



# Country Solution South Korea

IFSCLOUD24R2

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## Note:

The capabilities listed below have been moved to generic functionality. These capabilities are no longer parameterized by Localization Control Center, they are general for any country. The capabilities moved to generic functionality are:

- Special Consumption Tax

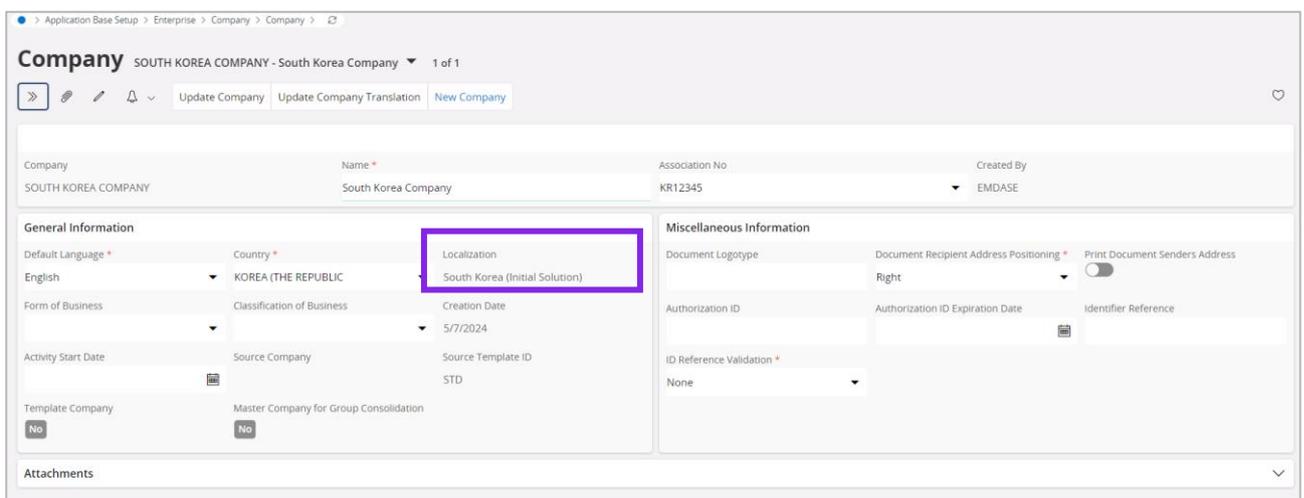
# 1 Company Set-up

## 1.1 Overview

To utilize the South Korean functionality, the company must be set up as using the **South Korean** localization. This is defined in the **General** tab on the **Company** page.

## 1.2 Define Localization

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

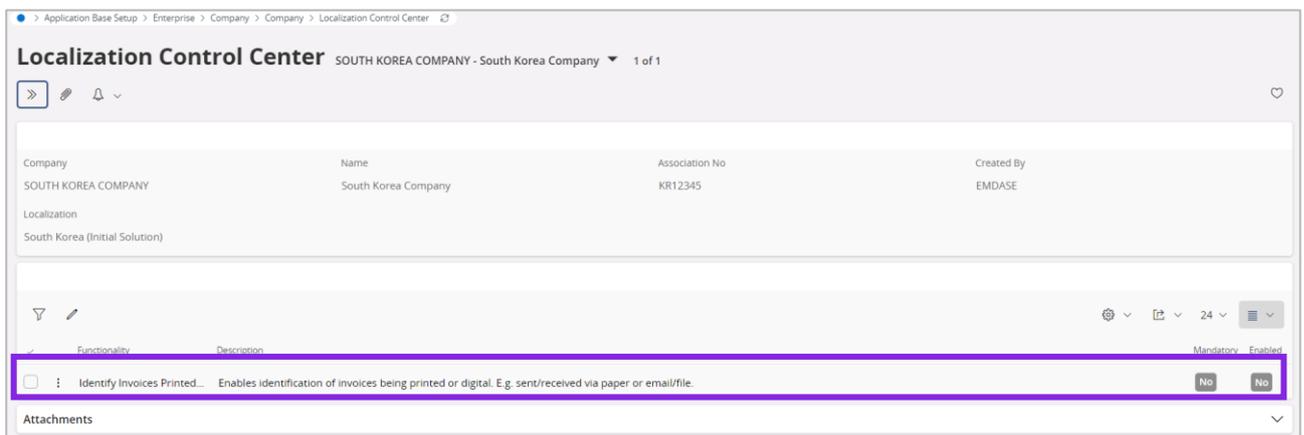


The screenshot shows the 'Company' page for 'SOUTH KOREA COMPANY - South Korea Company'. The 'Localization' field is highlighted with a red box, indicating it is set to 'South Korea (Initial Solution)'. Other fields include 'Default Language' (English), 'Country' (KOREA (THE REPUBLIC)), 'Form of Business', 'Activity Start Date', 'Template Company' (No), 'Miscellaneous Information', and 'Attachments'.

## 1.3 Select Localization functionality.

Specify which functionality to use.

- Open the **Localization Control Center** tab.
- The localization selected in the previous step is displayed in the **Localization** field and cannot be changed.
- All functionality available for South Korea is presented in the list. Enable/Disable the functionality based on the requirements of the company by selecting the Enable check box. Note that some functionality is mandatory and cannot be disabled.



The screenshot shows the 'Localization Control Center' page for 'SOUTH KOREA COMPANY - South Korea Company'. The 'Localization' field is set to 'South Korea (Initial Solution)'. Below, a table lists functionalities. The 'Identify Invoices Printed...' functionality is highlighted with a red box, showing it is currently disabled (checkbox is unchecked).

| Functionality            | Description   | Mandatory | Enabled |
|--------------------------|---|-----------|---------|
| <input type="checkbox"/> | Identify Invoices Printed... Enables identification of invoices being printed or digital. E.g. sent/received via paper or email/file. | No        | No      |

## 2 Identify Invoices Printed or Digital

### 2.1 Overview Legal Requirement

When reporting tax in South Korea, the tax information must indicate if an invoice is printed or digital. Paper invoices refer to invoices printed on paper. Digital invoices are invoices sent/received to/from customers electronically. For this, services from a third-party company are involved (e.g., Smart Bill).

### 2.2 Process Overview



### 2.3 Solution Overview

Customer and supplier invoices are categorized as either digital invoices or not. It's defined on the customer and supplier level whether the customer or supplier is sending digital invoices or not. The value is fetched when creating customer or supplier invoices and the information is transferred to tax transactions.

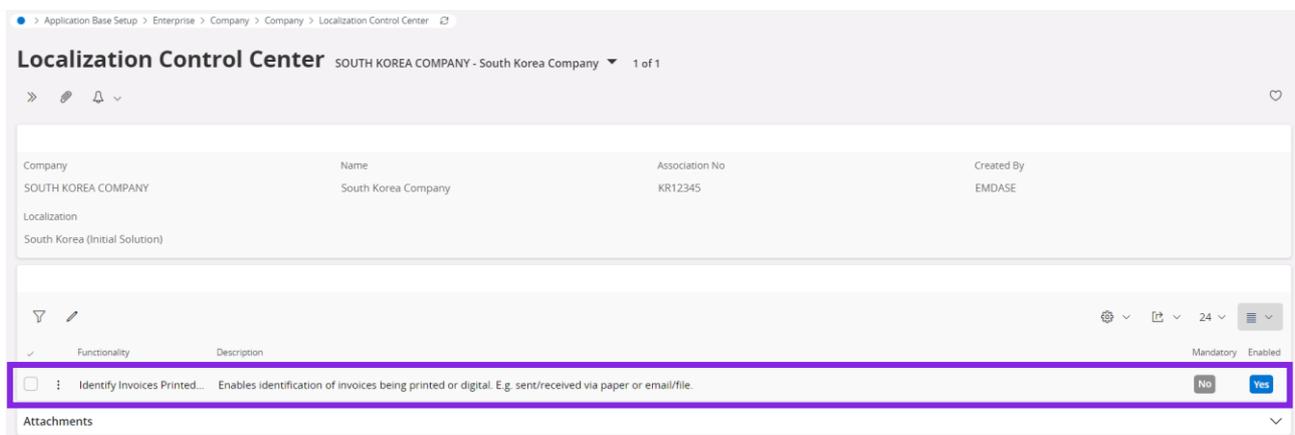
### 2.4 Prerequisites

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

### 2.5 Enable Localization Control Center Parameter

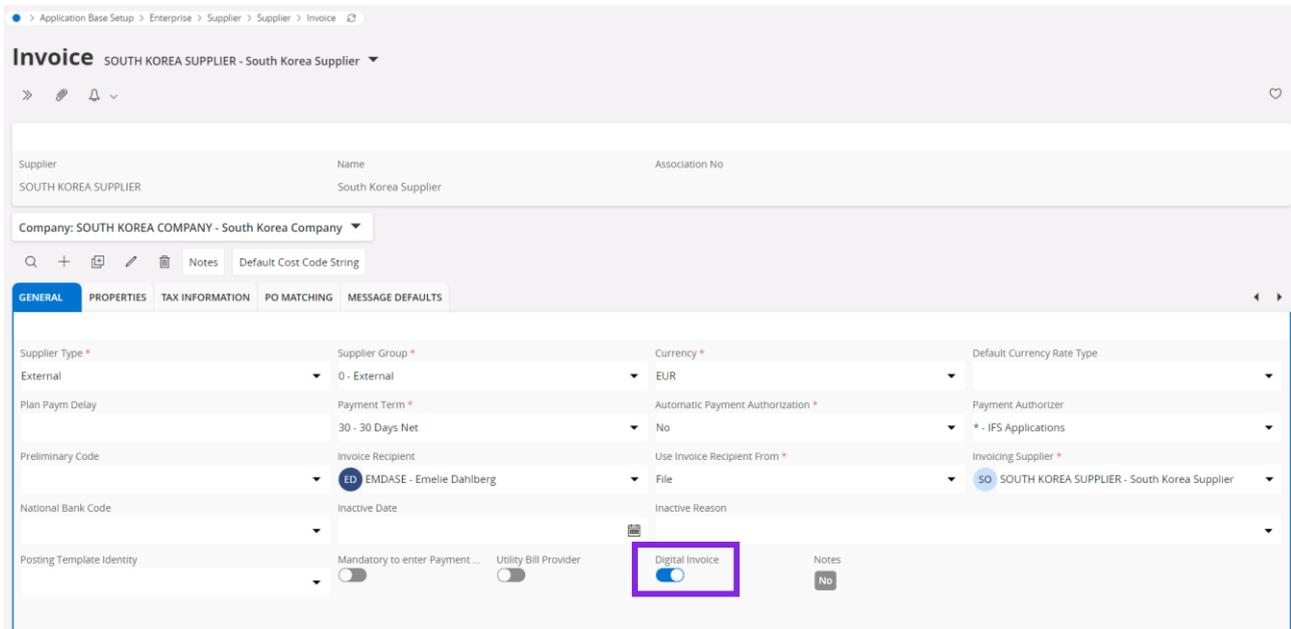
To enable this new functionality, navigate to the **Company/Localization Control Center** and enable the functionality, **Identify Invoices Printed or Digital**.

Please note that this is an optional localization parameter, and the user needs to enable it manually.



## 2.6 Set up Supplier to identify if Digital Invoices are used.

A new toggle, **Digital Invoice**, is added to the **Supplier/Invoice/General** tab.



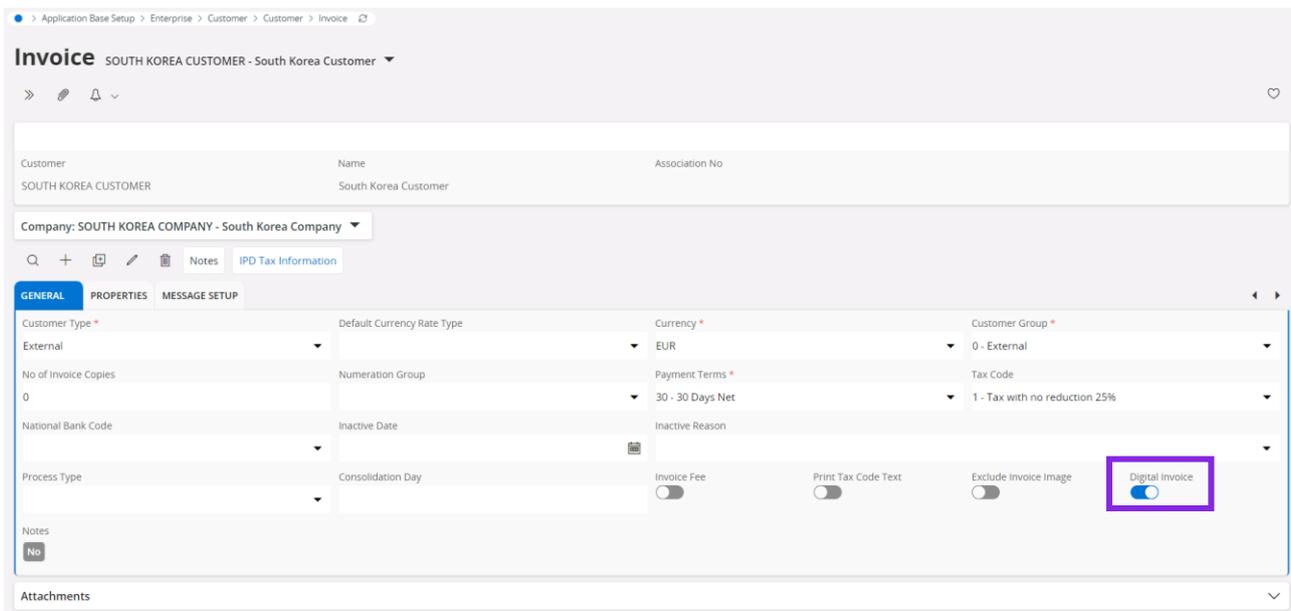
The screenshot shows the 'Supplier Invoice' configuration page for 'SOUTH KOREA SUPPLIER'. The 'GENERAL' tab is active, displaying various fields for supplier setup. A purple box highlights the 'Digital Invoice' toggle, which is currently turned on (blue).

| Field                             | Value  |
|-----------------------------------|--|
| Supplier Type *                   | External                                       |
| Supplier Group *                  | 0 - External                                   |
| Currency *                        | EUR  |
| Default Currency Rate Type        |  |
| Plan Paym Delay                   |  |
| Payment Term *                    | 30 - 30 Days Net                               |
| Automatic Payment Authorization * | No   |
| Payment Authorizer                | * - IFS Applications                           |
| Preliminary Code                  |  |
| Invoice Recipient                 | EMDASE - Emelle Dahlberg                       |
| Use Invoice Recipient From *      | File   |
| Invoicing Supplier *              | SO SOUTH KOREA SUPPLIER - South Korea Supplier |
| National Bank Code                |  |
| Inactive Date                     |  |
| Inactive Reason                   |  |
| Posting Template Identity         |  |
| Mandatory to enter Payment ...    | <input type="checkbox"/>                       |
| Utility Bill Provider             | <input type="checkbox"/>                       |
| Digital Invoice                   | <input checked="" type="checkbox"/>            |
| Notes                             | No   |

Enable the toggle if the supplier is sending digital invoices. The value will be fetched when creating supplier invoices and will be later referred to in **Tax Transactions**.

## 2.7 Set up Customer to identify if Digital Invoices are used

A new toggle, **Digital Invoice**, is added to the **Customer/Invoice/General** tab.



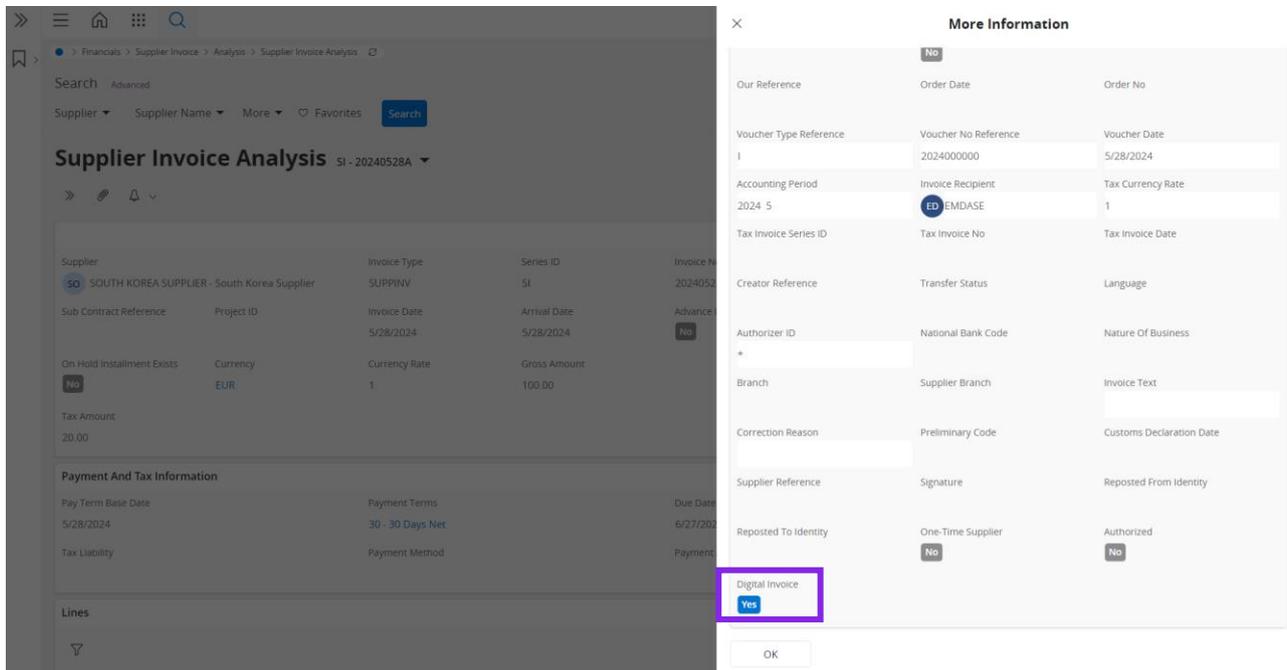
The screenshot shows the 'Customer Invoice' configuration page for 'SOUTH KOREA CUSTOMER'. The 'GENERAL' tab is active, displaying various fields for customer setup. A purple box highlights the 'Digital Invoice' toggle, which is currently turned on (blue).

| Field                      | Value                               |
|----------------------------|-------------------------------------|
| Customer Type *            | External                            |
| Default Currency Rate Type |                                     |
| Currency *                 | EUR                                 |
| Customer Group *           | 0 - External                        |
| No of Invoice Copies       | 0                                   |
| Numeration Group           |                                     |
| Payment Terms *            | 30 - 30 Days Net                    |
| Tax Code                   | 1 - Tax with no reduction 25%       |
| National Bank Code         |                                     |
| Inactive Date              |                                     |
| Inactive Reason            |                                     |
| Process Type               |                                     |
| Consolidation Day          |                                     |
| Invoice Fee                | <input type="checkbox"/>            |
| Print Tax Code Text        | <input type="checkbox"/>            |
| Exclude Invoice Image      | <input type="checkbox"/>            |
| Digital Invoice            | <input checked="" type="checkbox"/> |
| Notes                      | No                                  |

Enable the toggle if the customer is sending digital invoices. The value will be fetched when creating customer invoices and will be later referred to in **Tax Transactions**.

## 2.8 View Supplier Invoice Analysis page

An indicator, **Digital Invoice**, is added to the **Supplier Invoice Analysis** page. It displays the value from the supplier at the time the invoice was created and cannot be edited.

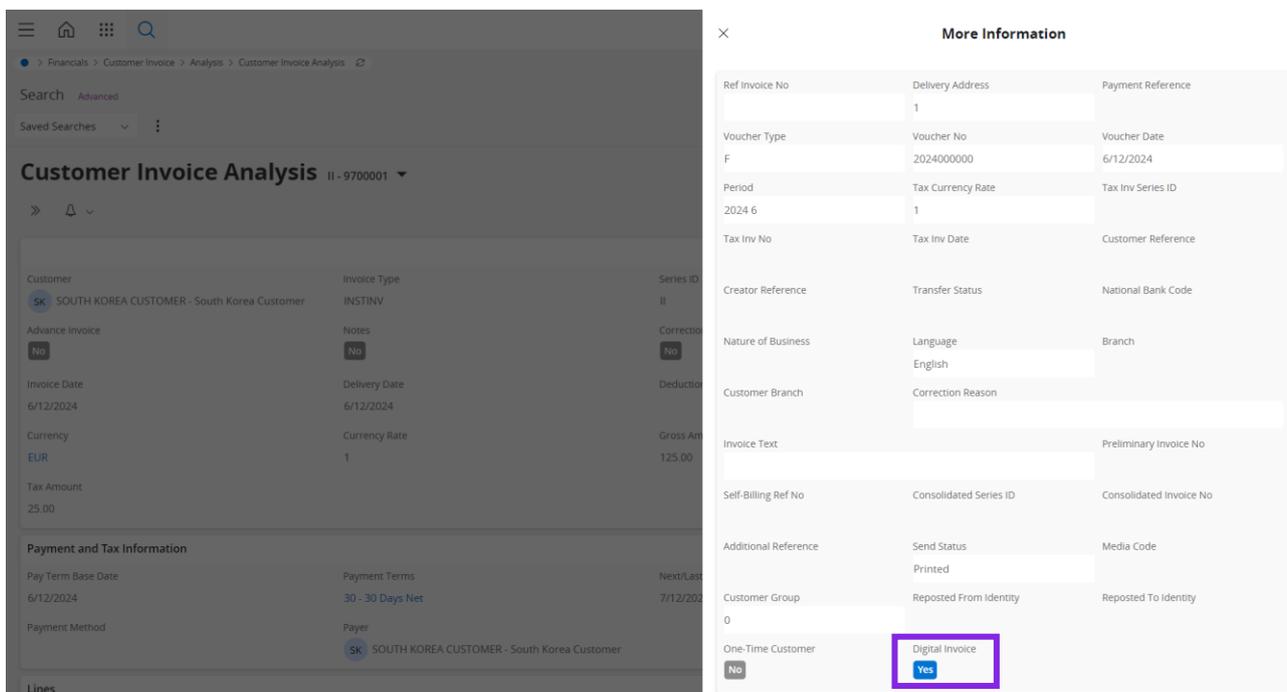


The screenshot shows the 'Supplier Invoice Analysis' page for invoice SI - 20240528A. The 'More Information' dialog is open, displaying various fields. The 'Digital Invoice' field is highlighted with a red box and has a 'Yes' indicator.

| More Information       |                      |                          |
|------------------------|----------------------|--------------------------|
| Our Reference          | Order Date           | Order No                 |
| Voucher Type Reference | Voucher No Reference | Voucher Date             |
| I                      | 2024000000           | 5/28/2024                |
| Accounting Period      | Invoice Recipient    | Tax Currency Rate        |
| 2024 5                 | ED EMDASE            | 1                        |
| Tax Invoice Series ID  | Tax Invoice No       | Tax Invoice Date         |
| Creator Reference      | Transfer Status      | Language                 |
| Authorizer ID          | National Bank Code   | Nature Of Business       |
| *                      |                      |                          |
| Branch                 | Supplier Branch      | Invoice Text             |
| Correction Reason      | Preliminary Code     | Customs Declaration Date |
| Supplier Reference     | Signature            | Reposted From Identity   |
| Reposted To Identity   | One-Time Supplier    | Authorized               |
|                        | No                   | No                       |
| Digital Invoice        | Yes                  |                          |

## 2.9 View Customer Invoice Analysis page

An indicator, **Digital Invoice**, is added to the **Customer Invoice Analysis** page. It displays the value from the customer at the time the invoice was created and cannot be edited.



The screenshot shows the 'Customer Invoice Analysis' page for invoice II - 9700001. The 'More Information' dialog is open, displaying various fields. The 'Digital Invoice' field is highlighted with a red box and has a 'Yes' indicator.

| More Information     |                        |                         |
|----------------------|------------------------|-------------------------|
| Ref Invoice No       | Delivery Address       | Payment Reference       |
|                      | 1                      |                         |
| Voucher Type         | Voucher No             | Voucher Date            |
| F                    | 2024000000             | 6/12/2024               |
| Period               | Tax Currency Rate      | Tax Inv Series ID       |
| 2024 6               | 1                      |                         |
| Tax Inv No           | Tax Inv Date           | Customer Reference      |
| Creator Reference    | Transfer Status        | National Bank Code      |
| Nature of Business   | Language               | Branch                  |
|                      | English                |                         |
| Customer Branch      | Correction Reason      |                         |
| Invoice Text         |                        | Preliminary Invoice No  |
| Self-Billing Ref No  | Consolidated Series ID | Consolidated Invoice No |
| Additional Reference | Send Status            | Media Code              |
|                      | Printed                |                         |
| Customer Group       | Reposted From Identity | Reposted To Identity    |
| 0                    |                        |                         |
| One-Time Customer    | Digital Invoice        |                         |
| No                   | Yes                    |                         |

## 2.10 Tax Transactions

An indicator, **Digital Invoice**, is added to the **Tax Transactions** page. It displays the value from the supplier invoice/customer invoice and cannot be edited. The Digital Invoice column is updated when *Update GL Vouchers* and *Fetch Tax Ledger Information* has been run.

Financials > Tax Ledger > Tax Transactions

Company: South Korea Company

Search: Advanced

Tax Trans ID Tax ID Number Identity Series ID Invoice No Invoice Type Arrival Date Invoice Date More Favorites Search Saved Searches

### Tax Transactions

Calculate Income Amount

| ✓                        | Ref Invoice No | Customs Declaration Number | Customs Declaration Date | Series ID | Invoice No | Self-Billing Ref No | Invoice Date | Invoice Version | Invoice Type | Tax Code | Fetch | Is Report... | Correction | Is Part of Tax Ledger | Include in Tax Proposal | Digital Invoice |
|--------------------------|----------------|----------------------------|--------------------------|-----------|------------|---------------------|--------------|-----------------|--------------|----------|-------|--------------|------------|-----------------------|-------------------------|-----------------|
| <input type="checkbox"/> | :              |                            |                          | II        | 9700001    |                     | 6/12/2024    | 1               | INSTINV      | 1        | Yes   | No           |            | Yes                   | Yes                     | Yes             |
| <input type="checkbox"/> | :              |                            |                          | SI        | 20240528A  |                     | 5/28/2024    | 1               | SUPPINV      | 1        | Yes   | No           |            | Yes                   | Yes                     | Yes             |

## 2.11 Delimitations

None.