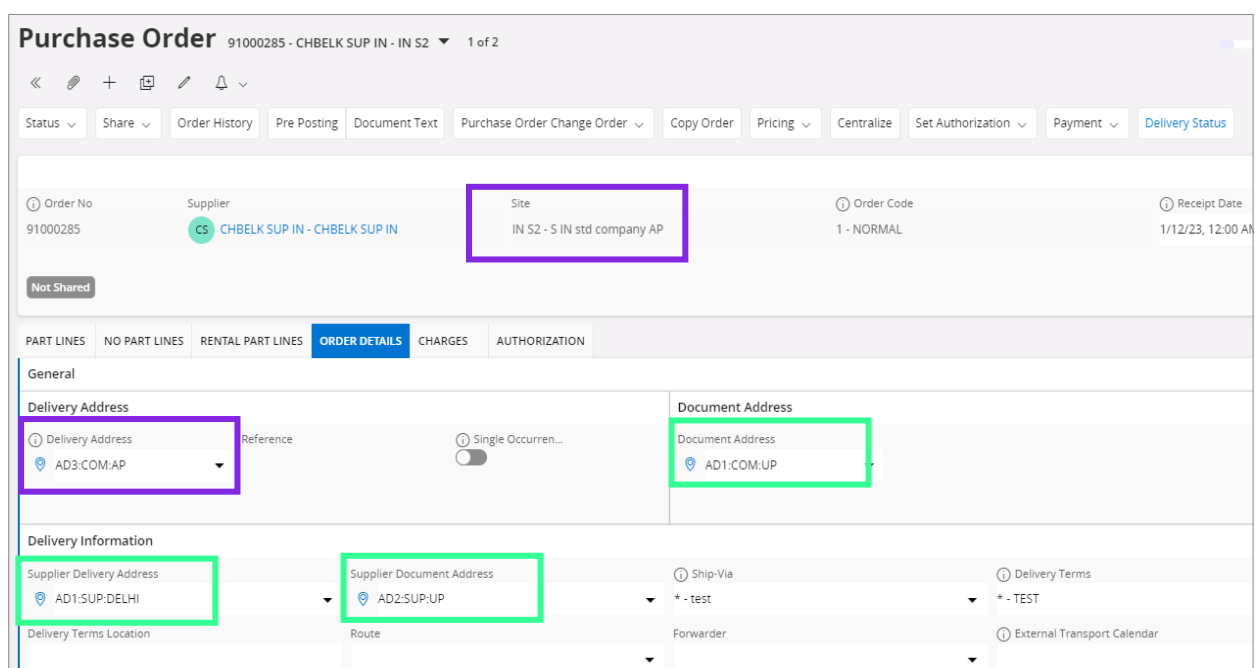
- **Company Invoice Address**
- **Delivery Address (Company)**
- **Supplier Invoice Address**
- **Supplier Delivery Address**



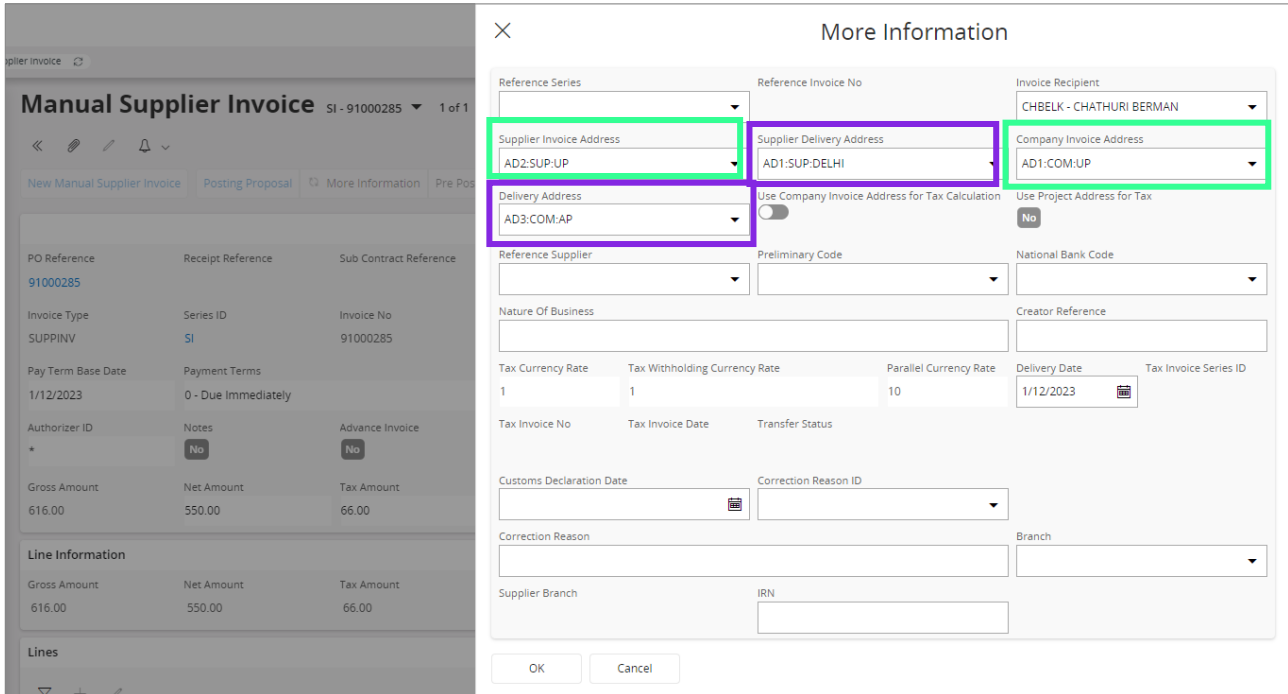
As per the business requirement, these addresses can change in Supplier Invoice when it is in Preliminary State and are fetch corresponding Tax ID numbers in Tax Ledger once fetch tax ledger information.

### 8.8.2 ENTER AND POST SUPPLIER INVOICES WITH PO

Follow the IFS Cloud core process to enter Purchase Order. Note that Company Delivery Address is fetch from the Site Basic Data. Other Addresses can change as per the business requirement when Purchase Order is in Planned State.



When creating Supplier Invoice with PO, the delivery addresses are copied from the Purchase Order while Invoice Addresses default to Company and Supplier Document Addresses in Basic Data. If required, users can change Invoice Addresses in Supplier Invoice according to the PO before Posting.



## 8.9 Update General Ledger

Follow the IFS Cloud core process to update voucher to General Ledger (*Update GL Vouchers Assistant*).

## 8.10 Fetch Tax Ledger Information

Follow the IFS Cloud core process to fetch tax ledger information (*Fetch Tax Ledger Information Assistant*).

Customer/Supplier PAN in the **Tax ID Number** column, GSTIN of both Delivery Address and Invoice Address of the Customer/Supplier in the **Delivery Tax ID Number** and **Invoice Tax ID Number** columns, Company PAN in the **Company Tax ID Number** column, and Company Delivery GSTIN in the **Company Delivery Tax ID Number** column are visible in the *Tax Transactions* page.

Tax Transactions								
Series ID	Invoice Type	Invoice No	Tax ID Number	Company Tax ID Number	Invoice Tax ID Number	Delivery Tax ID Number	Company Delivery Tax ID Number	
II	INSTINV	9700002	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 8877	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	
II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122	

## 8.11 Delimitations

### Delimitations in Print Invoice

In IFS Cloud core, Document Footer functionality is available for many reports. Company Delivery GSTIN is retrieved from Invoice only for the following reports from the *Document Footer/Connect Report* tab:

Report ID	Report Title	Module
CUSTOMER_ORDER_ADV_IVC_REP	Advance Invoice	ORDER
CUSTOMER_ORDER_COLL_IVC_REP	Collective Invoice	ORDER
CUSTOMER_ORDER_IVC_REP	Invoice	ORDER
INSTANT_INVOICE_REP	Instant Invoice	INVOIC
PROJECT_INVOICE_REP	Invoice Printout	PRJREP

### Delimitations in Support of Multiple Tax ID Numbers in Tax Ledger

The process has been verified for the following invoices only:

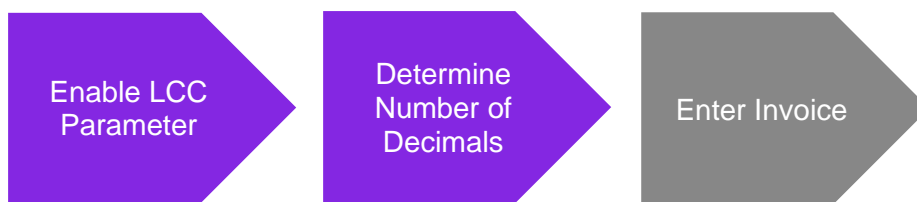
- Customer Order Invoice
- Credit Customer Order Invoice
- Correction Customer Order Invoice
- Advance Customer Order Invoice
- Credit Advance Customer Order Invoice
- Collective Customer Order Invoice
- Collective Customer Order Invoice - Credit
- Collective Customer Order Invoice - Correction
- Instant Invoice
- Credit Instant Invoice
- Correction Instant Invoice
- Project Invoice
- Credit Project Invoice
- Correction Project Invoice
- Manual Supplier Invoice
- Manual Supplier Invoice in the company with the Posting Proposal set-up

## 9 Number of Decimals in Withheld Tax Amount, Supplier Invoice

### 9.1 Overview Legal Requirement

Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting prescribed percentage. The tax amounts levied via TDS is expected to be rounded up.

### 9.2 Process Overview



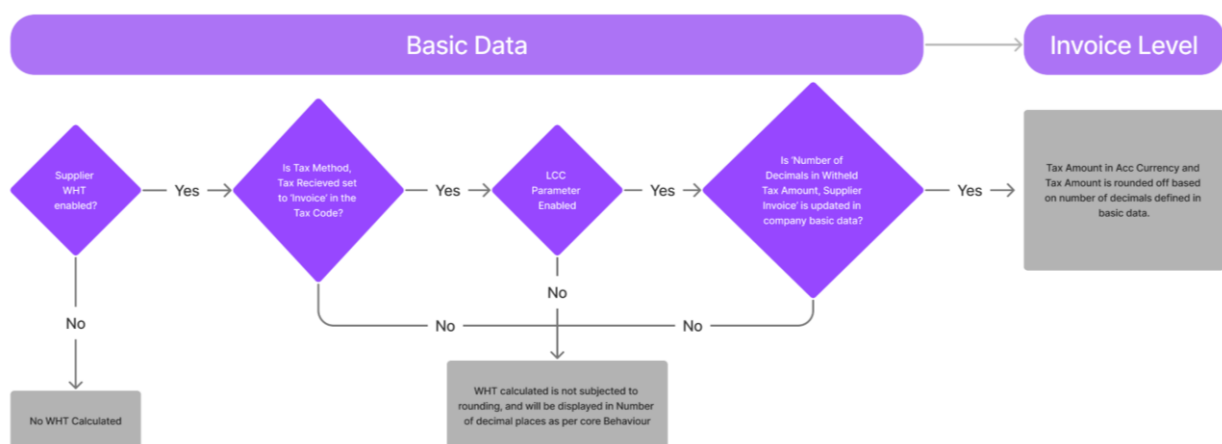
### 9.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given ability to determine the number of decimals to which the withholding tax amount must be rounded up to.

Accordingly, the withholding tax component applicable to an Invoice is rounded up as follows.

If the Manual Supplier Invoice is raised in accounting currency (Ex - INR): The rounding will be applicable to both Tax Amount and Tax Amount in Accounting Currency.

If the Manual Supplier Invoice is raised in foreign currency (Ex - USD): The rounding will only be applicable to Tax Amount in Accounting Currency and not for foreign currency amount/ transaction amount.





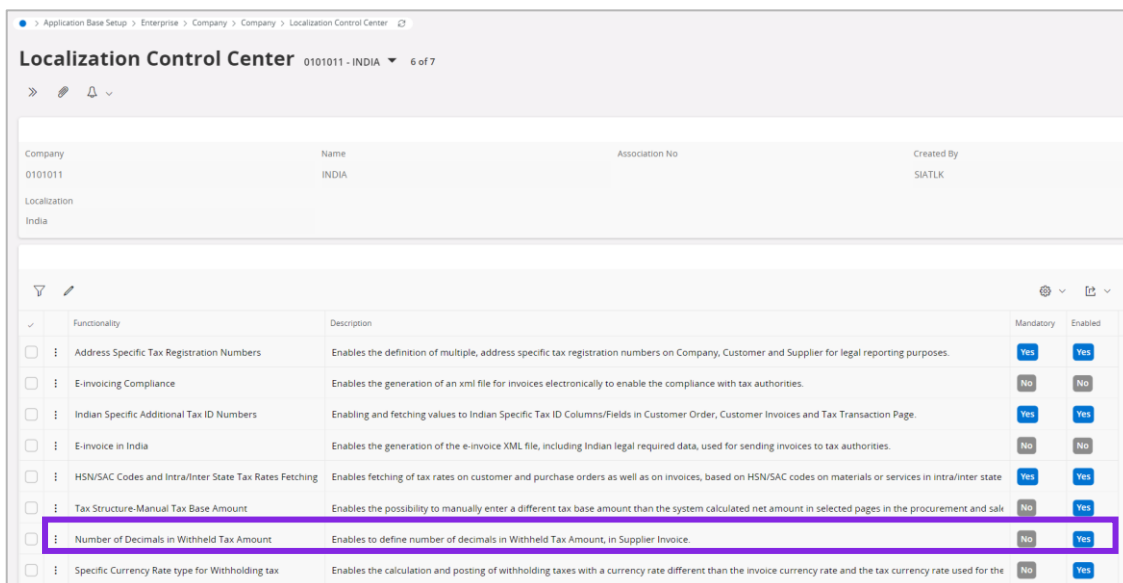
## 9.4 Prerequisites

The company must be set-up to use Indian localization, see the [Company Set up](#) chapter and the 'Number of Decimals in Withheld Tax Amount' parameter must be enabled on the [Company/Localization Control Center](#) tab.

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter.
- The Withholding Tax Code utilized must be set to 'Invoice' in **Tax Codes/ Tax Method Tax Received**.
- In **Supplier/ Invoice/ Tax Information/ Tax Withholding/Reporting** must be set to Report Income/Withhold Tax, so that the Supplier is WHT enabled.

## 9.5 Enable Localization Control Center Parameter

In order to enable this new functionality, navigate to the [Company/Localization Control Center](#) and enable the functionality, "Number of Decimals in Withheld Tax Amount". Please note that this is an optional localization parameter and user need to enable it manually.



Company	Name	Association No	Created By
0101011	INDIA		SIATLK
Localization	India		

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in intra/inter state	Yes	Yes
<input type="checkbox"/> Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 9.6 Determine the Number of Decimals to which the Withholding Tax Amount must be rounded up to.

Compiling with the Indian requirement, upon enablement of the LCC parameter Number of Decimals in Withheld Tax Amount, a new field is made visible in **Company / Tax Control / Invoice** tab named, **Number of Decimals in Withheld Tax Amount, Supplier Invoice**, where the user can define the number of decimal places to which the WHT amount must be rounded up to.

Application Base Setup > Enterprise > Company > Company > Tax Control 6 of 7

### Tax Control

Company: 0101011 Name: INDIA Association No: Created By: SIATLK

GENERAL INVOICE SUPPLY CHAIN EXTERNAL TAX SYSTEM

**General Information**

Amount Method: Net Amount Entry Tax Rounding Level: Line Level Invoice Fee Tax Code: No of Decimals in Withheld Tax Amount, Supplier Invoice: 0

Tax Correspondence, Invoice Line - Manual Postings:  Tax Amount Limit, Outgoing Invoice Lines:  Use Tax Invoice:  Correspondence, Invoice Net Amount - Tax Withholding Base Amount:

Supplement Tax Withholding:  Post Preliminary Tax Withholding:

**Tax Liability Countries**

(No data)

Attachments

## 9.7 Invoice Entry

The Tax Amount and Tax Amount in Accounting Currency, are calculated in **Tax Lines, Withholding** will be rounded up accordingly at invoice creation.

*Example:*

*When Withholding Tax Base is 1,239.87 INR and Tax Rate is 10%, The Tax Amount must be 123.98.*

*However, as the No. of Decimals to which the Tax Amount should round off is set to 0, the value 123.987 is rounded and shown as 124.00 in both Tax Amount and Tax Amount in Accounting Currency.*

✕ Tax Lines, Withholding

Supplier: SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA Withholding Base: Invoice Net Amount Series ID: SI Invoice No: NUMBER OF DECIMALS

Tax Curr Rate: 1 Gross Amount: 1239.87 Net Amount: 1239.87

**Line Details**

✓	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
<input type="checkbox"/>	WHT INV 01	Tax Withhold	1239.87	10	124.00	124.00	62.00	No		

OK Cancel

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers Company: INDIA

### Supplier Invoice Vouchers

Voucher No: U 2023000005

Voucher Type: U Voucher No: 2023000005 Date: 1/12/2023 Year: 2023 Period: 1

**Voucher Postings**

✓	Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
<input type="checkbox"/>	IP1	1	INR	124.00		124.00	124.00		124.00	2	62.00		62.00		
<input type="checkbox"/>	PP48	1	INR		124.00	-124.00		124.00	-124.00	2		62.00	-62.00	WHT INV 01	

However, if the Invoice is raised in foreign currency, the rounding off will be only applicable to the value in Tax Amount in Accounting Currency.

**Example:**

When Withholding Tax Base is 1,234.56 USD, Currency Rate of USD is 2.00 and Tax Rate is 10%, The Tax Amount in INR (Accounting Currency) must be 246.92. However, as the No. of Decimals to which the Tax Amount should round off is set to 0, the value 246.92 is rounded and shown as 247.00 only in Tax Amount in Accounting Currency.

Tax Lines, Withholding

Supplier	Withholding Base	Series ID	Invoice No
SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA	Invoice Net Amount	SI	NUMBER OF DECIMALS USD
Tax Curr Rate	Gross Amount	Net Amount	
2	1234.56	1234.56	

Line Details	Filter	+	✎	⚙	📄	24	📅			
✓	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
<input type="checkbox"/>	WHT INV 01	Tax Withhold	1234.56	10	123.46	247.00	123.46	No		

OK Cancel

This will create a rounding difference which is handled via PP61/ PP62 posting types.

Supplier Invoice Vouchers

U 2023000006

Voucher Type	Voucher No	Date	Year	Period
U	2023000006	1/12/2023	2023	1

Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
IP1	2	USD	123.46		123.46	246.92		246.92	2	123.46		123.46		
PP61	2	USD	0.00		0.00	0.08		0.08	2	0.00		0.00	WHT INV 01	
PP48	2	USD		123.46	-123.46		247.00	-247.00	2		123.46	-123.46	WHT INV 01	

### 9.8 Delimitations

- The following invoices are not handled with this functionality:
  - Self-billing Invoices
  - External Invoices
- Functionality described above applies only to tax codes with tax method tax received set to 'Invoice Entry'. For method Payment standard rounding will be applied.
- Functionality does not apply to customer withholding tax reporting.

# 10 Allow Specific Currency Rates for Supplier Tax Withholding

## 10.1 Overview Legal Requirement

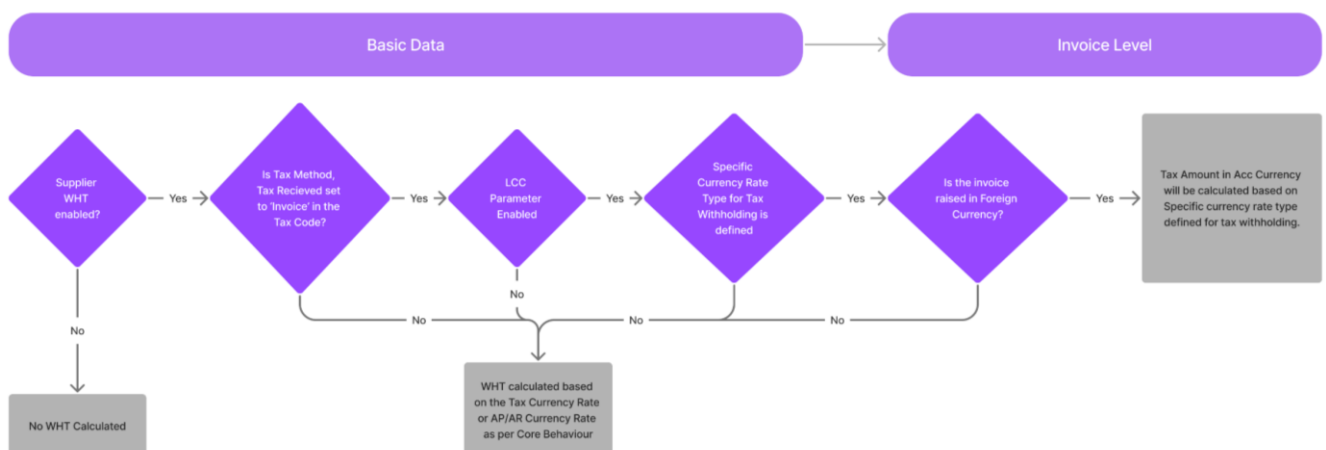
Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting prescribed percentage. The **Tax Amount in Accounting Currency** levied via TDS is expected to be calculated and posted using a specific currency rate different than the usual currency rate applied for the invoice transactions and tax transactions.

## 10.2 Process Overview



## 10.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given ability to determine the specific currency rate applicable for withholding tax calculation, so that the specified **Currency Rate Type** is utilized to calculate withholding taxes under **Tax Lines, Withholding** in **Manual Supplier Invoice**.



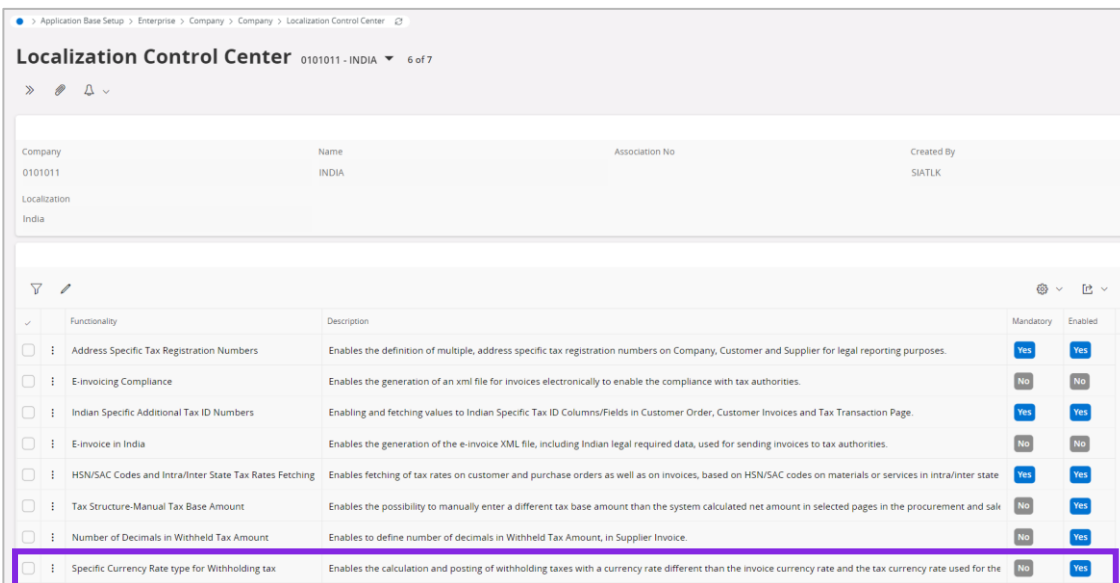
## 10.4 Prerequisites

- The company must be set-up to use Indian localization, see the [Company Setup](#) chapter.
- A Specific Currency Rate Type must be defined for Withholding Taxes in **Currency rate Types** page.
- In **Supplier/ Invoice/ Tax Information/ Tax Withholding/Reporting** must be set to Report Income/Withhold Tax, so that the Supplier is WHT enabled.
- The Withholding Tax Code utilized must be set to 'Invoice' in **Tax Codes/ Tax Method Tax Received**.

## 10.5 Enable Localization Control Center Parameter

In order to enable this new functionality, navigate to the Company/Localization Control Center and enable the functionality, "Specific Currency Rate type for Withholding tax".

Please note that this is an optional localization parameter and user need to enable manually.



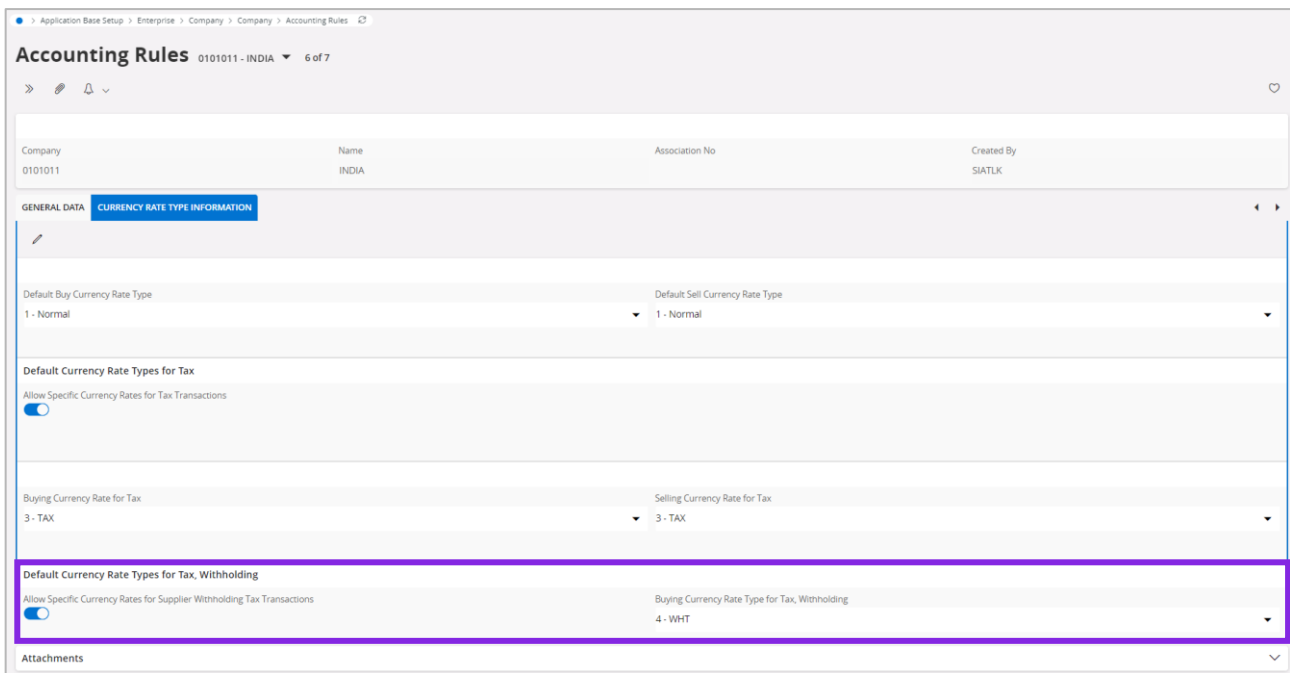
Company	Name	Association No	Created By
0101011	INDIA		SIATLK
Localization			
India			

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> : Address Specific Tax Registration Numbers	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> : E-invoicing Compliance	Enables the generation of an xml file for invoices electronically to enable the compliance with tax authorities.	No	No
<input type="checkbox"/> : Indian Specific Additional Tax ID Numbers	Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page.	Yes	Yes
<input type="checkbox"/> : E-invoice in India	Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities.	No	No
<input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching	Enables fetching of tax rates on customer and purchase orders as well as on invoices, based on HSN/SAC codes on materials or services in Intra/inter state	Yes	Yes
<input type="checkbox"/> : Tax Structure-Manual Tax Base Amount	Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement and sale	No	Yes
<input type="checkbox"/> : Number of Decimals in Withheld Tax Amount	Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.	No	Yes
<input type="checkbox"/> : Specific Currency Rate type for Withholding tax	Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used for the	No	Yes

## 10.6 Determine the Specific Currency Rate to be utilized for Withholding Tax Calculation.

Complying with the Indian requirement, upon enablement of the LCC parameter, a new field group named, **Default Currency Rate type for Withholding tax** is made visible in **Company / Accounting Rules / Currency Rate Type Information**, where the user can both allow and define a specific currency rate type to be utilized in WHT calculations.



The screenshot shows the 'Accounting Rules' configuration page for '0101011 - INDIA'. The 'CURRENCY RATE TYPE INFORMATION' tab is active. The configuration includes the following fields:

- Company:** 0101011
- Name:** INDIA
- Association No:**
- Created By:** SIATLK

**GENERAL DATA**

- Default Buy Currency Rate Type:** 1 - Normal
- Default Sell Currency Rate Type:** 1 - Normal

**Default Currency Rate Types for Tax**

- Allow Specific Currency Rates for Tax Transactions:**
- Buying Currency Rate for Tax:** 3 - TAX
- Selling Currency Rate for Tax:** 3 - TAX

**Default Currency Rate Types for Tax, Withholding**

- Allow Specific Currency Rates for Supplier Withholding Tax Transactions:**
- Buying Currency Rate Type for Tax, Withholding:** 4 - WHT

**Attachments:**

If the **Buying Currency Rate Type for Tax, Withholding** is not specified in the company level, the currency rate will be based on the **Default Currency Rate type** specified for tax. If, the same is also not specified, then the **Default Buy Currency Rate Type** will be applicable for withholding tax calculation at Invoice level.

If no specific currency rate type for withhold taxes is specified then the core behavior will be kept that is, withheld tax amount will be calculated according to tax currency rate specified on the invoice.

## 10.7 Invoice Entry

The currency rate fetched in **Tax Withholding Currency Rate** field available in **Manual Supplier Invoice** Creation is defaulted from the **Default Currency Rates for Supplier Tax Withholding** defined in company basic data. The specified rate is made visible in **More Information** section of the **Manual Supplier Invoice** and **Manual Supplier Invoice Assistant** in field **Tax Withholding Currency Rate**.

The **Tax Withholding Currency Rate** field is added to the **More Information** section of the New **Manual Supplier Invoice Assistant** and **Manual Supplier Invoice** Page.

Financials > Supplier Invoice > New Manual Supplier Invoice

### New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: 0101011 | Voucher Date: 1/12/2023 | Accounting Year: 2023 | Accounting Period: 1 | User Group: AC | Voucher Type: I | Voucher No:

PD Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA

Invoice Type: SUPPINV | Series ID: SI | Invoice No: SPECIFIC CURR | Currency: USD | Currency Rate: 2 | Invoice Date: 1/12/2023 | Arrival Date: 1/12/2023 | Pay Term Base Date: 1/12/2023

Payment Terms: 0 | Due Date: 1/12/2023 | Plan Pay Date: 1/12/2023 | Payment Reference: | Automatic Payment Authorization: When Posted | Authorizer ID: \*

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

**More Information**

Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM\_DOCUMENT\_UP

Delivery Address: COM\_DELIVERY\_DL | Use Company Invoice Address for Tax:  | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code: | National Bank Code: | Nature Of Business:

Creator Reference: | Tax Currency Rate: 4 | **Tax Withholding Currency Rate: 5** | Parallel Currency Rate: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ID:

Tax Invoice No: | Tax Invoice Date: | Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch:

Supplier Branch:

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: SIATLK - Sinali Attanayake

Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM\_DOCUMENT\_UP

Delivery Address: COM\_DELIVERY\_DL | Use Company Invoice Address for Tax Cal...:  | Use Project Address for Tax: No

Reference Supplier: | Preliminary Code: | National Bank Code:

Nature Of Business: | Creator Reference:

Tax Currency Rate: 4 | **Tax Withholding Currency Rate: 5** | Parallel Currency Rate: 2 | Delivery Date: 1/12/2023 | Tax Invoice Series ...

Tax Invoice No: | Tax Invoice Date: | Transfer Status:

Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch:

Supplier Branch:

OK Cancel

These fields are editable only when,

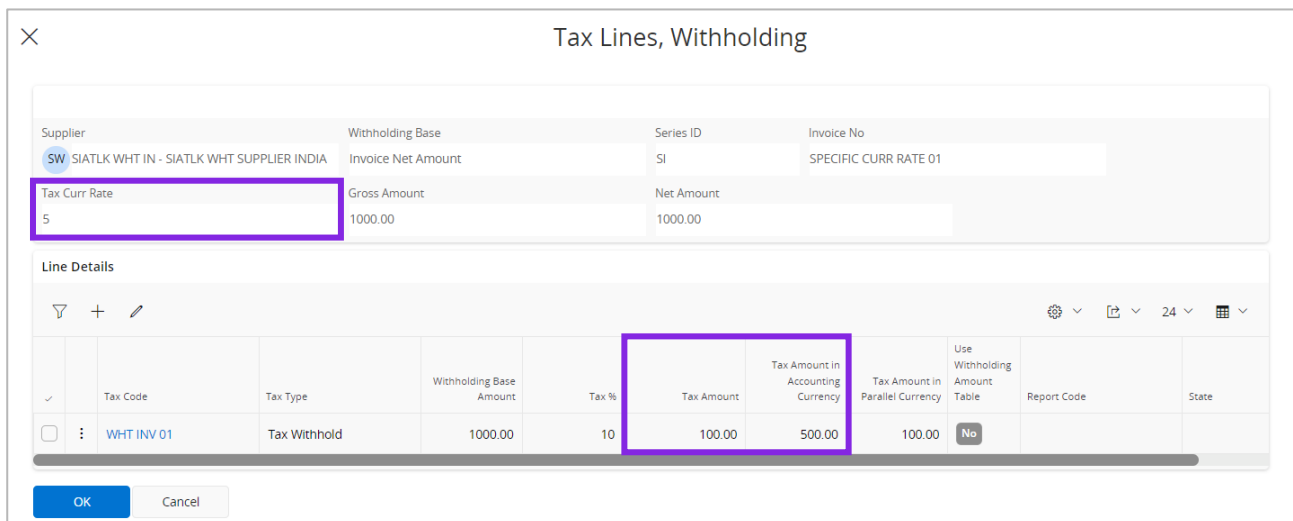
- Invoice is in foreign currency
- Invoice is not posted (invoice is in Preliminary state)
- Buying Currency Rate for Tax, Withholding is specified

The **Tax Withholding Currency Rate** field is defaulted from the *Default Currency Rates for Supplier Tax Withholding*

The **Tax Curr Rate** field in **Tax lines, withholding** dialog box, fetches the **tax withholding currency rate** specified on invoice (**New Manual Supplier Invoice Assistant or Supplier invoice More Information** dialog box).

Note that tax currency rate in **Tax Curr Rate** field in the **Tax Lines, withholding** dialog cannot be edited same as in core. The only places where currency rate for withhold taxes can be changed is **Tax Withholding Currency Rate** field on **New Manual Supplier Invoice assistant** or **Manual Supplier Invoice, More Information** dialog box (When the Invoice is in “Preliminary” state).

The **Tax Amount in Accounting Currency** in **Tax Lines, Withholding**, is calculated based on the Specific Currency Rate fetched to **Tax Curr Rate** field and the user can edit the field in case of tax codes with ‘Invoice Entry’ as a method when the Buying Currency Rate for Tax, Withholding is specified.



Supplier	Withholding Base	Series ID	Invoice No
SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA	Invoice Net Amount	SI	SPECIFIC CURR RATE 01
Tax Curr Rate	Gross Amount	Net Amount	
5	1000.00	1000.00	

Line Details	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
<input type="checkbox"/>	WHT INV 01	Tax Withhold	1000.00	10	100.00	500.00	100.00	No		

Application posts the gain or loss occurred due to the currency rate difference in invoice and the rate used in the withholding tax using posting type PP61 Tax currency loss and PP62 Tax currency profit.

*Example:*

When Withholding Tax Base is 1,000 USD, Accounts Payable Currency Rate of USD is 2.00, Specific WHT Currency Rate of USD is 4.00 and Tax Rate is 10%, The Withheld Tax Amount in USD (Transaction Currency) is 100 USD and Tax Amount in Accounting Currency (INR), will be 400.00 INR (as Specific Currency Rate is utilized). However, the Tax Amount Withheld from the Invoice Value is calculated based on the Accounts Payable Currency Rate and therefore, the value of IP1 entry will be 200.00 INR. The difference of 200 is handled via a PP61 Entry.



Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers Company: INDIA

### Supplier Invoice Vouchers

U 2023000008

Voucher Type	Voucher No	Date	Year	Period
U	2023000008	1/12/2023	2023	1

Voucher Postings

Transaction Code	Currency Rate	Currency Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency	Debit Amount in Accounting Currency	Credit Amount in Accounting Currency	Amount in Accounting Currency	Parallel Currency Rate	Debit Amount in Parallel Currency	Credit Amount in Parallel Currency	Amount in Parallel Currency	Tax Code	Process Code
IP1	2	USD	100.00		100.00	200.00		200.00	2	100.00		100.00		
PP61	5	USD	0.00		0.00	300.00		300.00	2	0.00		0.00	WHT INV 01	
PP48	5	USD		100.00	-100.00		500.00	-500.00	2		100.00	-100.00	WHT INV 01	

## 10.8 Delimitations

- The following invoices are not handled with this functionality:
  - Self-billing Invoices
  - External Invoices
- Functionality described above applies only for tax codes with tax method 'Invoice Entry'.
- Functionality does not apply to customer withholding tax reporting.

## **11 Print Invoice Copy In Base Currency (moved to generic functionality)**

The functionality for Print Invoice Copy In Base Currency removed as a country specific functionality. It is now available as a generic functionality. Information and more details can be found in Supply Chain News Presentation for the IFS Cloud 23R1.