



Country Solution Brazil

IFSCLOUD24R1

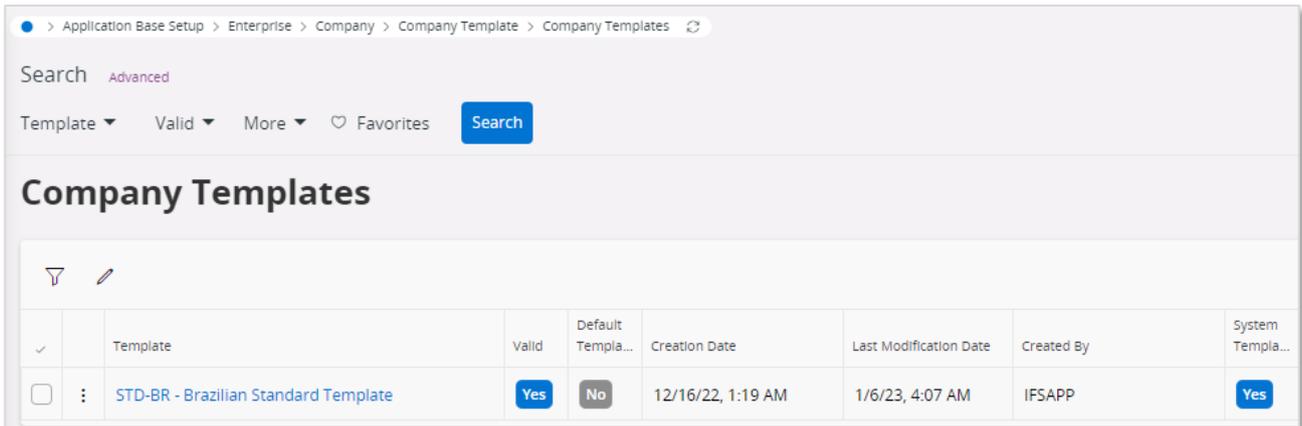
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1 Company Set-up

1.1 Overview

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

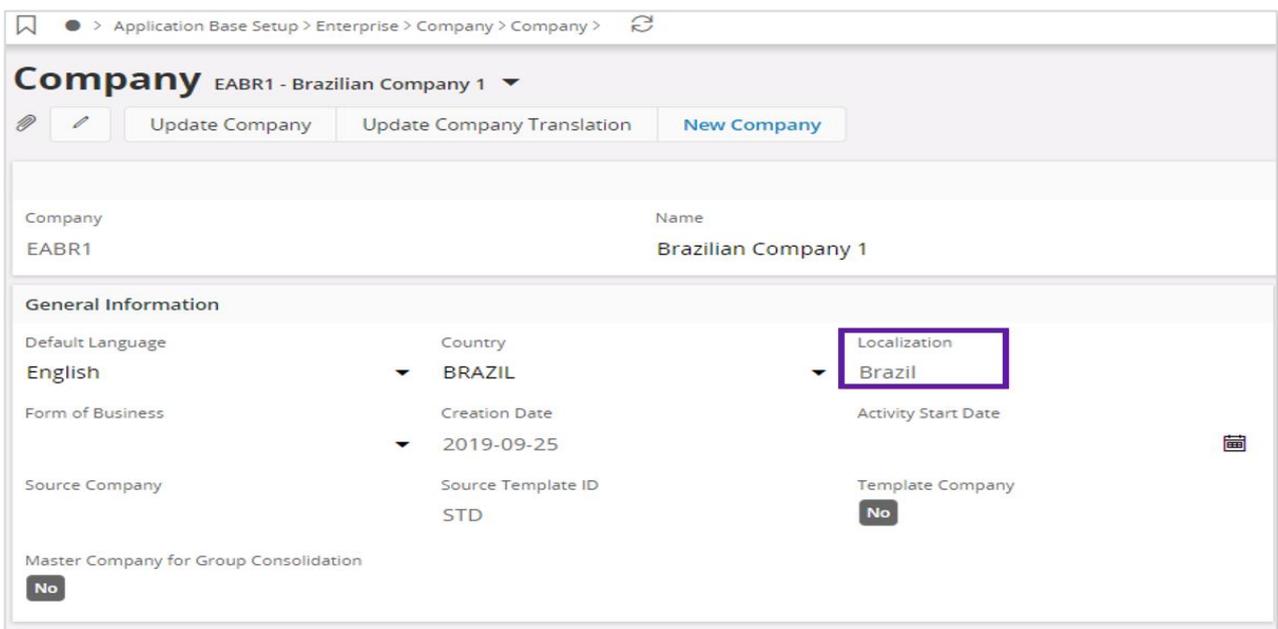


Template	Valid	Default Templa...	Creation Date	Last Modification Date	Created By	System Templa...
STD-BR - Brazilian Standard Template	Yes	No	12/16/22, 1:19 AM	1/6/23, 4:07 AM	IFSAPP	Yes

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

1.2 Define Localization

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



Company EABR1 - Brazilian Company 1

Update Company Update Company Translation New Company

Company EABR1 Name Brazilian Company 1

General Information

Default Language English Country BRAZIL Localization **Brazil**

Form of Business Creation Date 2019-09-25 Activity Start Date

Source Company Source Template ID STD Template Company No

Master Company for Group Consolidation No

1.3 Select Localization functionality

Specify which functionality to use.

- Open *Localization Control Center* sub-menu in the **Company** page.
- The localization selected in previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionality available for Brazil is presented in the list. Enable/Disable the functionality based on the requirements for the company by enabling/disabling the toggle. Note that some functionality is mandatory and cannot be disabled. For example showing Brazilian Specific Fiscal Attributes in the sales and purchasing flow is mandatory. But if Avalara taxes are supposed to be used, this specific function for “Integration to Brazilian External Tax System” need to be enabled.

Localization Control Center SC-BR-COM2 - SC-BR-Company2 2 of 3

Company: SC-BR-COM2, Name: SC-BR-Company2, Association No: , Created By: IFSAPP

Localization: Brazil (Initial Solution)

Functionality	Description	Mandatory	Enabled
<input type="checkbox"/> Acquisition Origin	Enables functionality for defining acquisition origin for parts, needed for legal reporting.	Yes	Yes
<input type="checkbox"/> Address Specific Tax Regis	Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes.	Yes	Yes
<input type="checkbox"/> Use Automatic Generator	Enables the use of components to be combined with a sequence number per branch to create an official customer invoice number.	Yes	Yes
<input type="checkbox"/> Boletto - Bank Collection B	Enables the generation and print out of Brazilian Boletto when Customer Order Invoice is turned to PostedAuth state.	No	No
<input type="checkbox"/> Brazilian Specific Fiscal Att	Enables additional fiscal attributes specific for Brazil on Sales Part, Purchase Part and Master Part needed for tax determination and legal repor	Yes	Yes
<input type="checkbox"/> Business Operation	Enables functionality to define if a specific operation is taxable or not, needed for legal reporting.	Yes	Yes
<input type="checkbox"/> Integration to Brazilian Ex	Enables integration to Brazilian Tax system to facilitate Tax Determination, communication of electronic Notas Fiscais, and Tax Compliance.	No	Yes
<input type="checkbox"/> Cancel PostedAuth Custor	Enables the functionality for cancel customer order invoices in status PostedAuth.	Yes	Yes
<input type="checkbox"/> Nota Fiscal issue data app	Enables functionality ensuring the Nota Fiscal issue data is applied on inventory transactions for goods issue to fulfill accounting requirements.	Yes	Yes

2 Business Operation

2.1 Overview Legal Requirement

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

2.2 Process Overview Sales

2.2.1 PROCESS OVERVIEW WITH CUSTOMER ORDER SALES OF GOODS



2.2.2 PROCESS OVERVIEW WITH PROJECT INVOICE – INITIAL SOLUTION



2.2.3 PROCESS OVERVIEW PROCUREMENT



2.3 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Business Operation” parameter must be enabled (this is mandatory in Localization Control Center for Brazil localization).

2.4 Define basic data

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

Application Base Setup > General Data > Business Operation Company: Brazilian Company 1

Business Operation

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

2.5 Enter Customer Order

Enter and process a customer order using standard functionality.

2.6 Create Customer Order Invoice

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

Sales > Invoicing > Customer Invoice Preliminary

BRCUST1 - Brazilian Customer 1 - 201716 - CUSTORDDEB - P10486

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

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

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

2.7 CFOP with the AVALARA Integration

From IFS Cloud 21R2 release onwards the Business Operation (CFOP) is associated with integration to 3rd party tax calculation engine, hence this value will be received from the tax calculation engine for each Customer Invoice Line, Project Invoice Line and/or Purchase Order Line.

The user can manually edit the Business Operation value in the Invoice line if the Customer Order Invoice is in Preliminary status but it will be overridden with the CFOP value coming from tax calculation engine, if the tax is fetched again by changing quantity or Brazil specific attributes like Acquisition Origin and Goods/Services Statistical Code.

In Project Invoices, the user can manually edit the Business Operation value in the Invoice line if the Project Invoice is in Preliminary status and no Outgoing Nota Fiscais are created for the Project Invoice, but it will be overridden with the CFOP value coming from tax calculation engine, if the tax is fetched again by changing quantity or Brazil specific attributes like Business Transaction ID and Goods/Services Statistical Code.

For the Purchase Order user will not be able to add a value when creating a Purchase Order Line, the field for Business Operation will be empty until a response from Avalara has been received. This value, can only be changed by a new request and response from Avalara (e.g. triggered from a

change on the Purchase Order line). The value received from Avalara doesn't have to exist in the basic data in IFS Cloud, regardless of it will be added to the Purchase Order Line.

2.8 Generate NF-e XML file

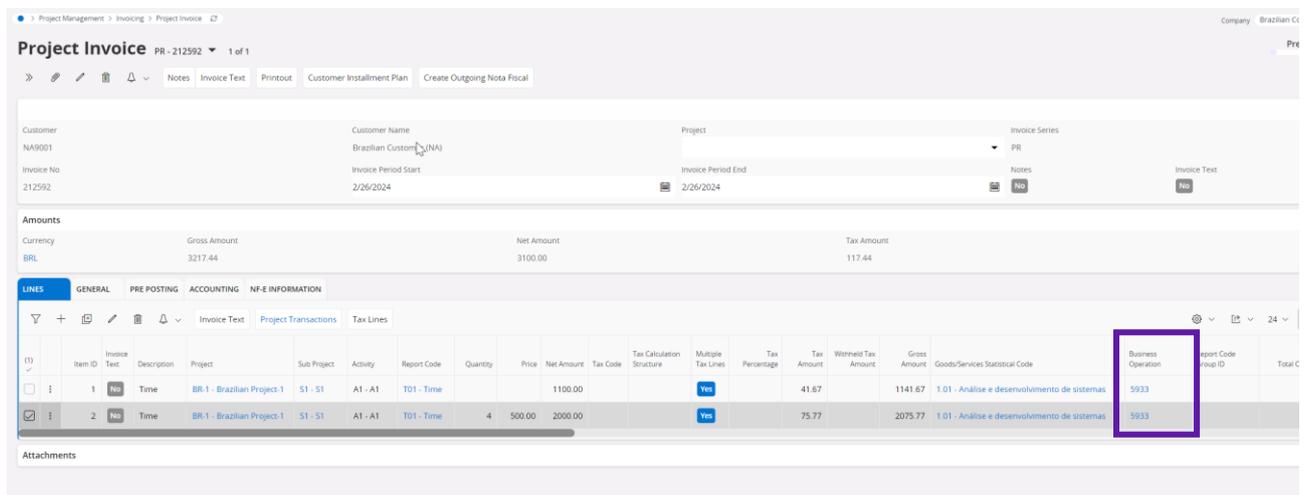
The Business Operation value (CFOP) will be included in the NF-e XML file for each item. See further information in the *Outgoing Nota Fiscais* chapter and in the *Appendix* for the mapping between IFS and XML file.

2.9 Enter Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality.

2.10 Create Project Invoice

Create a preliminary Project Invoice and the Business Operation value will be received from the tax calculation engine for each Project Invoice Line in column **Business Operation**.



The screenshot shows the 'Project Invoice' interface in IFS Cloud. The 'Amounts' section displays a Gross Amount of 3217.44 BRL and a Net Amount of 3100.00. The 'LINES' section contains a table with the following data:

Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percentage	Tax Amount	Withheld Tax Amount	Gross Amount	Goods/Services Statistical Code	Business Operation	Report Code Group ID	Total C
1	Time	BR-1 - Brazilian Project.1	S1 - S1	A1 - A1	T01 - Time			1100.00			Yes		41.67		1141.67	1.01 - Analise e desenvolvimento de sistemas	5933			
2	Time	BR-1 - Brazilian Project.1	S1 - S1	A1 - A1	T01 - Time		4	500.00	2000.00		Yes		75.77		2075.77	1.01 - Analise e desenvolvimento de sistemas	5933			

2.11 Enter Purchase Order

The field will be empty when entering a Purchase Order Line. Business Operation will only have a value on Purchase Order Line once received from Avalara.

Purchase Order P100722 - CE-BR-SUP1 - CE-B1 1 of 2

Status Share Order History Fetch External Tax Pre Posting Document Text Purchase Order Change Order Copy Order Pricing Centralize

Order No: P100722
 Supplier: **CB** CE-BR-SUP1 - Cecilia brazil supplier 1
 Site: CE-B1 - Cecilia site 1 BR co
 Order Code: 1 - NORMAL
 Receipt Date: 8/21/23, 12:00 ...

Not Shared

Order Amounts

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
118.00 BRL	118.00 BRL	0.00 BRL	118.00 BRL

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

Status Line Details Create Lines from Template Copy Lines Price Comparison Part Purchase Component External Service Orders

(1)	Part No	Quantity	Business Operation	Goods/Services Statistical Code	Acquisition Origin	Acquisition Reason	Discou... (%)	Discount Amount	Taxable
<input checked="" type="checkbox"/>	CE-BRAZIL-PART1	1		45019000 - waste of c...	4 - Nacional, cuja produção t...	SC-BR-RS - Goods for Resale	0	0.00	Yes

2.12 Tax Request to Avalara

After user triggered a request to Avalara, (depending on Company setup this can be done by for example creating/modify a part line or any line connected charge, release the order, use the manual command, etc.) the response from Avalara will include a value for Business Operation. All details related to the Avalara request mapping can be seen in the Appendix.

2.13 Delimitations

Project Invoicing for provision of services is supported in this Project Invoice – Initial Solution. Project Invoicing flows not supported in this Project Invoice – Initial Solution are:

- Project Invoicing for sale of goods.
- Creating Project Invoices for provision of services from Batch Invoicing and Project Transactions Review flows.
- Credit Project Invoices and Project Correction Invoices.
- Multi-Company Project Reporting.
- Sales Contract Management.

3 Acquisition Origin

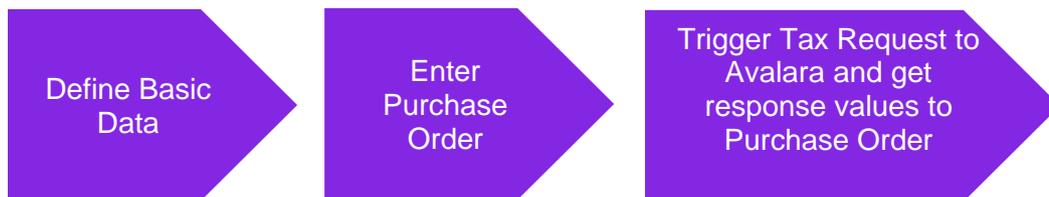
3.1 Overview Legal Requirement

The Brazilian tax authority provides a list of numeric codes to be used to indicate the acquisition origin for a part. The information is used for tracking if a company is applying the proper tax rates. The acquisition origin of a sold part is mandatory information in the NF-e XML file. This is also possible to set on the purchased part in order to have a default value for the purchase order line, this value is mandatory on the purchase order line when sending a request to Avalara.

3.2 Process Overview Sales



3.3 Process Overview Procurement

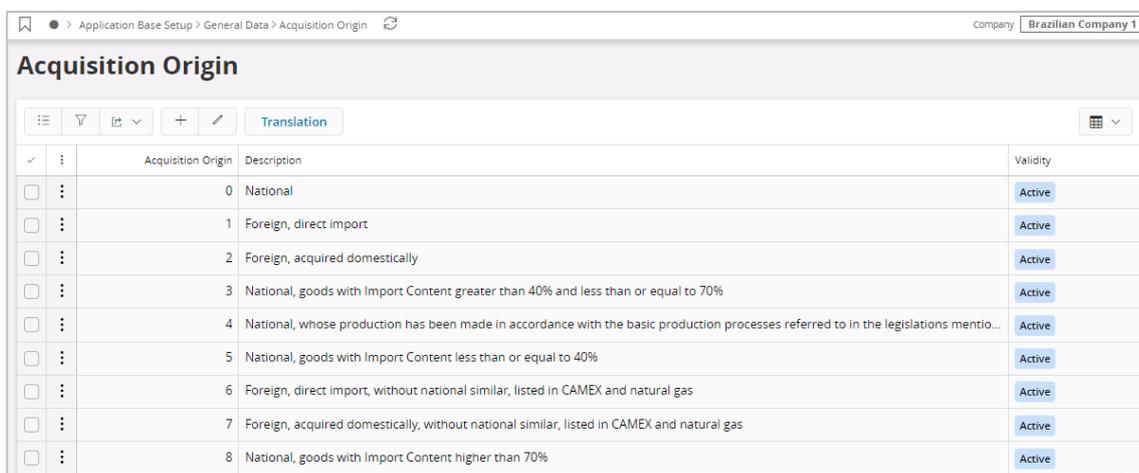


3.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Acquisition Origin” parameter must be enabled (which is mandatory for the Brazil localization).

3.5 Define basic data.

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



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

Enter the default acquisition origin value for each sales part in the **Sales/Part/Sales Part** page and/or for each purchase part in **Procurement/Part/Purchase Part** page.

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

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

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

GENERAL DESCRIPTIONS CHARACTERISTICS CHARGES MAINTENANCE PART SPECIFIC OVERHEADS

Inventory Part Part No: 181 Description: Garage door handle, Belucci design Configurable: No DOP: No				Sourcing Sourcing Option: Inventory Order Sourcing Rule:	
Unit Of Measure Inventory UoM: pcs Inventory Conversion Factor: 1 Price UoM: pcs Price Conversion Factor: 1 Sales UoM: pcs Inverted Conversion Factor: 1 Catch UoM:		Grouping Sales Price Group: G1 - Basis Sales Group: 61 - Basic Rebate Group:			
Pricing Price: 200,00 BRL Price Including Tax: 200,00 BRL Expected Average Price: Rental Price: 0,00 BRL Rental Price Including Tax: 0,00 BRL			Tax Tax Code: 0 - Tax 0% Tax Class: Taxable: <input type="checkbox"/> Use Price Incl Tax: <input type="checkbox"/> Acquisition Origin: 3 - National, goods with Import...		

Purchase Part SC-BR-IP1 - SC-BR-Inventory part1 - SCBR3 3 of 6

Supplier for Part Inventory Part Document Text Alternate Purchase Parts Create Sales Part

Part No: SC-BR-IP1 Part Description in Use: SC-BR-Inventory part1 Site: SCBR3

Notes

GENERAL CHARACTERISTICS DESCRIPTIONS SUPPLIERS SUPPLIER AGREEMENTS SUPPLIER SPLIT DELIVERY OVERHEADS QUALITY REQUIREMENTS

Part Parameters

Indicators: Over Delivery

Goods/Services Statistical Code: 45019000 - Waste of cork

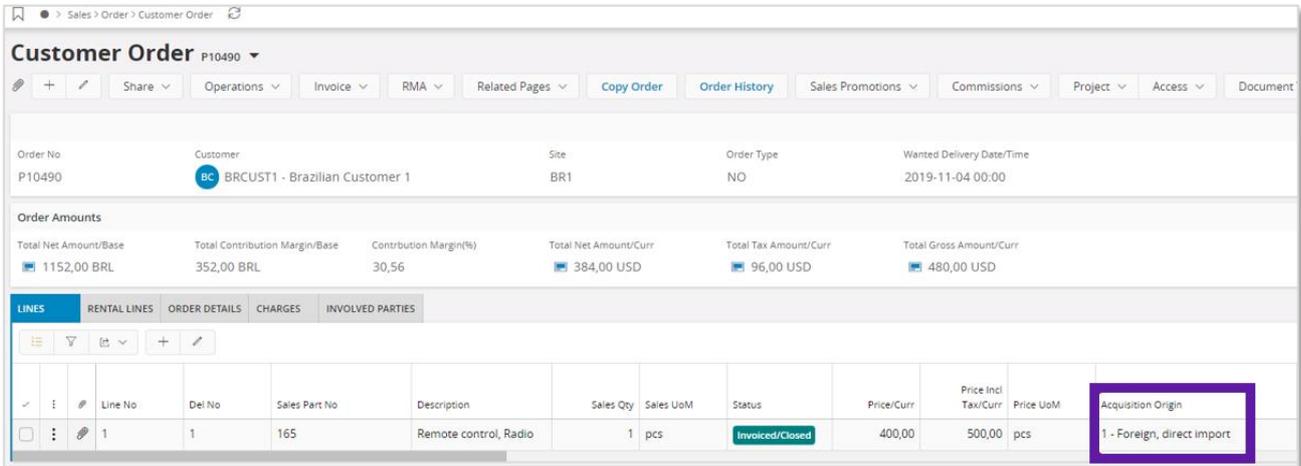
Order Closing: Automatic Order Closing: Closing Tolerance (%): 0

Acquisition

Acquisition Reason: SC.BR.RS - Goods for Resale Acquisition Origin: 3 - Nacional, mercador... ou bem com Conteúdo de Importação superior a 40% (quarenta por cento) e inferior ou l...

3.6 Enter Customer Order

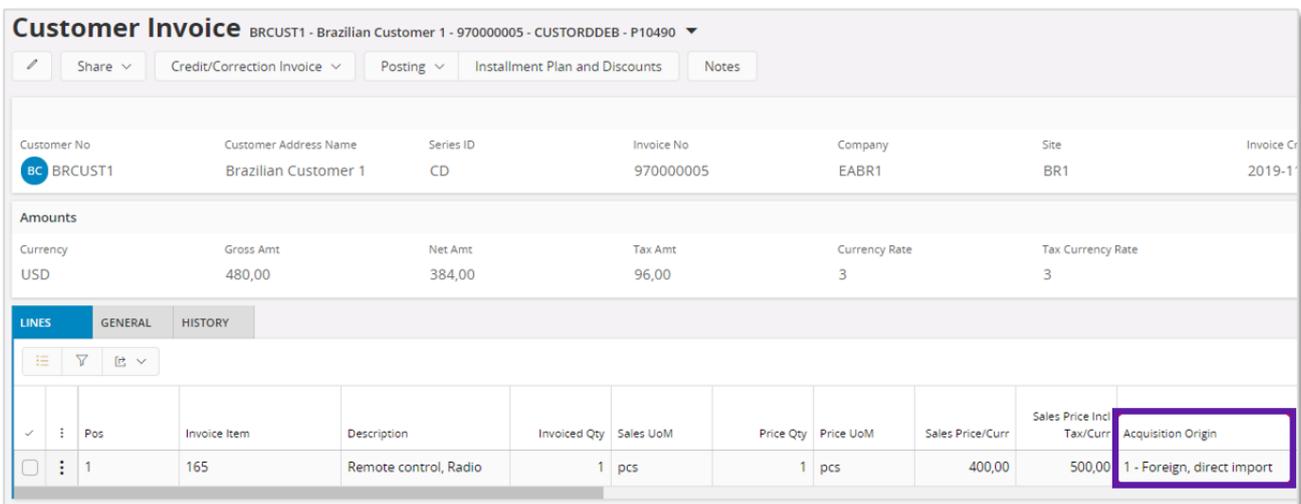
Enter a customer order header with lines in the **Sales/Order/Customer Order** page. The default value for Acquisition Origin per each order line will be fetched from the Sales Part but can be manually changed.



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

3.7 Create Customer Order Invoice

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



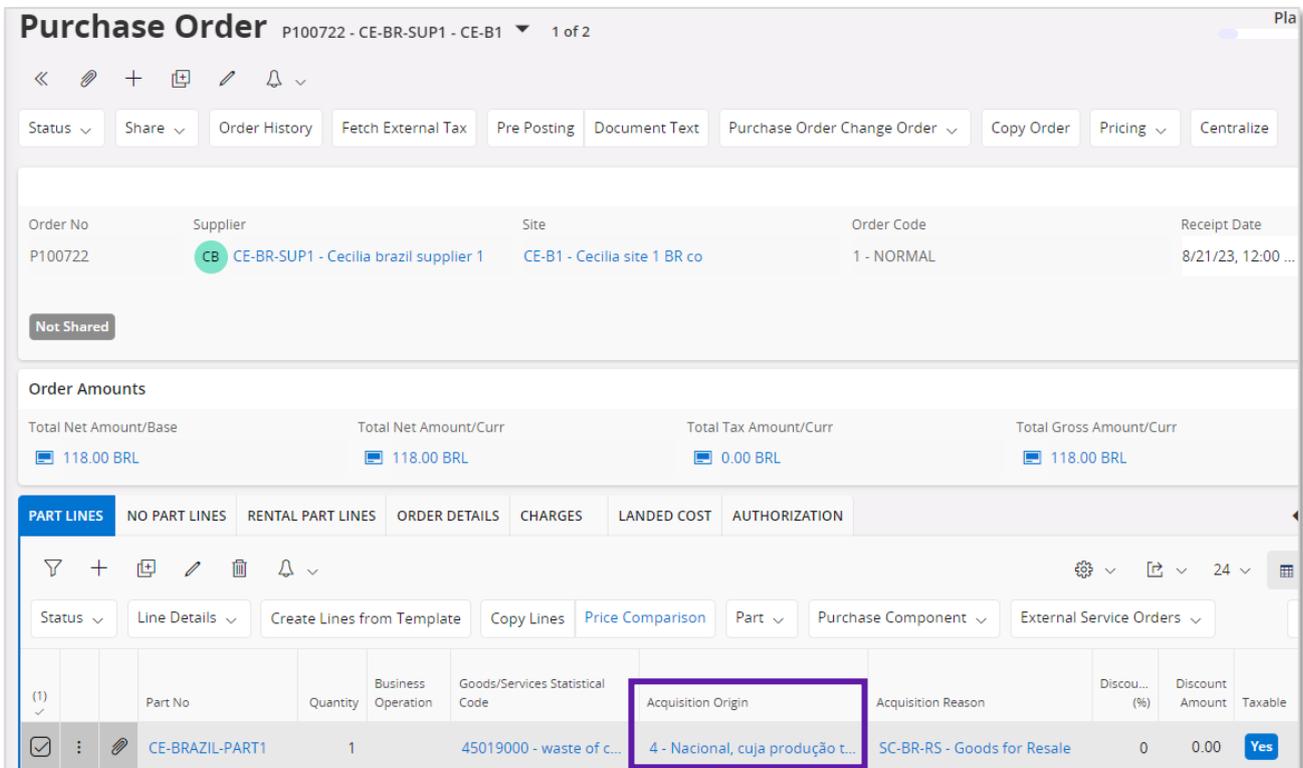
Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price Qty	Price UoM	Sales Price/Curr	Sales Price Incl Tax/Curr	Acquisition Origin
1	165	Remote control, Radio	1	pcs	1	pcs	400,00	500,00	1 - Foreign, direct import

3.8 Generate NF-e XML file

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

3.9 Enter Purchase Order

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



Purchase Order P100722 - CE-BR-SUP1 - CE-B1 1 of 2

Order No: P100722 | Supplier: CE-BR-SUP1 - Cecilia brazil supplier 1 | Site: CE-B1 - Cecilia site 1 BR co | Order Code: 1 - NORMAL | Receipt Date: 8/21/23, 12:00 ...

Order Amounts

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
118.00 BRL	118.00 BRL	0.00 BRL	118.00 BRL

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

(1)	Part No	Quantity	Business Operation	Goods/Services Statistical Code	Acquisition Origin	Acquisition Reason	Discou... (%)	Discount Amount	Taxable
✓	CE-BRAZIL-PART1	1		45019000 - waste of c...	4 - Nacional, cuja produção t...	SC-BR-RS - Goods for Resale	0	0.00	Yes

3.10 Tax Request to Avalara

Acquisition Origin will be included in the Avalara request file for each item. See further information in the *Appendix* for the mapping between IFS and Avalara.

3.11 Delimitations

No part lines, rental lines, master parts with Product Type Classification as “Services”, non-line connected charges are not supported for the procurement flow. Furthermore are the flows Purchase Requisition, Order Quotation and Purchase Order Change Order not supported.

4 Goods/Services Statistical Codes definition per company

4.1 Overview Legal Requirement

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

4.2 Process Overview

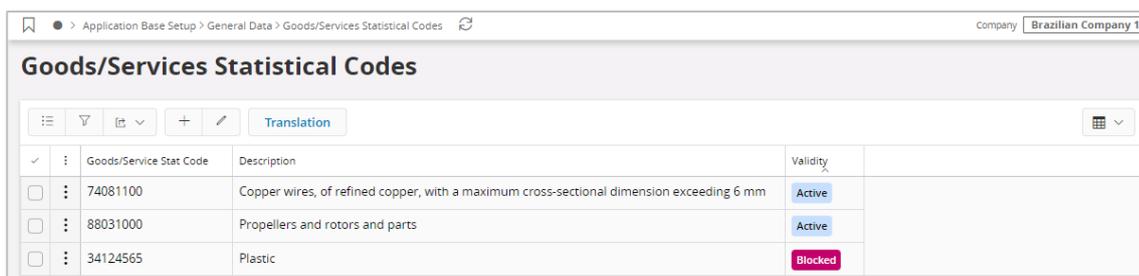


4.3 Prerequisites

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

4.4 Enter basic data

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



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

4.5 Delimitations

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

5 Goods/Services Statistical Codes set-up

5.1 Overview Legal Requirement

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

5.2 Process Overview Sales

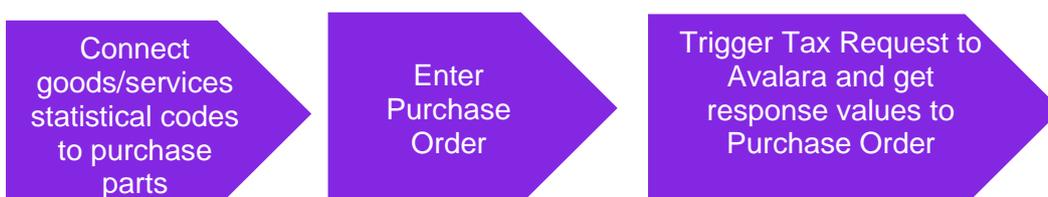
5.2.1 PROCESS OVERVIEW WITH CUSTOMER ORDER SALES OF GOODS



5.2.2 PROCESS OVERVIEW WITH PROJECT INVOICE – INITIAL SOLUTION



5.2.3 PROCESS OVERVIEW PROCUREMENT



5.3 Prerequisites

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

5.4 Connect Goods/Services statistical codes to sales part and purchase part.

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

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

Inventory Part Availability Planning Complementary Parts Substitute Sales Part Inv

Sales Part No: 181 Part Description in Use: Garage door handle, Belucci design

GENERAL DESCRIPTIONS CHARACTERISTICS CHARGES MAINTENANCE PART SPECIFIC OVERHEADS

Inventory Part

Part No: 181 Description: Garage door handle, Belucci design Configurable: No DOP: No

Unit Of Measure

Inventory UoM	Inventory Conversion Factor	Price UoM	Price Conversion Factor
pcs	1	pcs	1

Inverted Conversion Factor: 1 Catch UoM

Pricing

Price	Price Including Tax	Expected Average Price
200,00 BRL	200,00 BRL	

Rental Price Including Tax: 0,00 BRL

GTIN

GTIN GTIN Series

Indicators

Goods/Services Statistical Code

Goods/Services Statistical Code

74081100 - Copper wires, of r...

Attachments

Connect the goods/service statistical code to purchase parts in the **Procurement/Part/Purchase Part** page.

Purchase Part CE-BRAZIL-PART1 - Cecilia part 1 in Brazil - CE-B1 1 of 7

Supplier for Part Inventory Part Document Text Alternate Purchase Parts Create Sales Part

Part No: CE-BRAZIL-PART1 Part Description in Use: Cecilia part 1 in Brazil Site: CE-B1

Notes

GENERAL CHARACTERISTICS DESCRIPTIONS SUPPLIERS SUPPLIER AGREEMENTS SUPPLIER SPLIT DELIVERY OVERHEADS QUALITY REQUIREMENTS

Part Parameters

Indicators

Goods/Services Statistical Code

Goods/Services Statistical Code

45019000 - waste of cork

Over Delivery

Goods/Services Statistical Code for Manuf

Order Closing

Acquisition

Acquisition Reason: SC-BR-RS - Goods for Resale Acquisition Origin: 4 - Nacional, cuja produção tenha sido feita em conformidade com os processos prod...

5.5 Enter Customer Order

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

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

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

Customer Order S10018

←
Status ▾
Share ▾
Operations ▾
Freight ▾
Invoice ▾
Related Pages ▾
Copy Order
Order History

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

Order Amounts

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

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES			
+ 🗑️ 📄 Save Cancel New							
(1) ✓	Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Goods/Services Statistical Code
<input checked="" type="checkbox"/>			DU:BR:INV:1 ▾	DU:BR:INV:1	1	PCS	1214574314 - Plas... ▾

5.6 Create Customer Order Invoice

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

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

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

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

Amounts

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

LINES GENERAL NF-E INFORMATION HISTORY

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

5.7 Generate NF-e XML file

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

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

5.8 Connect Goods/Services Statistical Codes to Report Codes

Connect the Goods/Service Statistical Code to Report Codes in the **Project Management/Project Basic Data/Report Codes/Report Code Details** page.

Project Management > Project Basic Data > Report Codes > Report Code Details

Report Code Details

Report Code	Report Code Name	Report Code Type	Report Code Group ID	Create Cost Accounting	Invoicability	Taxable	Tax Code	Tax Class	Delivery Type	Transfer Deductible Tax	Goods/Services Statistical Code	Valid From	Valid To
T01	Time	Time		Yes	Invoicable	Yes	0 - Tax 0%			No	1.01 - Análise e desenvolvimento de sistemas	12/1/2023	12/31/9999

5.9 Enter Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality. When entering the Invoicing Plan/Project Transaction select the above Report Code with the “Goods/Services Statistical Codes” connected.

5.10 Create Project Invoice

Create a preliminary Project Invoice. The Goods/Services Statistical Code value for each invoice line is automatically fetched from the Report Code. User can edit the invoice line and manually change the Goods/Services Statistical Code as long as the invoice is in “Preliminary” status and no Outgoing Nota Fiscales are created for the Project Invoice.

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

Project Management > Invoicing > Project Invoice

Company: Brazilian C

Project Invoice PR-212592 1 of 1

Notes Invoice Text Printout Customer Installment Plan Create Outgoing Nota Fiscal

Customer	Customer Name	Project	Invoice Series
NA9001	Brazilian Custom (N/A)		PR
Invoice No	Invoice Period Start	Invoice Period End	Notes
212592	2/26/2024	2/26/2024	No

Amounts

Currency	Gross Amount	Net Amount	Tax Amount
BRL	3217.44	3100.00	117.44

LINES GENERAL PRE POSTING ACCOUNTING NF-E INFORMATION

Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percentage	Tax Amount	Withheld Tax Amount	Goods/Services Statistical Code	Business Operation	Report Code Group ID	Total C
1	No	Time	BR-1 - Brazilian Project-1	S1 - S1	A1 - A1	T01 - Time			1100.00			Yes		41.67	1141.67	1.01 - Análise e desenvolvimento de sistemas	5933		
2	No	Time	BR-1 - Brazilian Project-1	S1 - S1	A1 - A1	T01 - Time	4	500.00	2000.00			Yes		75.77	2075.77	1.01 - Análise e desenvolvimento de sistemas	5933		

Attachments

5.11 Enter Purchase Order

Enter a purchase order header with part lines in the **Procurement/Order/Purchase Order** page (standard functionality). Then enter a purchase order part line and select the Purchase Part with the “Goods/Services Statistical Codes” connected.

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

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

5.12 Tax Request to Avalara

The Goods/Services Statistical Code (NCM) connected to the Purchase Order Line is a part of the information to be included in the Request file sent to Avalara.

See further information in the *Appendix* for the mapping between IFS and Avalara.

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

Description to be added in coming versions.

5.14 Delimitations

Connection of Goods/Services Statistical Codes is limited to Sales Parts, Report Codes and Purchase Parts in this version.

Project Invoicing for provision of services is supported in this Project Invoice – Initial Solution. Project Invoicing flows not supported in this Project Invoice – Initial Solution are:

- Project Invoicing for sale of goods.
- Creating Project Invoices for provision of services from Batch Invoicing and Project Transactions Review flows.
- Credit Project Invoices and Project Correction Invoices.

6 Brazilian specific fiscal attributes

6.1 Overview Legal Requirement

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

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

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

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

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

6.2 Process Overview Sales

6.2.1 PROCESS OVERVIEW WITH CUSTOMER ORDER SALES OF GOODS



6.2.2 PROCESS OVERVIEW WITH PROJECT INVOICE – INITIAL SOLUTION

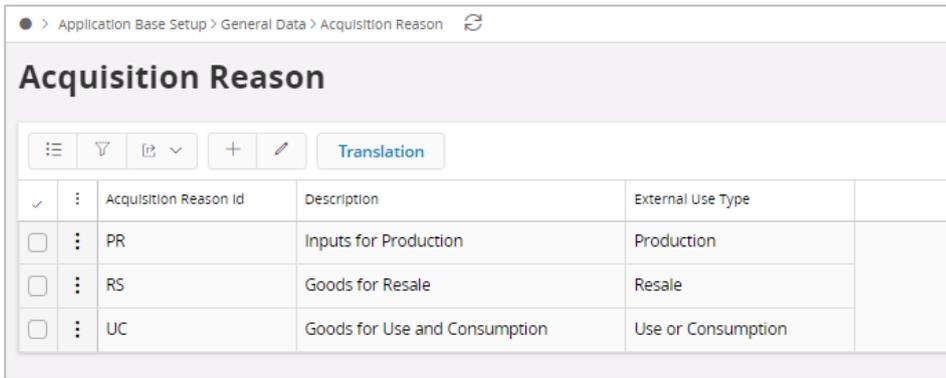


6.3 Process Overview Procurement



6.4 Enter basic data.

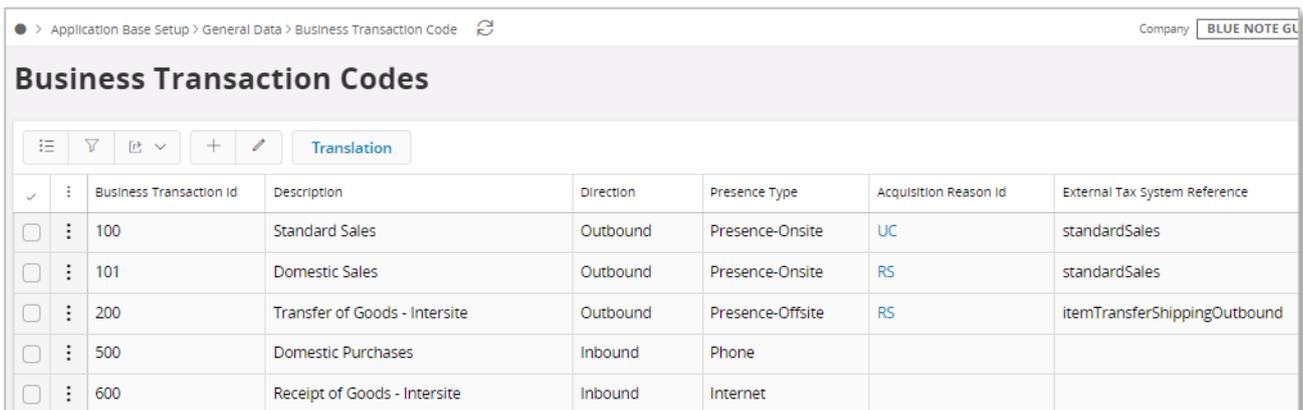
Navigate to **Acquisition Reason** page available in Application Base Setup/General Data/Acquisition Reason. Enter the Acquisition Reason ID, description and choose External Use Type from the dropdown list.



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

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

For example, in procurement flow the Direction should be Inbound and to get the Avalara Tax Integration to work, the Business Transaction Id need to be connected to an External Tax System Reference as for example standardPurchase. Also, Presence Type is needed. The value set for Acquisition Reason Id will be used as the default value on Purchase Order Lines, if the value is missing on the Purchase Part.



✓	:	Business Transaction Id	Description	Direction	Presence Type	Acquisition Reason Id	External Tax System Reference
<input type="checkbox"/>	:	100	Standard Sales	Outbound	Presence-Onsite	UC	standardSales
<input type="checkbox"/>	:	101	Domestic Sales	Outbound	Presence-Onsite	RS	standardSales
<input type="checkbox"/>	:	200	Transfer of Goods - Intersite	Outbound	Presence-Offsite	RS	itemTransferShippingOutbound
<input type="checkbox"/>	:	500	Domestic Purchases	Inbound	Phone		
<input type="checkbox"/>	:	600	Receipt of Goods - Intersite	Inbound	Internet		

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

Accounting Rules > Posting Rules > Posting Control

Posting Control

Posting Type ▾ Code Part Name ▾ Control Type : C128 ✕ More ▾ Favorites Clear 🔍 Settings

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

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

Posting Control Details

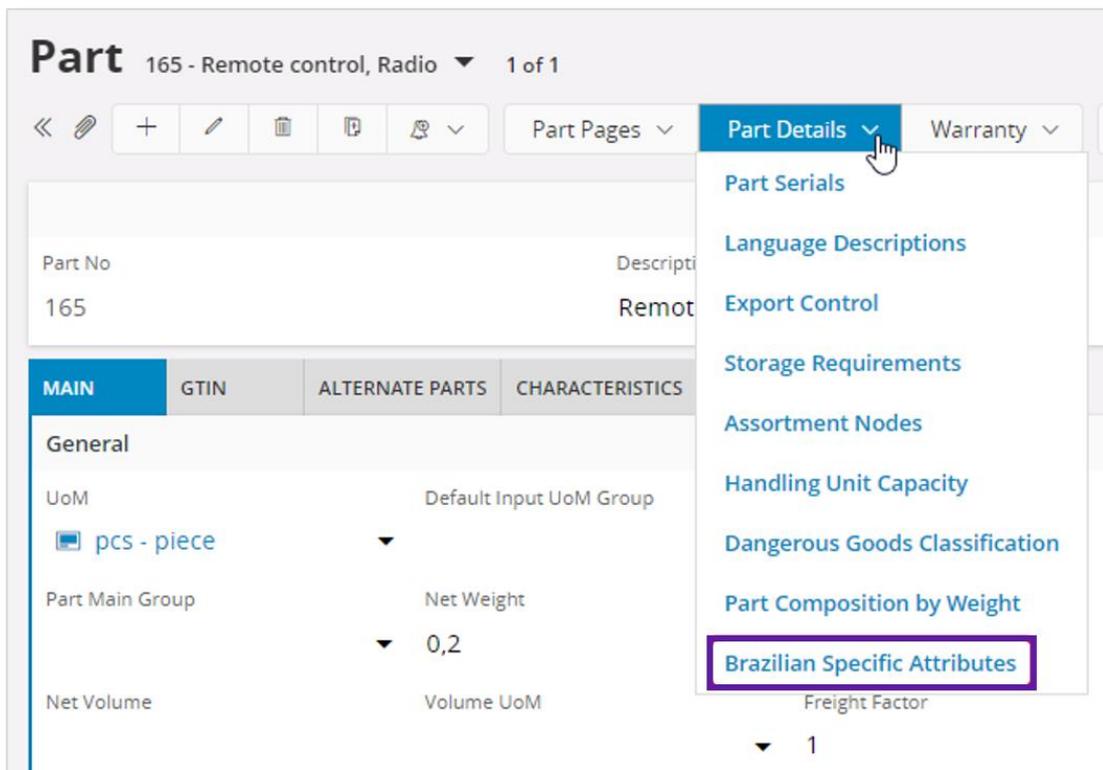
IP4 - Account - C128 1 of 1

<< Copy Details Set-up

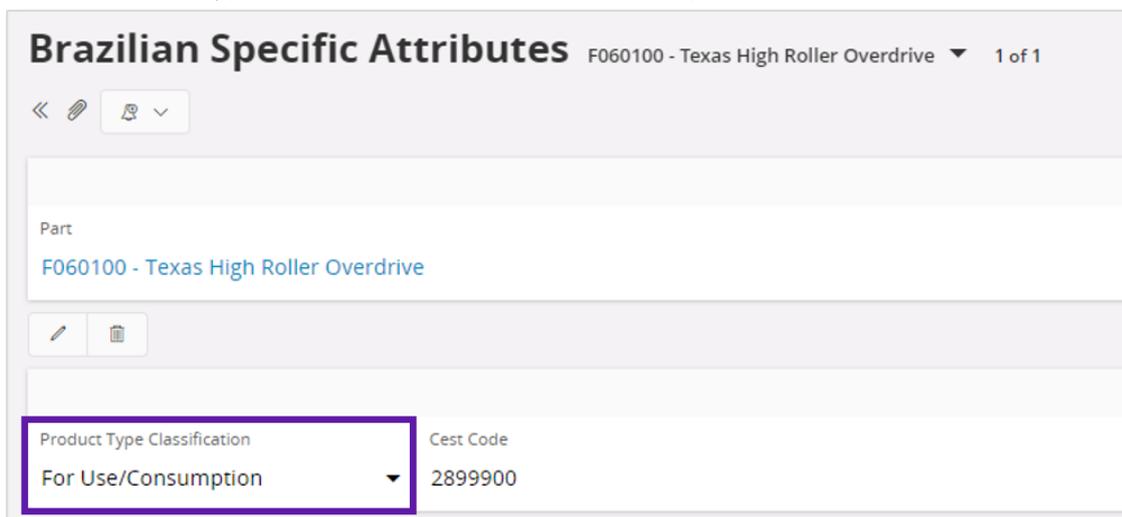
Posting Type	Code Part Name	Control Type
IP4	Account	C128
Default Value No CT Value	Valid From	
	10/2/2021	

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

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



Select Product Type Classification value from the dropdown list.



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

Brazilian Specific Attributes

F060100 - Texas High Roller Overdrive 1 of 1

Part
F060100 - Texas High Roller Overdrive

Product Type Classification: For Use/Consumption

Cest Code: 2899900

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

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

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

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

Purchase Part SC-BR-IP1 - SC-BR-Inventory part1 - SCBR3 3 of 6

Supplier for Part Inventory Part Document Text Alternate Purchase Parts Create Sales Part

Part No: SC-BR-IP1 Part Description in Use: SC-BR-Inventory part1 Site: SCBR3

Notes

GENERAL CHARACTERISTICS DESCRIPTIONS SUPPLIERS SUPPLIER AGREEMENTS SUPPLIER SPLIT DELIVERY OVERHEADS QUALITY REQUIREMENTS

Part Parameters

Indicators: Over Delivery

Goods/Services Statistical Code

Goods/Services Statistical Code: 45019000 - Waste of cork Goods/Services Statistical Code for Manuf:

Order Closing

Automatic Order Closing: Closing Tolerance (%): 0

Acquisition

Acquisition Reason: SC-BR-RS - Goods for Resale Acquisition Origin: 3 - Nacional, mercadoria ou bem com Conteúdo de Importação superior a 40% (quarenta por cento) e inferior ou L...

6.5 Enter Customer Order

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

Customer Order P10739 1 of 15 Released

Status Share Operations Freight

Order Amounts

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES
...				Delivery Address
Delivery Settings				Document Address
Delivery Confirmation				Invoice
				Order Picking
				Shipment
				Brazilian Specific Attributes
				Business Transaction Id
				100 - RCA BUSINESS TRANSACTION TEST

6.6 Enter Customer Order Line

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

1st – Acquisition Reason Id value is inherited from the Business Transaction Id defined for the Customer Order.

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

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

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

6.7 Connect Business Transaction ID to Project

Connect the Business Transaction ID to Project in the **Project Management/Plan and Execute/Project Setup Parameters** page, group Brazilian Specific Attributes.

Project Management > Plan and Execute > Project Setup Parameters

Project Setup Parameters

Project: BR-1 - Brazilian Project-1 | Company: BR01 - Brazilian Company 01 | Base Currency: BRL - Brazilian Real | Project Status: Approved

Manager: JACKIE - Jackie Stewart

Settings

- Internal Rental Price List: Within Project
- Material Allocation: Within Project
- Misc Demand Component Planning Method: Manually Planned
- Probability To Win: 100%
- Project Unique Procurement:
- Project Unique Billing:
- Project Access On:
- Propose Project Transaction:
- Exclude Project From Batch Invoices:
- Invoice Comment Mandatory:
- Branch: [Dropdown]

Budgeting and Forecasting

- Financially Responsible: [Dropdown]
- Budget Control On: No
- Control As Budgeted: No
- Control On Total Budget: No
- Month End Accruals: Default Cost Activity: [Dropdown]

Brazilian Specific Attributes

Business Transaction ID: 103 - Venda de Serviço

CURRENCY | PRE POSTINGS | MANUAL CONNECTIONS | FINANCE | DOCUMENT TRANSMITTALS | PRICING | RESOURCE CRITERIA | PCE CODE PART | MCPR SUPPLIER ACTIVITY LINKS | MCPR CUSTOMER ACTIVITY LINKS | MCPR DEFAULT SUPPLIER ACTIVITIES | JOB RATE MANAGEMENT

Project Specific Currency Rate Type for Accounting

Accounting Currency Rate Type: [Dropdown] | Accounting Currency Rate Type Category: [Dropdown]

Multi Currency Settings for Budgeting and Forecasting

Budget in Multi Currency: No | BF Currency Rate Type: [Dropdown] | BF Currency Rate Type Category: [Dropdown]

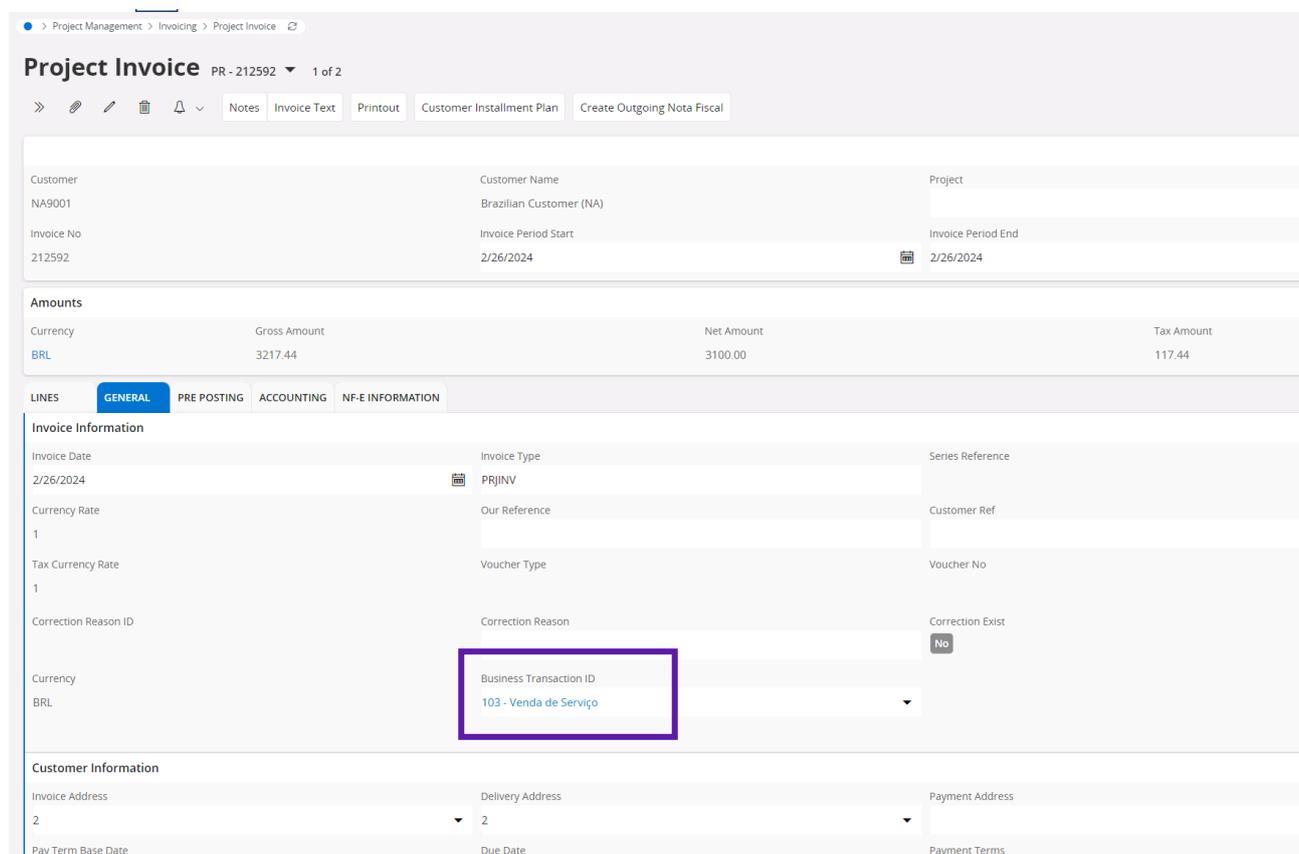
6.8 Enter Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality.

6.9 Create Project Invoice

Create a preliminary Project Invoice. The Business Transaction ID of the invoice is automatically fetched from the Project of the Invoicing Plan/Project Transactions included in the invoice. User can edit the invoice and manually change the Business Transaction ID as long as the invoice is in “Preliminary” status and no Outgoing Nota Fiscals are created for the Project Invoice.

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



Project Invoice PR - 212592 1 of 2

Notes Invoice Text Printout Customer Installment Plan Create Outgoing Nota Fiscal

Customer NA9001	Customer Name Brazilian Customer (NA)	Project
Invoice No 212592	Invoice Period Start 2/26/2024	Invoice Period End 2/26/2024

Currency	Gross Amount	Net Amount	Tax Amount
BRL	3217.44	3100.00	117.44

GENERAL PRE POSTING ACCOUNTING NF-E INFORMATION

Invoice Information

Invoice Date 2/26/2024	Invoice Type PRJINV	Series Reference
Currency Rate 1	Our Reference	Customer Ref
Tax Currency Rate 1	Voucher Type	Voucher No
Correction Reason ID	Correction Reason	Correction Exist No
Currency BRL	Business Transaction ID 103 - Venda de Serviço	

Customer Information

Invoice Address 2	Delivery Address 2	Payment Address
Pay Term Base Date	Due Date	Payment Terms

6.10 Enter Supplier settings for Avalara Integration

On the **Supplier/Address/Delivery Tax Information** there is a possibility to set a default Business Transaction Id that will be fetched when later creating the Purchase Order. This will make it easier to not forget to add this value (as the Avalara integration doesn't work without this value) and also it would save time to not need to set it every time an order is created. Nevertheless, it is important to make sure the value is correct when creating an order and a default value is used. The value can be changed if needed on the Purchase Order.

Address

SC-BR-SUP1 - SC-BR-Supplier1 ▼ 1 of 1

Supplier
Name
Association No

SC-BR-SUP1	SC-BR-Supplier1	
------------	-----------------	--

Address ID: SC-BR-AD2 ▼

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+
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✎
🗑️

Supplier's Own Address ID	Supplier Name	Supplier Branch

GENERAL ADDRESS INFORMATION
DELIVERY TAX INFORMATION
DOCUMENT TAX INFORMATION
PURCHASE ADDRESS INFORMATION
OUTBOUND ADDRESS INFORMATION

Company: SC-BR-COM1 - SC-BR-Company1 ▼

Q
+
📄
✎
🗑️

Tax Calculation Structure

▼

ICMS Tax Payer

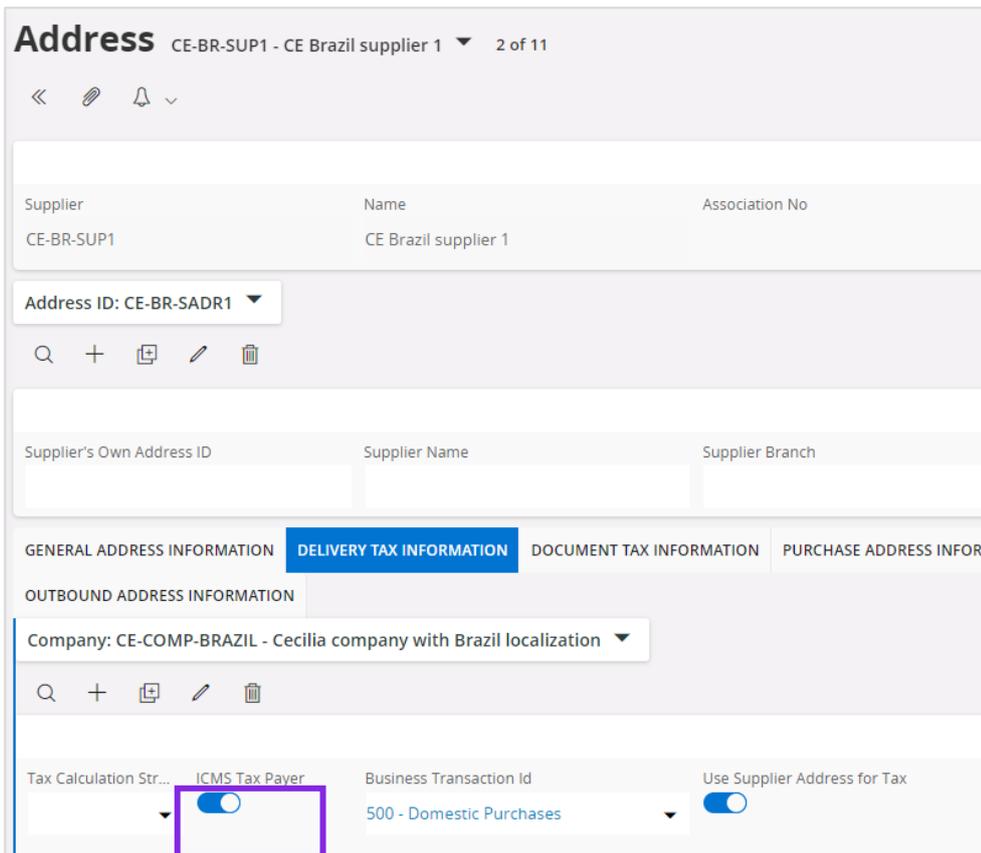
Business Transaction Id

▼

Use Supplier Address for Tax

6.10.1 ICMS TAXPAYER

ICMS Tax Payer is used both for sales flow and procurement flow. For the procurement flow the value can be set in the **Supplier/Address/Delivery Tax Information** tab where it indicates that the supplier is an ICMS tax payer for the specific address ID. (For the sales flow read more in the chapter about Outgoing Nota Fiscal and the Define Basic Data part.)



Address CE-BR-SUP1 - CE Brazil supplier 1 2 of 11

Supplier: CE-BR-SUP1, Name: CE Brazil supplier 1, Association No: [empty]

Address ID: CE-BR-SADR1

Supplier's Own Address ID, Supplier Name, Supplier Branch

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

OUTBOUND ADDRESS INFORMATION

Company: CE-COMP-BRAZIL - Cecilia company with Brazil localization

Tax Calculation Str...: **ICMS Tax Payer** (toggle ON), Business Transaction Id: 500 - Domestic Purchases, Use Supplier Address for Tax: (toggle ON)

6.11 Enter Purchase Order

Follow standard functionality to enter a Purchase Order. Select an option for Business Transaction ID in the corresponding field in **Purchase Order/Order Details** tab, group Brazilian Specific Attributes. If a default value has been set on the Supplier this value will be shown here. It can be changed if needed.

Purchase Order - CE-BR-SUP1 - CE-B1 1 of 3

Save Cancel New

Order No: Supplier: **CE-BR-SUP1 - CE Brazil supplier 1** New Supplier: Site: **CE-B1** Order Code: **1**

Receipt Date: 9/5/23, 12:00 AM

ORDER DETAILS

General

Delivery Address Document Address

Delivery Information

Brazilian Specific Attributes

Business Transaction Id: **500 - Domestic Purchases**

Invoicing

6.12 Enter Purchase Order Line

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

1st – Acquisition Reason Id value is inherited from the Purchase Part if a default value exist.

2nd – If Acquisition Reason Id is not set on the Purchase part, then the value is retrieved from the connected value set in the Purchase Order for Business Transaction Id.

Business Transaction Codes

Translation

Business Transaction Id	Description	Direction	Presence Type	Acquisition Reason Id	External Tax System Reference
200	Transferência entre Filiais	Outbound	Presence-Offsite	SC-BR-RS	standardSales
500	Domestic Purchases	Inbound	Phone	SC-BR-RS	standardPurchase

The Acquisition Reason Id can also be entered/modified manually if the Purchase Order is not Cancelled.

Purchase Order P101053 - CE-BR-SUP1 - CE-B1 1 of 3 Planned

← ✎ + 📄 🔍 🔔 ⌵

Status ▼ Share ▼ Order History Fetch External Tax Pre Posting Document Text Purchase Order Change Order ▼ Copy Order Pricing ▼ Centralize Set Authorization ▼ ⋮

Order No: P101053 Supplier: CB CE-BR-SUP1 - CE Brazil supplier 1 Site: CE-B1 - CE site 1 BR co1 Order Code: 1 - NORMAL Receipt Date: 9/5/23, 12:00 AM 📅

Not Shared

Order Amounts

Total Net Amount/Base: 9.00 BRL Total Net Amount/Curr: 9.00 BRL Total Tax Amount/Curr: 0.00 BRL Total Gross Amount/Curr: 9.00 BRL

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

🔍 + 📄 ✎ 🗑️ 🔔 ⌵ ⚙️ 📄 24 📅 ⋮

Status ▼ Line Details ▼ Create Lines from Template Copy Lines Price Comparison Part ▼ Purchase Component ▼ External Service Orders ▼ Project Connection ▼ ⋮

(1)	Note	Part No	Quantity	Business Operation	Goods/Services Statistical Code	Acquisition Origin	Acquisition Reason	Discour
<input checked="" type="checkbox"/>		CE-BRAZIL-PART3	1		45019000 - waste of c...	4 - Nacional, cuja produção t...	SC-BR-RS - Goods for Resale	10

6.13 Delimitations

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

Project Invoicing for provision of services is supported in this Project Invoice – Initial Solution. Project Invoicing flows not supported in this Project Invoice – Initial Solution are:

- Project Invoicing for sale of goods.
- Creating Project Invoices for provision of services from Batch Invoicing and Project Transactions Review flows.
- Credit Project Invoices and Project Correction Invoices.

7 Purchase Charges with Brazilian Charge Category

7.1 Overview Legal Requirement

For Avalara taxes to be correct there is a need to differentiate costs related to the importation and transport process. For example, costs that should be included in the customs value and costs that should be reported separately as for example freight and insurance.

7.2 Solution overview

To support this a **Brazilian Charge Category** is connected to the **Purchase Charge Type** when using the Brazil localization with Avalara Tax Integration.

Line connected charges on the Purchase order, connected via the Dispatch Advice process, is the main way to handle these transport and importation fees in Brazil. These different charges need to be sent to Avalara in the request file (with correct Avalara tag) in order to have correctly calculated part line taxes.

The **Brazil Charge Category** can be set and edited on the **Purchase Charge Type** page, in **Purchase Order** page on **Charge** tab, in **Supplier for Purchase Part** page on **Charge** tab and in **Incoming Dispatch Advice** Charges assistant. Default value can be set on the Purchase Charge Type. If values are set in the **Supplier for Purchase Part** page, these values are fetched to the Purchase Order.

If the charge line is not line connected the value for Brazil Charge Category will be blank.

7.3 Process overview Purchase Charges



7.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Integration to Brazilian External Tax System” parameter must be enabled (this is not mandatory in Localization Control Center for Brazil localization).

7.5 Connect Brazil Charge Category

In **Purchase Charge Type** page there is a field for **Brazilian Charge Category** only visible when Site company is using Avalara. The possible values to choose from are as below:

- National Freight (connected to Avalara json tag freightAmount)
- National Insurance (connected to Avalara json tag insuranceAmount)
- National Expenses (connected to Avalara json tag otherCostAmount)
- International Freight (connected to Avalara json tag customsValue)
- International Insurance (connected to Avalara json tag customsValue)
- International Expenses (connected to Avalara json tag customsValue)
- AFRMM (connected to Avalara json tag afrmmValue)
- Siscomex (connected to Avalara json tag customsValue)
- Demurrage (connected to Avalara json tag customsValue)
- Wharfage (connected to Avalara json tag customsValue)

Purchase Charge Type CE-BR-CT2 - CE Brazil charge type 2 - CE-B1 ▾ 2 of 3

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Charge Type	Description	Charge Group	Charge Group Description
CE-BR-CT2	CE Brazil charge type 2	INS ▾	Insurance Charges

GENERAL

DESCRIPTIONS

Details

Distribute Charge By ▾	Invoicing Supplier ▾	Charge Price
		1.00 BRL
Charge Price incl Tax	Charge (%)	Unit Charge
1.00 BRL		<input type="checkbox"/>
Distribute on Receipt <input type="checkbox"/>	HSN/SAC Code ▾	Brazilian Charge Category
		National Insurance ▾

Tax

Tax Code

Indicators

Intrastat Exempt

7.6 Default Charges on Supplier for Purchase Part

If needed it is possible to add default values for Charges in the **Supplier for Purchase Part** page. If a Brazil Charge Category has been set for the Purchase Charge Types this value will be defaulted, but the values can also be changed in this page.

Supplier for Purchase Part CE-BRAZIL-PURPART2 - CE pur part in brazil - CE-B1 - CE-BR-SUP1 9 of 10

[Create Customer](#)
[Create Sales Part](#)
[Supplier Warranty](#)
[Control Plan](#)
[Export Control](#)
[Emissions](#)
[Alternate Purchase Parts](#)
[Document Text](#)
[Set Qualified Supplier](#)

Part: CE-BRAZIL-PURPART2 - CE pur part in brazil
 Supplier: **CB** CE-BR-SUP1 - CE Brazil supplier 1
 Supplier Contact:
 Site: CE-B1
 Active:
 Document Text: **No**

Notes

[GENERAL](#)
[INSPECTION INFO](#)
[PRICE LIST](#)
[RENTAL PRICE LIST](#)
[MANUFACTURERS](#)
[CONSIGNMENT](#)
[CHARGES](#)
[DELIVERY OVERHEADS](#)

	Brazilian Charge Category	Charge Type	Charge Group	Charge Group Desc	Distribute Charge By	Invoicing Supplier	Charged Qty	Charge Price
<input type="checkbox"/>	National Insurance	CE-BR-CT2 - CE Brazil ch...	INS	Insurance Charges		CB CE-BR-SUP1	1	1.00

Attachments

7.7 Add or modify Charges in Purchase Order and/or Incoming Dispatch Advice

If default charges have been added in Supplier for Purchase Part these will be inherited to the Purchase Order. These values can be modified if needed in the Purchase Order. It is only charges that are connected to Purchase Order Lines that will have a value in Brazilian Charge Category. This value can be changed if needed also in the Purchase Order. In the **Purchase Order/Charges** tab it is also possible to add and modify new charge lines. They need to be connected to a Purchase Order Line in order to have a **Brazil Charge Category** visible or added.

Purchase Order P101062 - CE-BR-SUP1 - CE-B1 1 of 2

Status ▾ Share ▾ Order History Fetch External Tax Pre Posting Document Text Purchase Order Change Order ▾

Order No: P101062
 Supplier: **CB** CE-BR-SUP1 - CE Brazil supplier 1
 Site: CE-B1 - CE site 1 BR co1
 Order C: 1 - NOI

Not Shared

Order Amounts

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

Connect to Rel No	Connect to Line No	Brazilian Charge Category	Sequence No	Charge Type
			6	CE-BR-CT1
1	3	National Insurance	5	CE-BR-CT2
1	1	National Freight	3	CE-BR-CT3

One common way to add transport related costs in Brazil is to use **Incoming Dispatch Advice** page and add charges there. Also in this dialog for **Charges for Incoming Dispatch Advice**, the value for **Brazilian Charge Category** can be changed if needed. The value connected to the **Charge Type** will be default if existing.

Charges for Incoming Dispatch Advice

Transfer charges to purchase order

Brazilian Charge Category	Sequence No	Charge Type	Charge Currency	Distribute Charge By	Connect to Purchase Order No	Connect to Line No	Connect to Rel No	Transferred to Orders	Invoicing Supply
<input checked="" type="checkbox"/> National Freight	1	CE-BR-CT1	BRL		P101062	1	1	No	CE CE-BR-SI

OK Cancel

If new charge lines are added or modified they need to be either line connected or distributed per line in order to have a **Brazilian Charge Category**.

7.8 Tax Request to Avalara

Purchase Order Line connected charges is a part of the information to be included in the Request file sent to Avalara.

See further information in the *Appendix* for the mapping between IFS and Avalara.

8 Company, Customer and Supplier basic data for tax calculation, Nota Fiscal and Avalara request

8.1 Overview Legal Requirement

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

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

8.2 Solution overview

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

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

8.3 Process overview



8.4 Prerequisites

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

8.5 Enter Basic data

Classification of Business

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

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

Classification of Business

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

Forms of Business

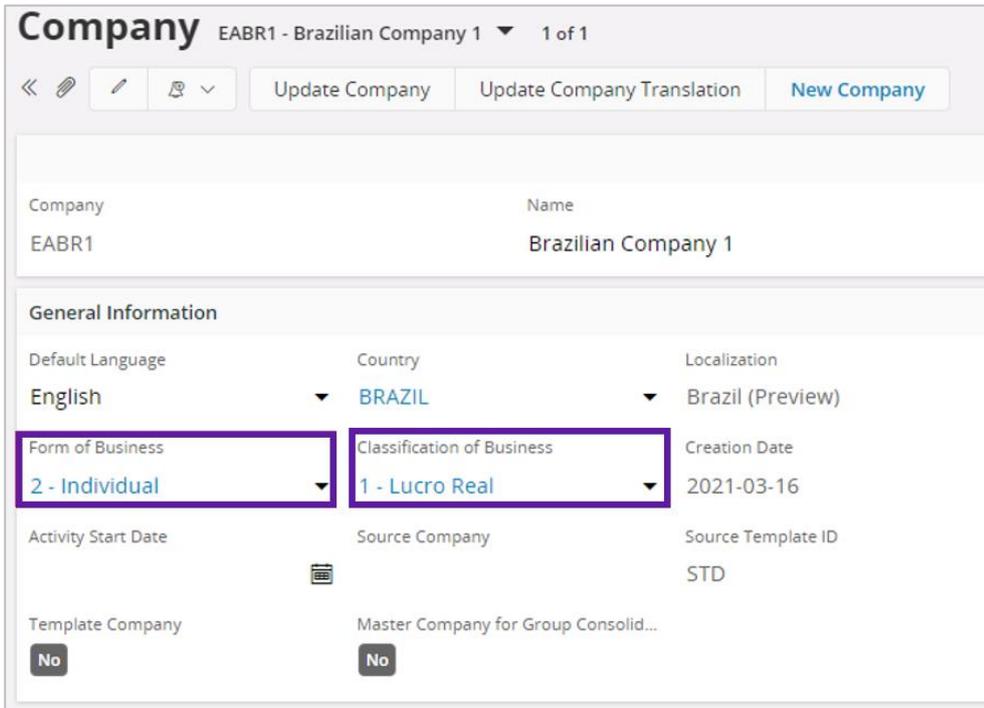
Go to the page **Application Base Setup/Enterprise/Company/Basic Data/Forms of Business** . where entity types for country Brazil were added. From this page, query, Country as “BR-Brazil” and find the system defined Brazilian specific *Forms of Business* records.

Forms of Business

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

Company: Form of Business and Classification of Business

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



Company EABR1 - Brazilian Company 1 1 of 1

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

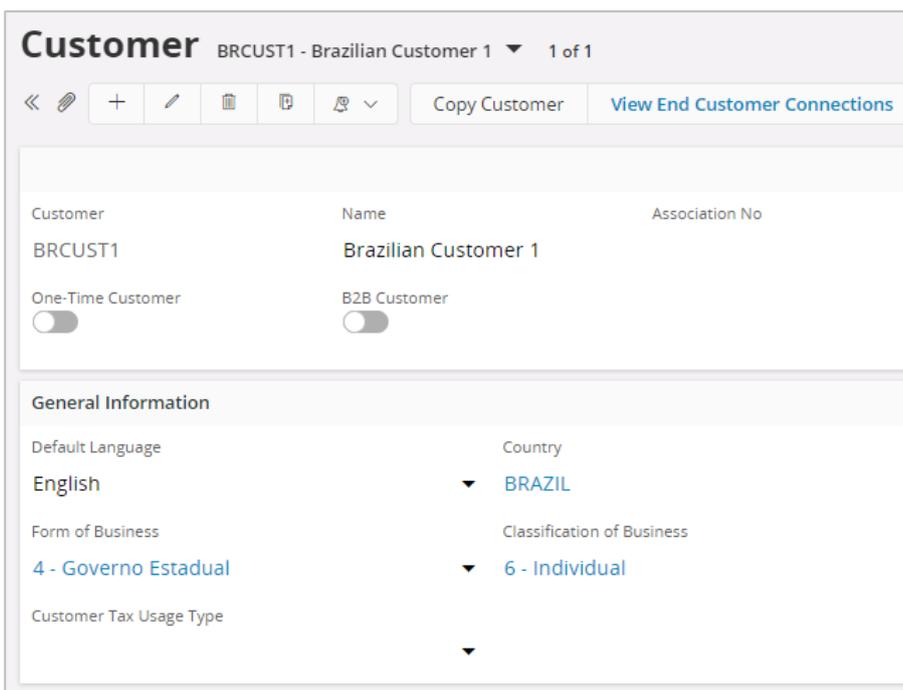
Company	Name
EABR1	Brazilian Company 1

General Information

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

Customer: Form of Business and Classification of Business

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



Customer BRCUST1 - Brazilian Customer 1 1 of 1

Copy Customer [View End Customer Connections](#)

Customer	Name	Association No
BRCUST1	Brazilian Customer 1	

One-Time Customer B2B Customer

General Information

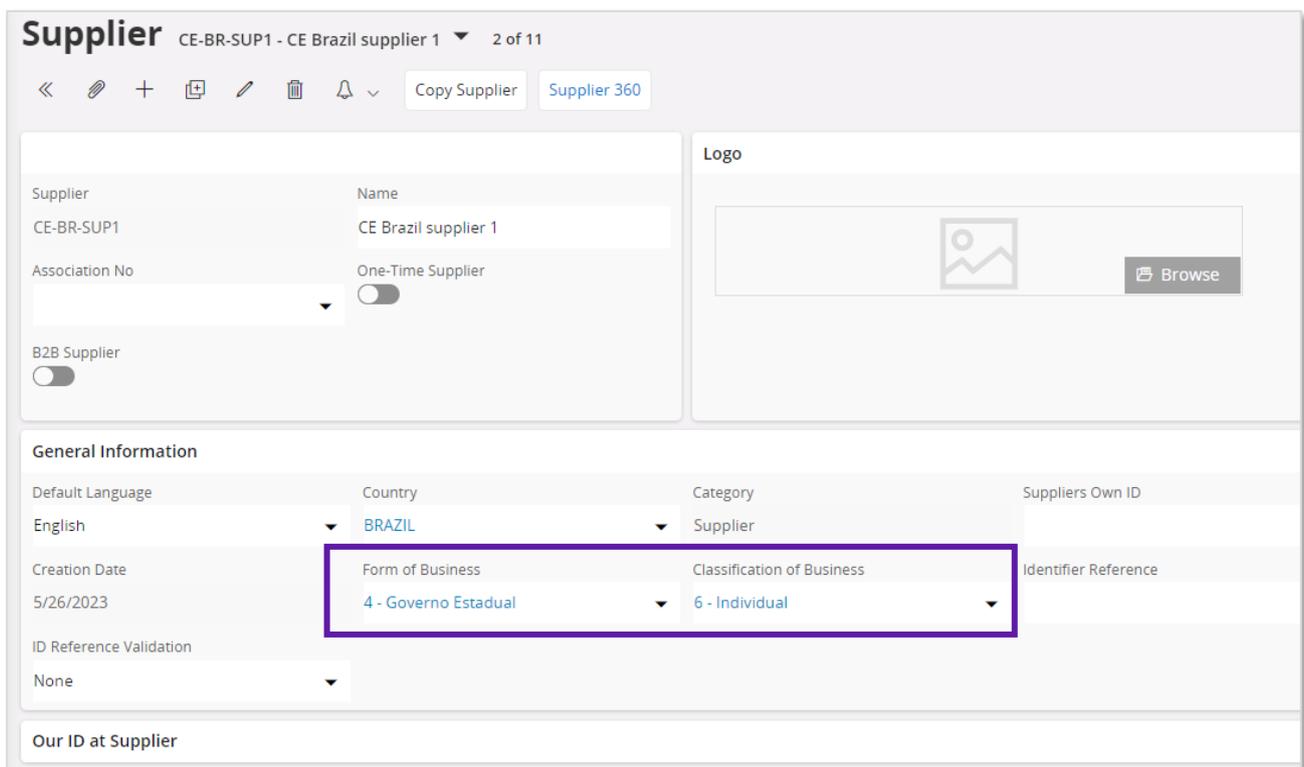
Default Language	Country
English	BRAZIL
Form of Business	Classification of Business
4 - Governo Estadual	6 - Individual
Customer Tax Usage Type	

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

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

Supplier: Form of Business and Classification of Business

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



The screenshot shows the 'Supplier' form for 'CE-BR-SUP1 - CE Brazil supplier 1'. The 'General Information' tab is active. The 'Form of Business' and 'Classification of Business' fields are highlighted with a purple box. The 'Form of Business' is set to '4 - Governo Estadual' and 'Classification of Business' is set to '6 - Individual'. Other fields include 'Default Language' (English), 'Country' (BRAZIL), 'Category' (Supplier), 'Suppliers Own ID', 'Creation Date' (5/26/2023), 'Identifier Reference', and 'ID Reference Validation' (None). There are also buttons for 'Copy Supplier' and 'Supplier 360'.

The field **Form of Business** can set to different values depending on supplier. For example 6 for foreign suppliers, that indicates that this is an international supplier which will show the description "Estrangeiro".

The field **Classification of Business**" can also be set to different values depending on supplier. For example 7 for foreign suppliers, that indicates that this is an international supplier which will show the description "Não Aplicável".

9 Address specific tax registration numbers

9.1 Overview Legal Requirement

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

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

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

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

The above tax registration numbers are mandatory information for both NF-e issuer and receiver in the NF-e XML. Also this info is needed in the procurement flow in the Avalara request.

9.2 Process Overview



9.3 Prerequisites

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

9.4 Enter basic data for tax id types

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

Tax ID Types

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

9.5 Enter address specific tax id numbers

9.5.1 COMPANY

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

Application Base Setup > Enterprise > Company > Company > Address

Address EABR1 - Brazilian Company 1

Address ID: 1

Company's Own Address ID

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

Tax Calculation Structure

Taxes

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

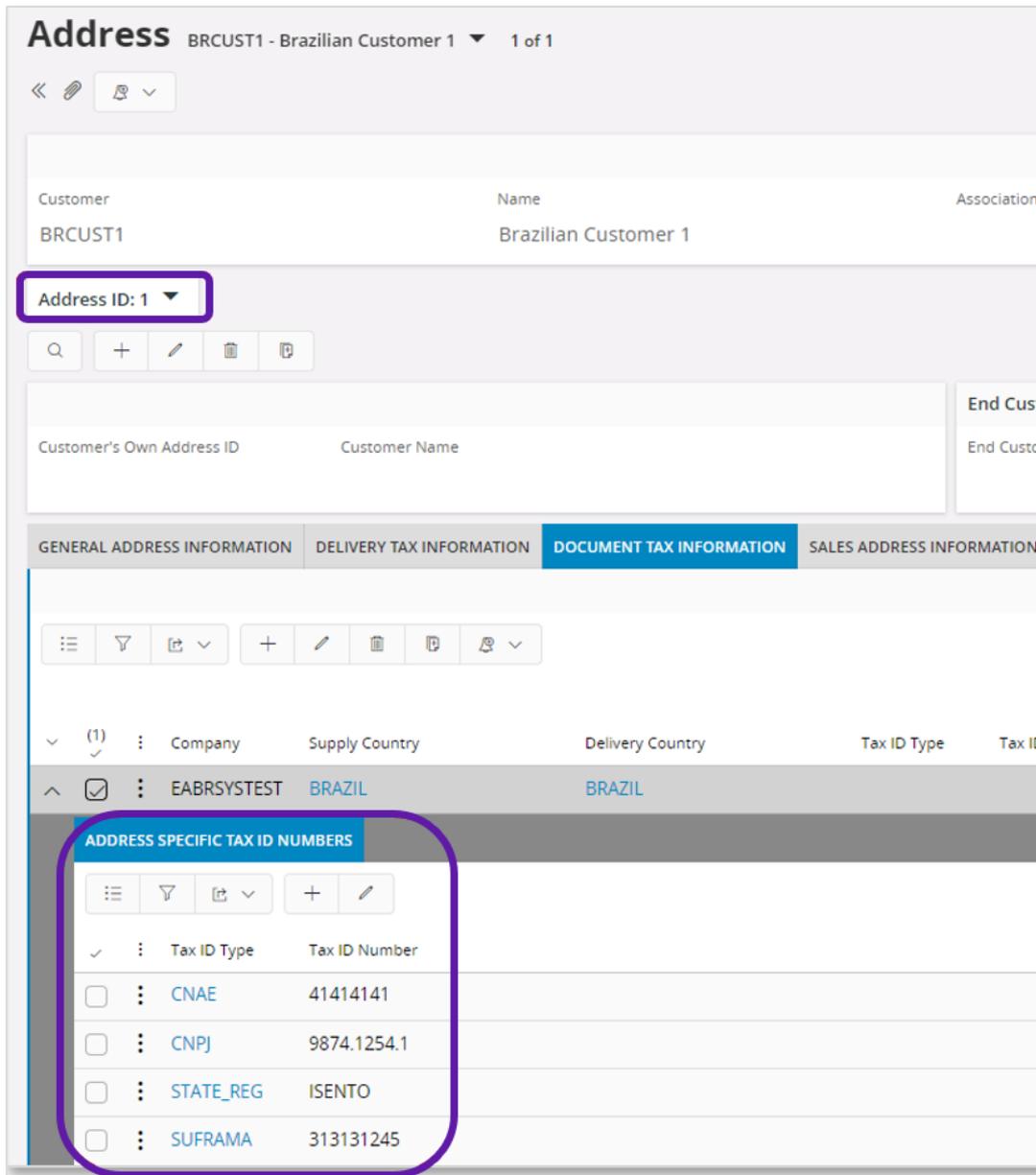
Tax Exempt Information

Address Specific Tax ID Numbers

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

9.5.2 CUSTOMER

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



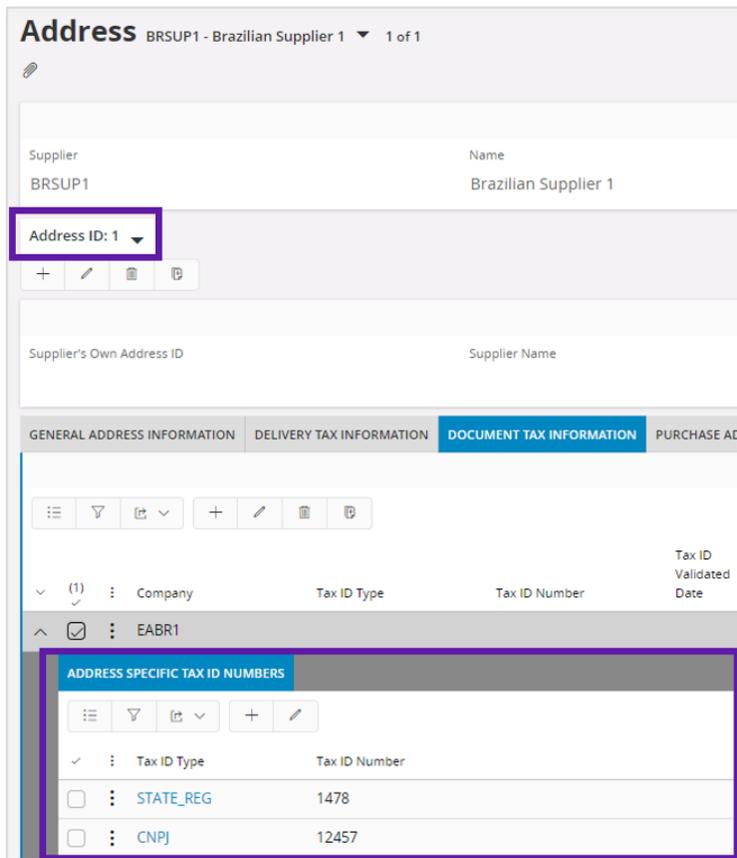
The screenshot shows the 'Address' page for 'BRCUST1 - Brazilian Customer 1'. The 'Document Tax Information' tab is selected. Below the main address information, there is a nested list titled 'ADDRESS SPECIFIC TAX ID NUMBERS'. This list contains the following entries:

✓	⋮	Tax ID Type	Tax ID Number
<input type="checkbox"/>	⋮	CNAE	41414141
<input type="checkbox"/>	⋮	CNPJ	9874.1254.1
<input type="checkbox"/>	⋮	STATE_REG	ISENTO
<input type="checkbox"/>	⋮	SUFRAMA	313131245

Note that tax ID numbers 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.

9.5.3 SUPPLIER

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



Address BRSUP1 - Brazilian Supplier 1 1 of 1

Supplier: BRSUP1 Name: Brazilian Supplier 1

Address ID: 1

Supplier's Own Address ID: Supplier Name:

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

	Company	Tax ID Type	Tax ID Number	Tax ID Validated Date
✓	EABR1			

ADDRESS SPECIFIC TAX ID NUMBERS

	Tax ID Type	Tax ID Number
☐	STATE_REG	1478
☐	CNPJ	12457

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

9.6 Delimitations

Address specific tax registration numbers for Forwarder is supported if the Forwarder is connected with a Supplier.

10 Service Code

10.1 Process Overview

10.1.1 PROCESS OVERVIEW WITH PROJECT INVOICE – INITIAL SOLUTION

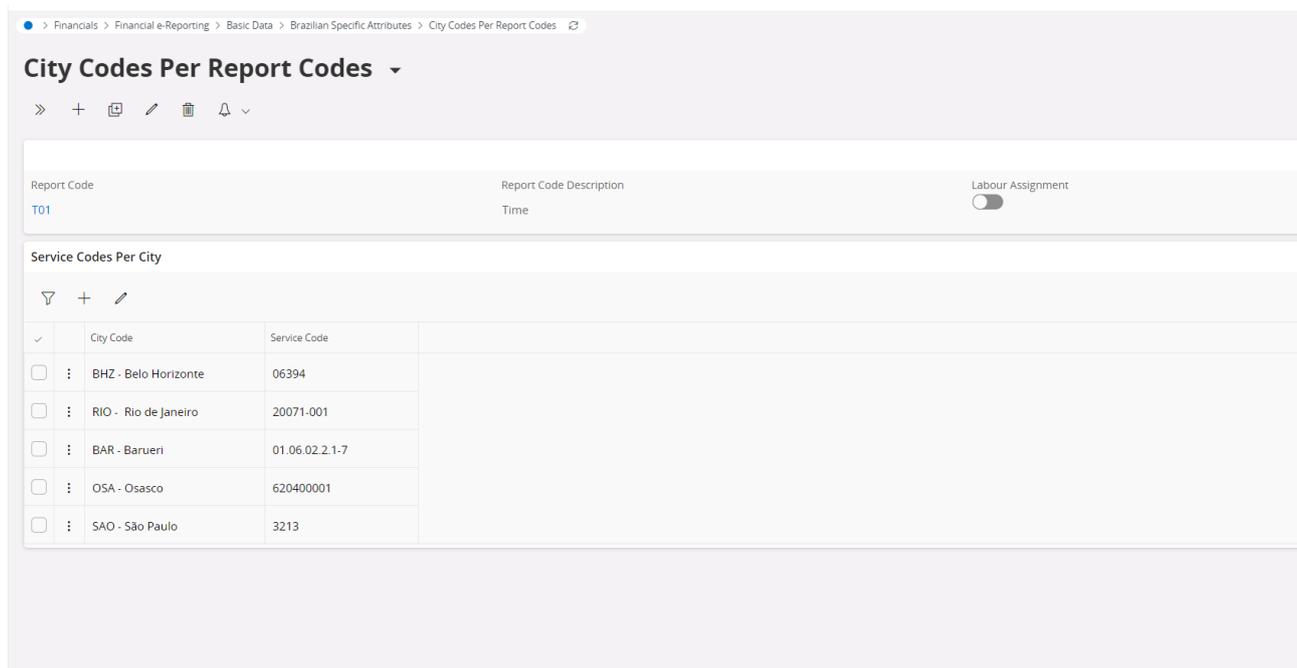


10.2 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter.

10.3 Enter basic data.

Open the **Financials/Financial e-Reporting/Basic Data/Brazilian Specific Attributes/City Codes Per Report Codes** page and enter a Report Code. Enter the Service Code for each City connected to the Report Code.



Report Code	Report Code Description	Labour Assignment
T01	Time	<input type="checkbox"/>

City Code	Service Code
<input type="checkbox"/> : BHZ - Belo Horizonte	06394
<input type="checkbox"/> : RIO - Rio de Janeiro	20071-001
<input type="checkbox"/> : BAR - Barueri	01.06.02.2.1-7
<input type="checkbox"/> : OSA - Osasco	620400001
<input type="checkbox"/> : SAO - São Paulo	3213

10.4 Enter Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality.

10.5 Create Project Invoice

Create a preliminary Project Invoice and the Service Codes of the Company and the Customer, and the Labour Assignment value will be included in the tax calculation request sent to Avalara.

11 Automatic generation of official invoice number

11.1 Overview Legal Requirement

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

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

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

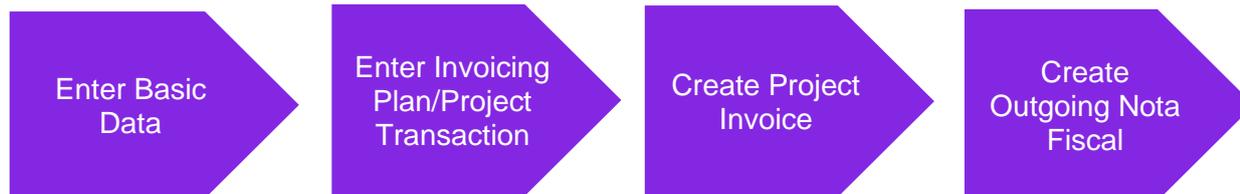
11.2 Process Overview

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

11.2.1 PROCESS OVERVIEW WITH CUSTOMER ORDER SALES OF GOODS



11.2.2 PROCESS OVERVIEW WITH PROJECT INVOICE – INITIAL SOLUTION



11.3 Prerequisites

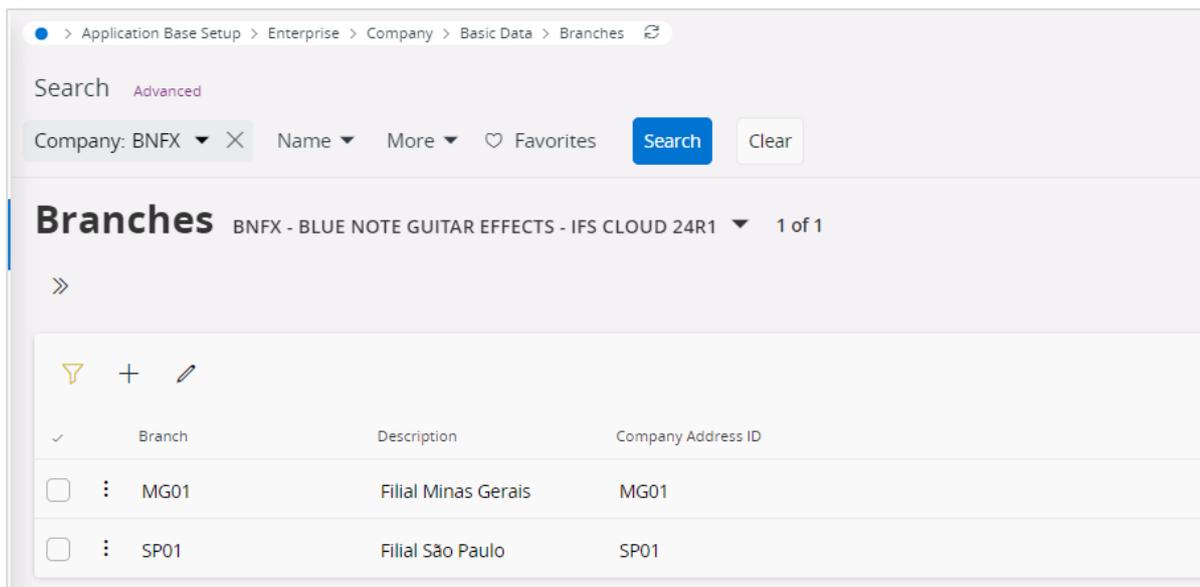
The company must be set-up to use Brazilian localization, see the Company Set-Up chapter, and the “Use Automatic Generation of Official Invoice Number” parameter must be enabled.

11.4 Enter basic data

The basic data described in below chapters must be entered to support the Nota Fiscal series and numbering.

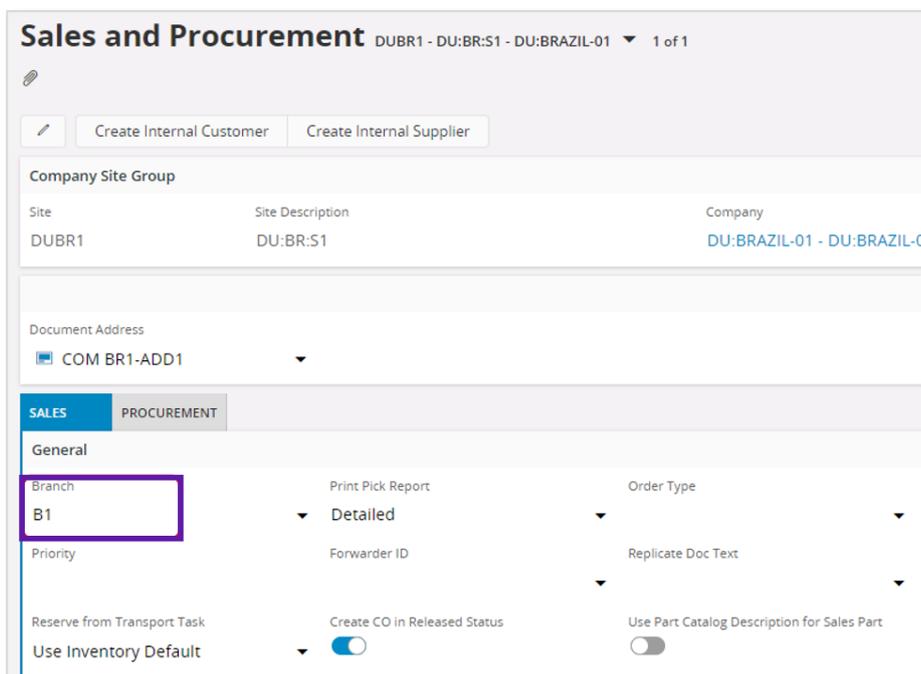
11.4.1 DEFINE COMPANY BRANCHES

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



11.4.2 CONNECT BRANCH TO SITE

Connect Sites to company branches in the *Application Base Setup/Enterprise/Site/Site/Sales and Procurement* tab (IFS standard functionality). The Site-to-Branch relationship should be one-to-one.



11.4.3 DEFINE OFFICIAL INVOICE COMPONENTS PER COMPANY

The official invoice components are defined in two steps:

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

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

Invoice EABR1 - Brazilian Company 1 1 of 1

Company: EABR1 Name: Brazilian Company 1 Association No:

GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT

Official Invoice Number Components

Posting Parameters

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

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

Miscellaneous Parameters

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

- Component A: Series
- Component B: Branch
- Component C: Model
- Sequence Number: Nota Fiscal Number

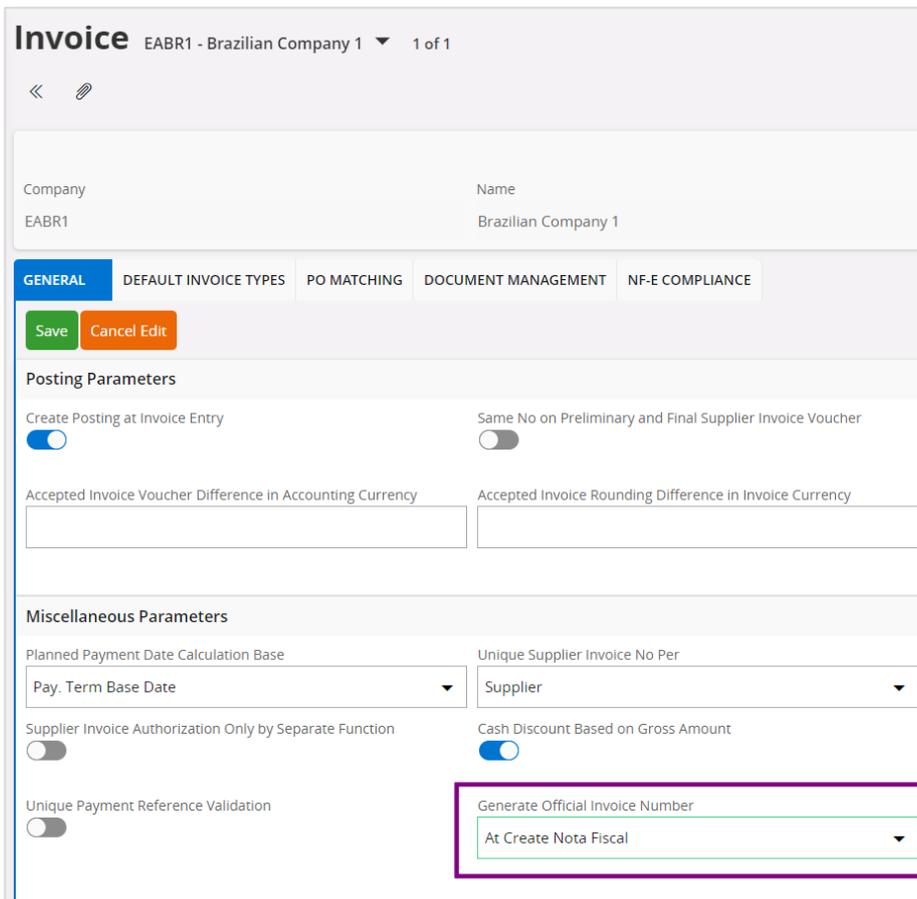
Official Invoice Number Components

COMPONENTS | SERIES | BRANCH | MODEL | BRANCHES

✓		Component	Name	Description
<input type="checkbox"/>	:	Component A	Series	
<input type="checkbox"/>	:	Component B	Branch	
<input type="checkbox"/>	:	Component C	Model	
<input type="checkbox"/>	:	Sequence Number	Nota Fiscal Number	

After saving, the **Component A** tab will be renamed to “Series”, **Component B** tab will be renamed to “Branch” and **Component C** tab will be renamed to “Model”. As a result, these components will be used when generating the official invoice number for Nota Fiscals.

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



Invoice EABR1 - Brazilian Company 1 ▾ 1 of 1

<< ✎

Company: EABR1 Name: Brazilian Company 1

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

Save Cancel Edit

Posting Parameters

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

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

Miscellaneous Parameters

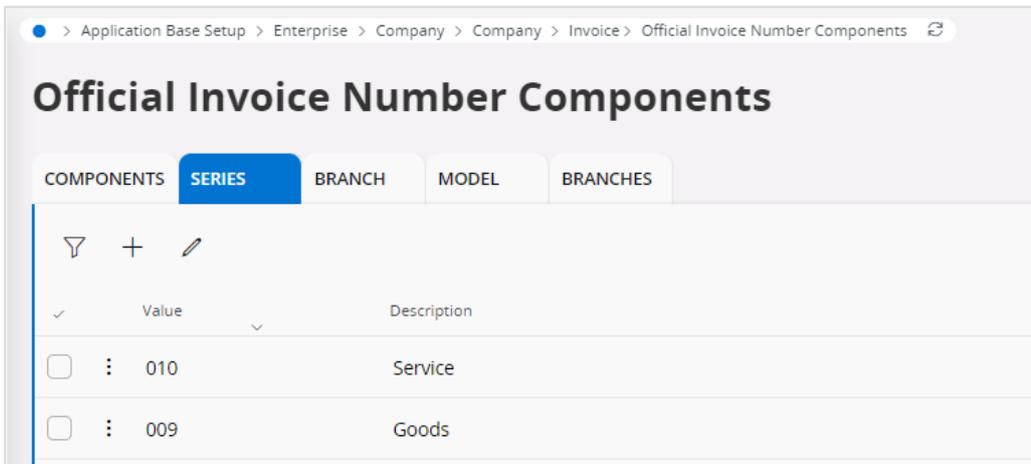
Planned Payment Date Calculation Base: Pay. Term Base Date ▾ Unique Supplier Invoice No Per: Supplier ▾

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

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

11.4.4 DEFINE SERIES FOR NOTA FISCAL

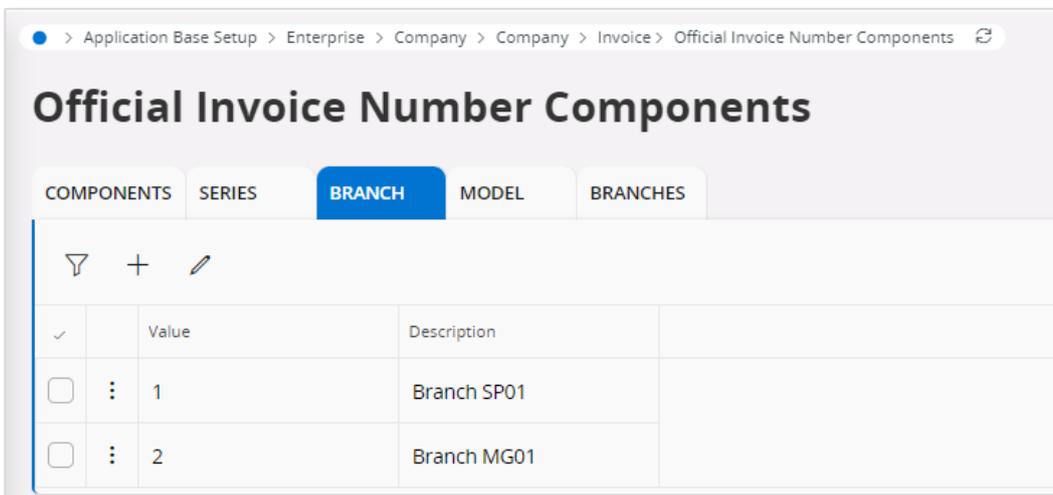
In the **Series** tab (Component A) the series to be used in Nota Fiscal of goods and/or services can be defined for company.



11.4.5 DEFINE BRANCHES FOR NOTA FISCAL

The Branch (Component B) should correspond to the Branches created for the Company. The purpose is to utilize this component when the company operates with multiple Sites, ensuring that Official Invoice Numbers are unique and avoiding duplication when Invoices are processed, since the invoice numbers will be the concatenation of Series (Component A) + Branch (Component B) + Model (Component C) + Fiscal Note Number (Sequence) when they are posted in the application.

In the **Branch** tab (Component B) the branches from where Nota Fiscal of goods and/or services will be issued can be defined for company.



11.4.6 DEFINE MODELS FOR NOTA FISCAL

In the **Model** tab (Component C) the fiscal document models to be used in Nota Fiscal of goods and/or services can be defined for company.

Application Base Setup > Enterprise > Company > Company > Invoice > Official Invoice Number Components

Official Invoice Number Components

COMPONENTS SERIES BRANCH **MODEL** BRANCHES

Value	Description
<input type="checkbox"/> : 01	Goods - Paper
<input type="checkbox"/> : 08	Freight - Paper
<input type="checkbox"/> : 21	Phone - Paper
<input type="checkbox"/> : 29	Water - Paper
<input type="checkbox"/> : 55	NF-e Goods
<input type="checkbox"/> : 57	Freight - Electronic
<input type="checkbox"/> : 65	NFC-e Goods
<input type="checkbox"/> : 66	Energy - Electronic
<input type="checkbox"/> : NFE	Service - Paper
<input type="checkbox"/> : NFES	Service - Electronic

11.4.7 DEFINE NOTA FISCAL SERIES AND NUMBER PER BRANCH

In the **Branches** tab, enter the Branches created for company.

Application Base Setup > Enterprise > Company > Company > Invoice > Official Invoice Number Components

Official Invoice Number Components

COMPONENTS SERIES BRANCH MODEL **BRANCHES**

Branch
<input type="checkbox"/> : MG01 - Filial Minas Gerais
<input type="checkbox"/> : SP01 - Filial São Paulo

Click in the nested list icon and set the combination of components to be used when Nota Fiscal of goods and/or services are generated.

Application Base Setup > Enterprise > Company > Company > Invoice > Official Invoice Number Components

Official Invoice Number Components

COMPONENTS SERIES BRANCH MODEL BRANCHES

+

(1) Branch
 MG01 - Filial Minas Gerais
 SP01 - Filial São Paulo

Series	Valid From	Branch	Model	Start Value	End Value	Next Value	Length	Category	Manually Issue Nota Fiscal	Default Series
<input type="checkbox"/> 009 - Goods	01/10/2023	1	55	61000	800000	61010	9	Goods	<input type="checkbox"/> No	<input type="checkbox"/> Yes
<input type="checkbox"/> 010 - Service	01/10/2023	1	NFES	12000	25000	12023	9	Service	<input type="checkbox"/> No	<input type="checkbox"/> Yes

Configure values for Nota Fiscal Series (Component A), Branch (Component B), and Model (Component C) using the available list of values provided in these fields, which options are the ones previously entered on each respective component tab. Specify the Nota Fiscal number interval (Start and End Value) for the selected combination. Additionally, set the length of the Nota Fiscal series. Choose the Category by selecting either Goods or Services from the dropdown list. Use the toggle button 'Manually Issue Nota Fiscal': When unselected, issued Nota Fiscal is automatically sent to the Tax Authority for approval (e.g., Goods). When selected, issued Nota Fiscal is not sent to the Tax Authority for approval (e.g., Services). Set the Default Series per Category, note that only one default series can be defined per Category.

11.5 Create customer order

When the Customer Order is created, the default Nota Fiscal series defined for the branch (connected to the Customer Order Site) is shown in the **Sales/Order/Customer Order/Order Details** tab when the Customer Order is released.

Customer Order V10060 1 of 1

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

Order No	Customer	Site	Order Type	Wanted Delivery Date/Time
V10060	BC BRCUST1 - Brazilian customer	BRA	NFE	8/3/22, 12:00 AM

Order Amounts

Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
500.00 BRL	350.00 BRL	70.00	500.00 BRL	127.41 BRL	627.41 BRL

ORDER DETAILS

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

Delivery Address

Delivery Address
1 - Brazilian customer

Document Address

Document Address
1 - Brazilian customer

Invoice

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

Delivery Settings

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

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

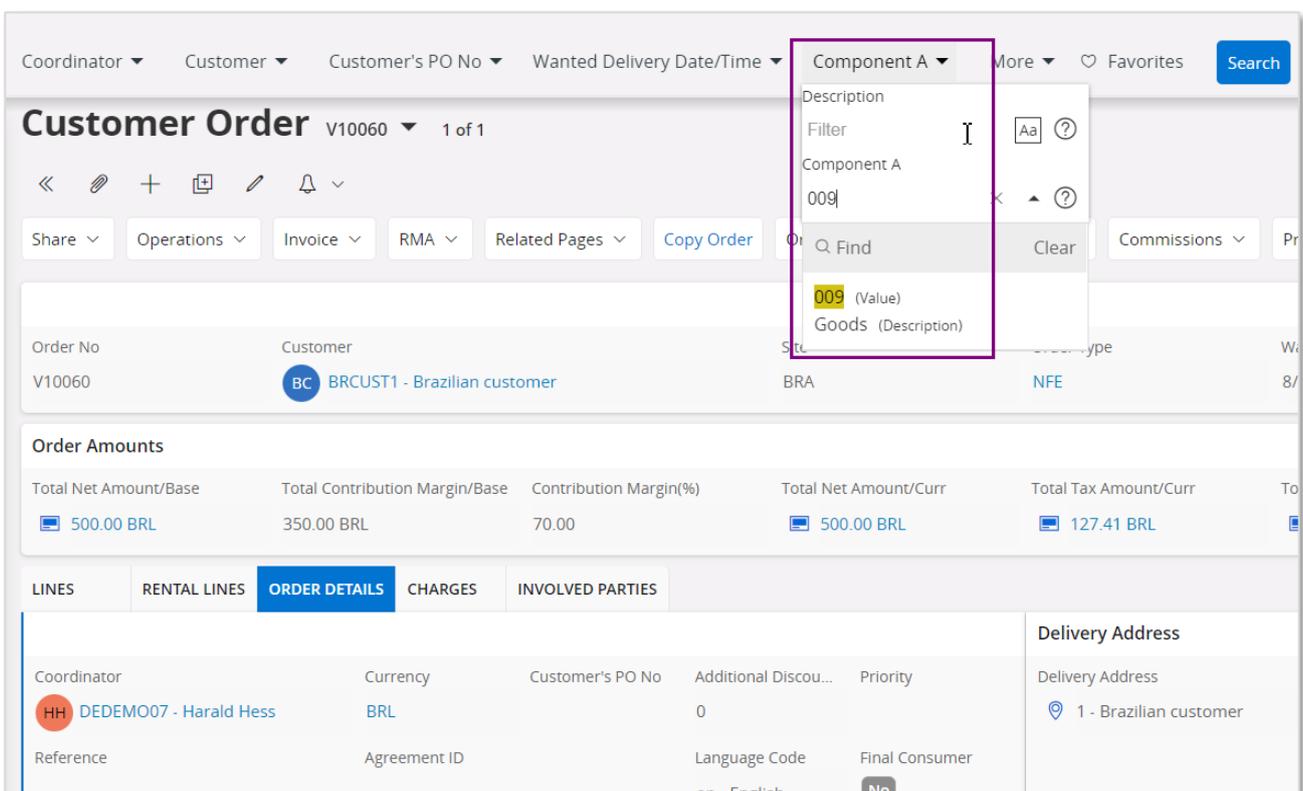
11.6 Create Customer Invoice for single customer order delivery or Shipment delivery

In the scenario where an individual Customer Order is delivered; follow the IFS standard process to create a Customer Order debit invoice.

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

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

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



The screenshot shows the IFS Customer Order interface. At the top, there are several dropdown menus: Coordinator, Customer, Customer's PO No, Wanted Delivery Date/Time, and Component A. A search bar is located on the right. Below these is the 'Customer Order' header with 'V10060' and '1 of 1'. A toolbar contains icons for navigation and actions like 'Share', 'Operations', 'Invoice', 'RMA', 'Related Pages', and 'Copy Order'. A search dropdown menu is open over the 'Component A' field, showing a search bar with '009' entered and a list of results: '009 (Value)' and 'Goods (Description)'. Below the search bar, there is a table for 'Order Amounts' with columns for Total Net Amount/Base, Total Contribution Margin/Base, Contribution Margin(%), Total Net Amount/Curr, and Total Tax Amount/Curr. The values are: 500.00 BRL, 350.00 BRL, 70.00, 500.00 BRL, and 127.41 BRL. At the bottom, there is a tabbed interface with 'ORDER DETAILS' selected, showing a table with columns for Coordinator, Currency, Customer's PO No, Additional Discou..., Priority, Reference, Agreement ID, Language Code, and Final Consumer. The values are: HH DEDEMO07 - Harald Hess, BRL, 0, 1 - Brazilian customer, and No.

11.7 Create Outgoing Nota Fiscal and generate NF-e XML

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

Financials > Financial e-Reporting > Outgoing Nota Fiscal

Outgoing Nota Fiscal - 009000061006

[Send Cancel Request](#)
[Customer Invoice](#)
[Customer Invoice Postings Analysis](#)

Sender		Receiver
Company	Company Name	Customer
BNFX	BLUE NOTE GUITAR EFFECTS - IFS CLOUD ...	RCA CUST

Nota Fiscal Series	Nota Fiscal No	Entry Date
009	000061006	26/02/2024
Object Reference	Object Reference Status	Currency Code
009155000061006	Posted Auth	BRL
Nota Fiscal Text		
Fiscal Document Model	Payment Terms	Business Transaction ID
55	20	100

Amounts		
Gross Amount	Net Amount	Tax Amount
403,14	300,00	103,14

[LINES](#) | [ADDRESS](#) | [GENERAL](#) | [NF-E INFORMATION](#)

Line ID	Part No	Quantity	BR Unit Price	Price	Net Amount	Net Amount In Accounting Currency	Tax Amount
1	F060300	1	403,14	300,00	300,00	300,00	103,14

The Nota Fiscal Series, Nota Fiscal Number, Model and the Nota Fiscal ID are fetched from preliminary Nota Fiscal to the below XML tags:

```

▼<nfeProc xmlns="http://www.portalfiscal.inf.br/nfe" versao="4.00">
  ▼<NFe xmlns="http://www.portalfiscal.inf.br/nfe">
    ▼<infNFe Id="NFe3524010410623000019055009000070591000059470" versao="4.00">
      ▼<ide>
        <cUF>35</cUF>
        <cNF>00005947</cNF>
        <natOp>Venda de producao do estabelecimento</natOp>
        <mod>55</mod>
        <serie>9</serie>
        <nNF>7059</nNF>
        <dhEmi>2024-01-10T22:27:50-03:00</dhEmi>
        <dhSaiEnt>2024-01-10T22:27:50-03:00</dhSaiEnt>
        <tpNF>1</tpNF>
        <idDest>1</idDest>
        <cMunFG>3505708</cMunFG>
        <tpImp>1</tpImp>
        <tpEmis>1</tpEmis>
        <cDV>0</cDV>
        <tpAmb>2</tpAmb>
        <finNFe>1</finNFe>
        <indFinal>0</indFinal>
        <indPres>9</indPres>
        <indIntermed>0</indIntermed>
        <procEmi>0</procEmi>
        <verProc>FIT DFe CloudFiscal</verProc>
      </ide>
      ▼<emit>
        <CNPJ>60881299000405</CNPJ>
        <xNome>SNABB TECNOLOGIA DA INFORMACAO EIRELI</xNome>
        <xFant>SNABB TECNOLOGIA DA INFORMACAO EIRELI</xFant>
      </emit>
    </infNFe>
  </NFe>
</nfeProc>

```

- <nNF>: Nota Fiscal Number, the Component "Sequence Number" field is used. XML tag must be 9 characters (left zeros is used if number is less than 9 positions)
- <cNF>: IFS internal number, the Fiscal Note ID is used. XML tag must be 8 characters (left zeros will be used if number is less than 8 positions)
- <serie>: Is fetched from the Component A. XML tag must be 3 characters (left zeros will be used if number is less than 3 positions)
- <mod>: Nota Fiscal Model, fetched from the Component C.

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

Share Credit/Correction Invoice Posting Installment Plan and Discounts Notes View Outgoing Nota Fiscal

Customer No NE RCA CUST	Customer Address Name NF-E EMITIDA EM AMBIENTE D...	Series ID CD	Invoice No 00915500061006	Official Document No	Company BNFX - BLUE NOTE GUITA
Invoice Created 26/02/2024	Order Created 26/02/2024				

Amounts

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	403,14	300,00	103,14	1	1

LINES GENERAL NF-E INFORMATION HISTORY

Payment Indicators

References Delivery Invoice Text

Official Invoice Number

Series	Branch	Model	Nota Fiscal Number
009	1	55	000061005

Official Invoice Number
00915500061005

11.8 Enter Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality.

11.9 Create Project Invoice

Create a preliminary Project Invoice.

If a Branch is connected to a Project in the **Project Management/Plan and Execute/Project Setup Parameters** page, Branch is automatically fetched on the Project Invoice. This value can be manually changed by the user as long as the invoice is in "Preliminary" status and no Outgoing Nota Fiscals are created for the Project Invoice.

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

Project Management > Plan and Execute > Project Setup Parameters

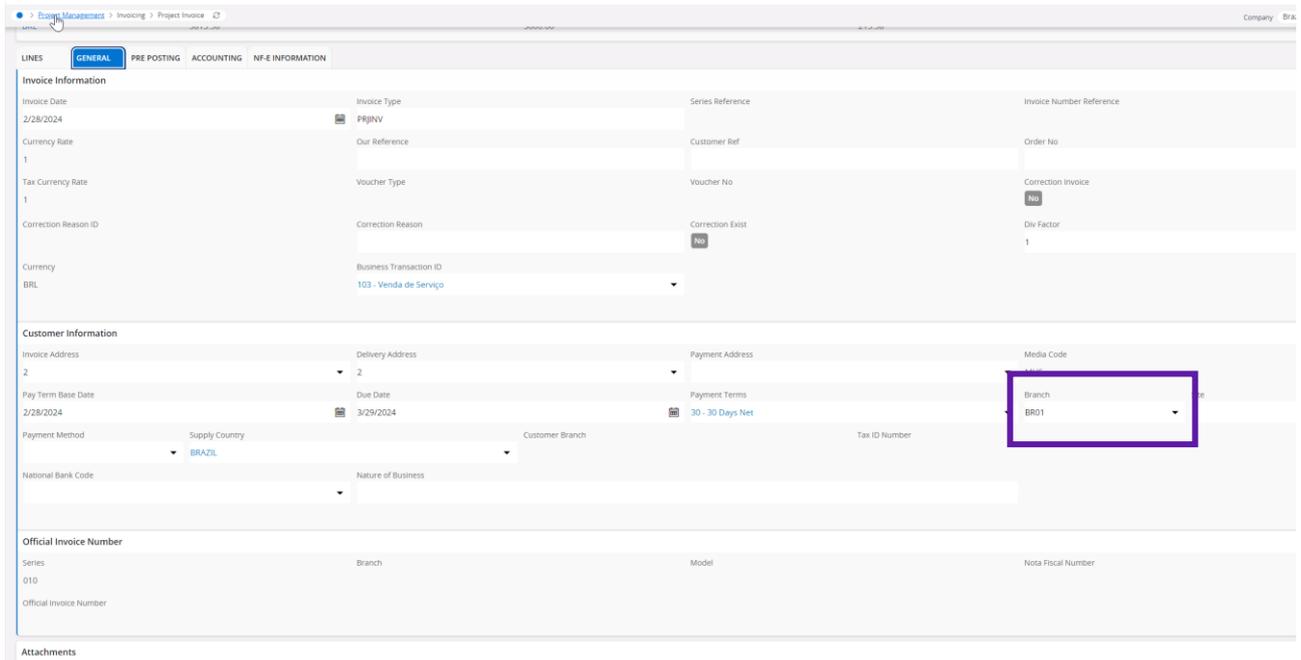
Project Setup Parameters

Project Details Definition Status Access and Roles Add Valid Report Codes Budget Control Invoicing Plan

Project BR-1 - Brazilian Project-1	Company BR01 - Brazilian Company 01	Base Currency BRL - Brazilian Real	Project Status Approved
Manager JS JACKIE - Jackie Stewart			

Settings

Internal Rental Price List	Material Allocation Within Project	Misc Demand Component Planning Method Manually Planned	Probability 100 %
Project Unique Procurement <input type="checkbox"/>	Project Unique Billing <input type="checkbox"/>	Project Access On <input type="checkbox"/>	Propose Prc <input type="checkbox"/>
Exclude Project From Batch Invoices <input type="checkbox"/>	Invoice Comment Mandatory <input type="checkbox"/>	Branch BR01	



Invoice Information

Invoice Date	2/28/2024	Invoice Type	PRJNV	Series Reference		Invoice Number Reference	
Currency Rate	1	Our Reference		Customer Ref		Order No	
Tax Currency Rate	1	Voucher Type		Voucher No		Correction Invoice	No
Correction Reason ID		Correction Reason		Correction Exist	No	Dir Factor	1
Currency	BRL	Business Transaction ID	103 - Venda de Serviço				

Customer Information

Invoice Address	2	Delivery Address	2	Payment Address		Media Code	
Pay Term Base Date	2/28/2024	Due Date	3/29/2024	Payment Terms	30 - 30 Days Net	Branch	BR01
Payment Method		Supply Country	BRAZIL	Customer Branch		Tax ID Number	
National Bank Code		Nature of Business					

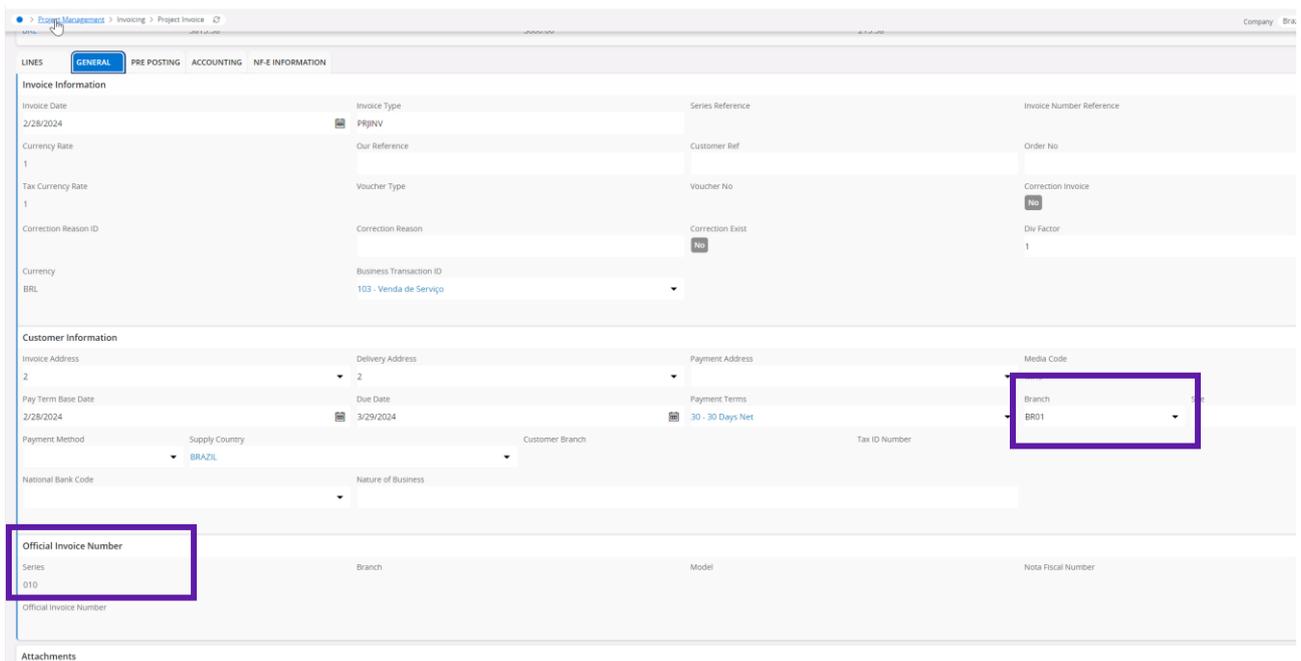
Official Invoice Number

Series	010	Branch		Model		Nota Fiscal Number	
Official Invoice Number							

If a Branch is not connected to a Project, Branch should be manually entered on the Project Invoice. This value can be manually changed by the user as long as the invoice is in “Preliminary” status and no Outgoing Nota Fiscals are created for the Project Invoice.

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

When a Branch is fetched/entered on the Project Invoice, the default Nota Fiscal Series defined for the Branch is shown in the ***Project Management/Invoicing/Project Invoice/General*** tab.



Invoice Information

Invoice Date	2/28/2024	Invoice Type	PRJNV	Series Reference		Invoice Number Reference	
Currency Rate	1	Our Reference		Customer Ref		Order No	
Tax Currency Rate	1	Voucher Type		Voucher No		Correction Invoice	No
Correction Reason ID		Correction Reason		Correction Exist	No	Dir Factor	1
Currency	BRL	Business Transaction ID	103 - Venda de Serviço				

Customer Information

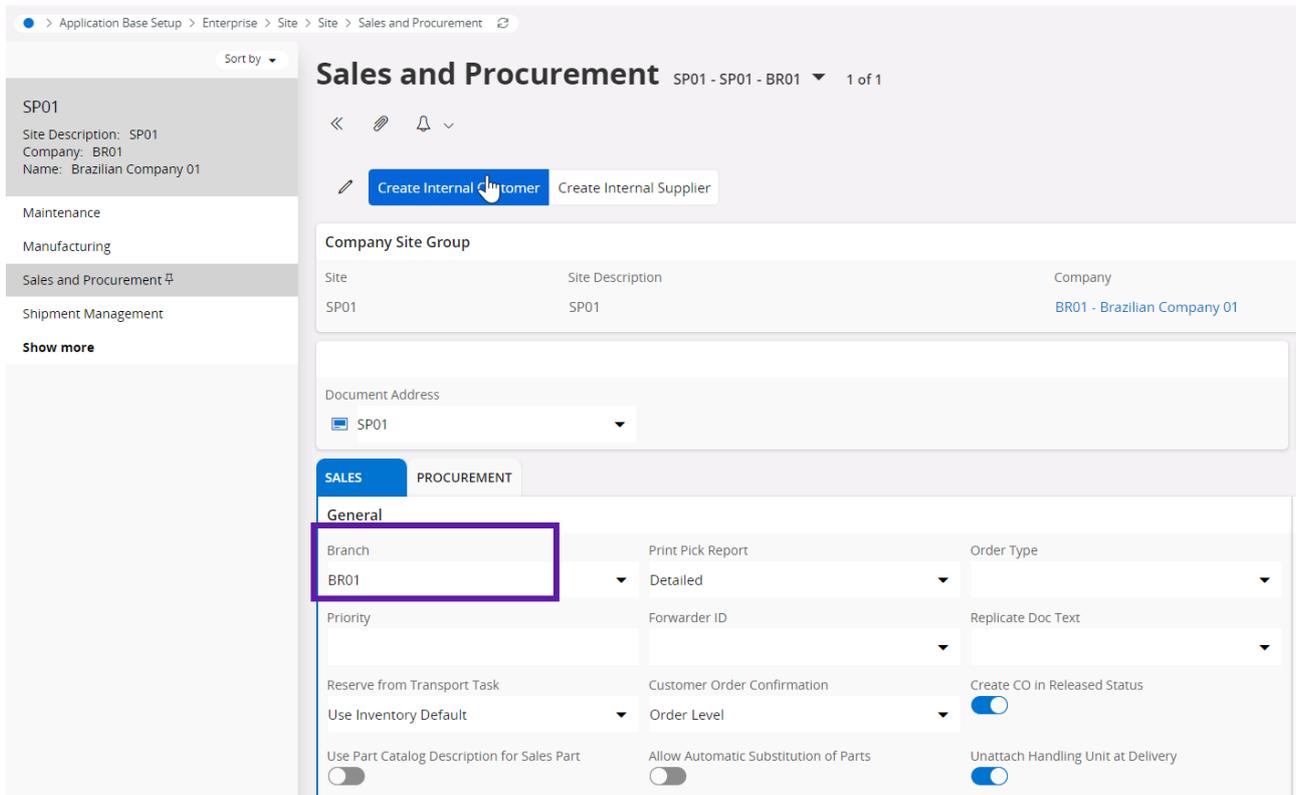
Invoice Address	2	Delivery Address	2	Payment Address		Media Code	
Pay Term Base Date	2/28/2024	Due Date	3/29/2024	Payment Terms	30 - 30 Days Net	Branch	BR01
Payment Method		Supply Country	BRAZIL	Customer Branch		Tax ID Number	
National Bank Code		Nature of Business					

Official Invoice Number

Series	010	Branch		Model		Nota Fiscal Number	
Official Invoice Number							

11.10 Create Outgoing Nota Fiscal

When creating an Outgoing Nota Fiscal, the value of the Branch on the Project Invoice will be used to derive a Site according to the basic data in **Application Base Setup/Enterprise/Site/Site/Sales and Procurement** tab.



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

Sales and Procurement

SP01 - SP01 - BR01 1 of 1

Sort by

SP01
Site Description: SP01
Company: BR01
Name: Brazilian Company 01

Maintenance
Manufacturing
Sales and Procurement
Shipment Management
Show more

Company Site Group

Site	Site Description	Company
SP01	SP01	BR01 - Brazilian Company 01

Document Address
SP01

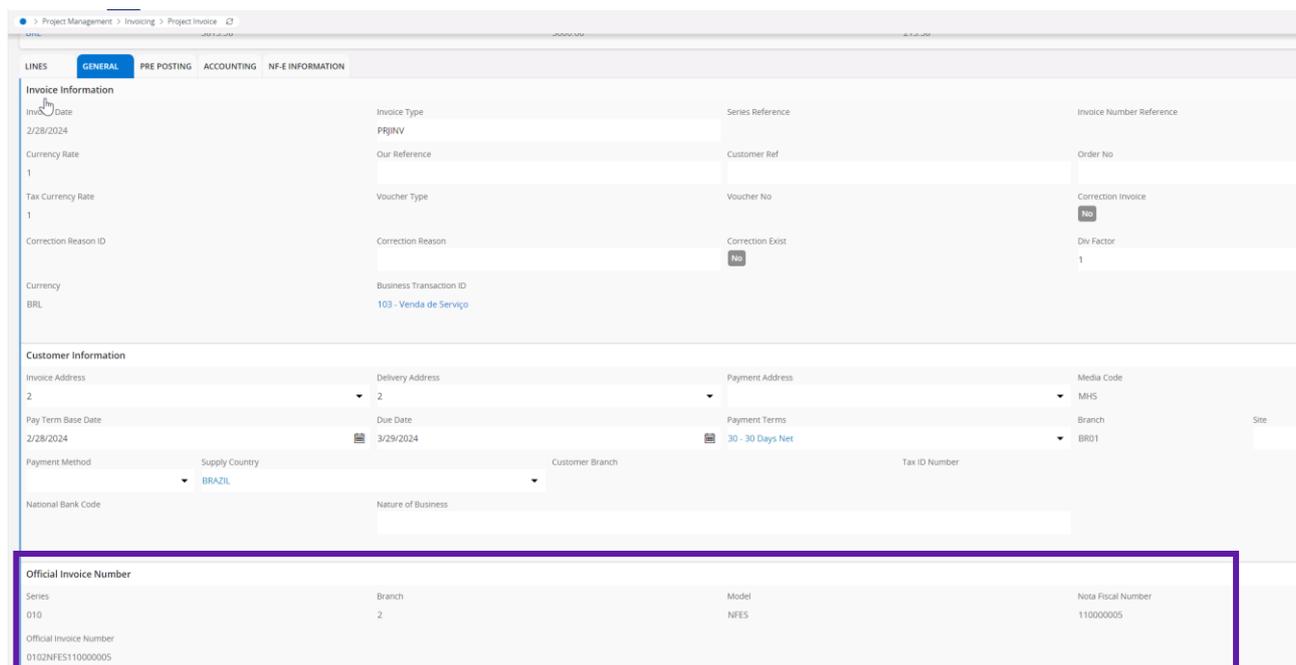
SALES | PROCUREMENT

General

Branch	Print Pick Report	Order Type
BR01	Detailed	
Priority	Forwarder ID	Replicate Doc Text
Reserve from Transport Task	Customer Order Confirmation	Create CO in Released Status
Use Inventory Default	Order Level	<input checked="" type="checkbox"/>
Use Part Catalog Description for Sales Part	Allow Automatic Substitution of Parts	Unattach Handling Unit at Delivery
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Create the Outgoing Nota Fiscal from the Project Invoice.

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



Project Management > Invoicing > Project Invoice

LINES | GENERAL | PRE POSTING | ACCOUNTING | NF-E INFORMATION

Invoice Information

Invoice Date	Invoice Type	Series Reference	Invoice Number Reference
2/28/2024	PRJINV		
Currency Rate	Our Reference	Customer Ref	Order No
1			
Tax Currency Rate	Voucher Type	Voucher No	Correction Invoice
1			No
Correction Reason ID	Correction Reason	Correction Exist	Div Factor
		No	1
Currency	Business Transaction ID		
BRL	103 - Venda de Serviço		

Customer Information

Invoice Address	Delivery Address	Payment Address	Media Code
2	2		MHS
Pay Term Base Date	Due Date	Payment Terms	Branch
2/28/2024	3/29/2024	30 - 30 Days Net	BR01
Payment Method	Supply Country	Customer Branch	Tax ID Number
	BRAZIL		
National Bank Code	Nature of Business		

Official Invoice Number

Series	Branch	Model	Nota Fiscal Number
010	2	NFES	11000005
Official Invoice Number			
0102NFES11000005			

11.11 Delimitations

Project Invoicing for provision of services is supported in this Project Invoice – Initial Solution. Project Invoicing flows not supported in this Project Invoice – Initial Solution are:

- Project Invoicing for sale of goods.
- Creating Project Invoices for provision of services from Batch Invoicing and Project Transactions Review flows.
- Credit Project Invoices and Project Correction Invoices.

12 Extended Tax Codes and Tax Calculation Structures set-up

12.1 Overview Legal Requirement

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

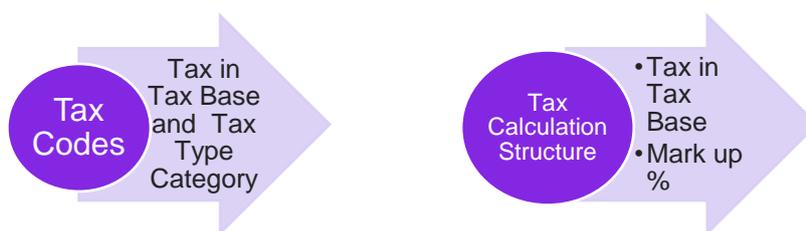
For legal tax reporting purposes, a tax type category must be defined for each tax code.

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

12.2 Process Overview

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

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



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

12.3 Prerequisites

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

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

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

12.4 Tax Type Category in tax codes page

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

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

12.5 Tax in Tax Base in Tax Codes Page

12.5.1 TAX IN TAX BASE CALCULATIONS

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

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

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

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

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

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

Mathematically, tax base amount can be calculated as follows,

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

Where;

p – Net Amount

t -Tax Rate

12.5.2 DEFINE TAX IN TAX BASE IN TAX CODES

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

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

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

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

Net Amount = 100.00 (100%-10% = 90%)
 Net Amount as a % = 90%

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

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

Tax Amount (T) = 111.11 x 10% = 11.11

12.5.3 TAX IN TAX BASE IN TAX CALCULATION STRUCTURE

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

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

Tax Calculation Structure BRTS-2 - BRTS-2									
<div style="display: flex; justify-content: space-between; align-items: center;"> + ✎ 🗑️ 📄 Set Preliminary Set Obsolete Translation </div>									
Structure		Description							
BRTS-2		BRTS-2							
Structure Items									
<div style="display: flex; justify-content: space-between; align-items: center;"> ☰ 🔍 📄 ✎ </div>									
✓	:	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)	
<input type="checkbox"/>	:	1	1	ICMS-1 - ICMS-1	10	Yes	Yes		

12.6 Markup (%) in Brazilian Tax Calculation

12.6.1 MARKUP (%) TO THE TAX CALCULATION STRUCTURE

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

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

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

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

- a. Take the Net Amount as, “*p*” and the Net Amount as a %, as “*p*%”
- b. Markup % as “*m*”
- c. Tax Percentage as “*t*”
- d. First, Increase “*p*” by markup %, “*m*” as follows,

$$(P + m)$$

e. Then to get the new tax base amount “TB”

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

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

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

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

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

$$\begin{aligned} \text{Tax Percentage (t)} &= 20\% \\ \text{Net Amount (p)} &= 100.00 (100\% - 20\% = 80\%) \\ \text{Net Amount as a \%} &= 80\% \end{aligned}$$

$$\text{Markup \%} = 10\%$$

First, Increase “p” by markup %, “m” as follows,

$$\begin{aligned} &= (p + m) \\ &= (100 + 10\%) \end{aligned}$$

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

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

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

12.6.2 DEFINE MARKUP (%) IN TAX CALCULATION STRUCTURE

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

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

Tax Calculation Structure DU:BR:TCS1 - DU:BR:TCS1

Structure	Description
DU:BR:TCS1	DU:BR:TCS1

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Tax in Tax Base	Markup (%)
1	1	COFINS - COFINS	20	Yes	Yes	10

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

Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
127.50	100.00	27.50

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

12.7 Tax calculation structure with Multiple Tax in Tax BASE TAX Codes

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

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

Where;
p – Net Amount

t -Tax Rate

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

In multiple “Tax in Tax Base” tax codes scenario, instead of using the 't', the system will use the sum of all tax rates connected to the tax calculation structure, like t1+ t2+ t3+....tn where t1, t2, t3 to tn indicate the sum of all tax rates connected to the Tax Calculation Structure.

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

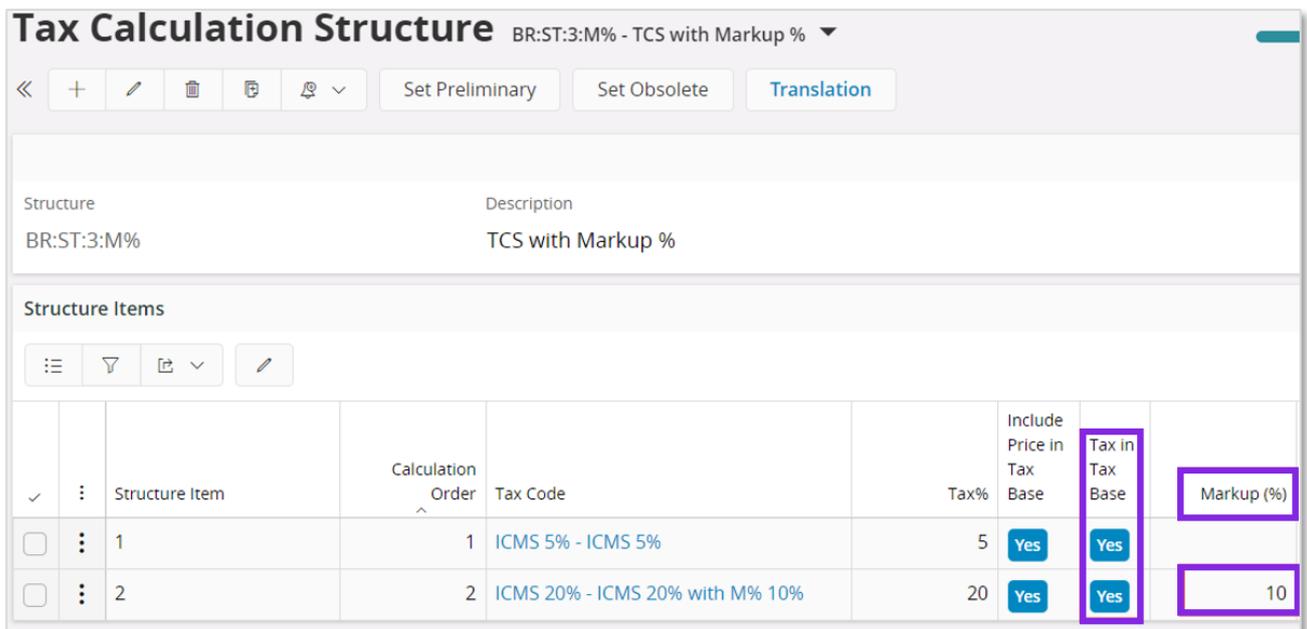
Where;

p – Net Amount

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

Below example illustrate the how the calculation is done,

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



The screenshot shows the 'Tax Calculation Structure' configuration page for 'BR:ST:3:M% - TCS with Markup %'. It displays a table of 'Structure Items' with the following data:

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

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

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

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

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

p – Net Amount = 100.00

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

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

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

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

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

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

P =Net Amount

M = Markup percentage

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

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

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

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

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

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

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

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

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

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

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

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

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

$$\text{Tax Amount} = 29.33$$

×
Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
136.00	100.00	36.00

☰
🔍
🔄
Set Default

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

OK
Cancel

12.8 Delimitations

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

13 Integration to Brazilian External Tax System – Tax Determination

13.1 Overview Business Requirement

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

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

The integration supports the following functional flows in IFS:

- Customer Order
- Customer Order Invoice
- Outgoing Tax Document
- Project Invoice – Initial Solution
- Purchase Order, Part Lines(not services)
- Purchase Order Line Connected Charge Lines

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

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

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

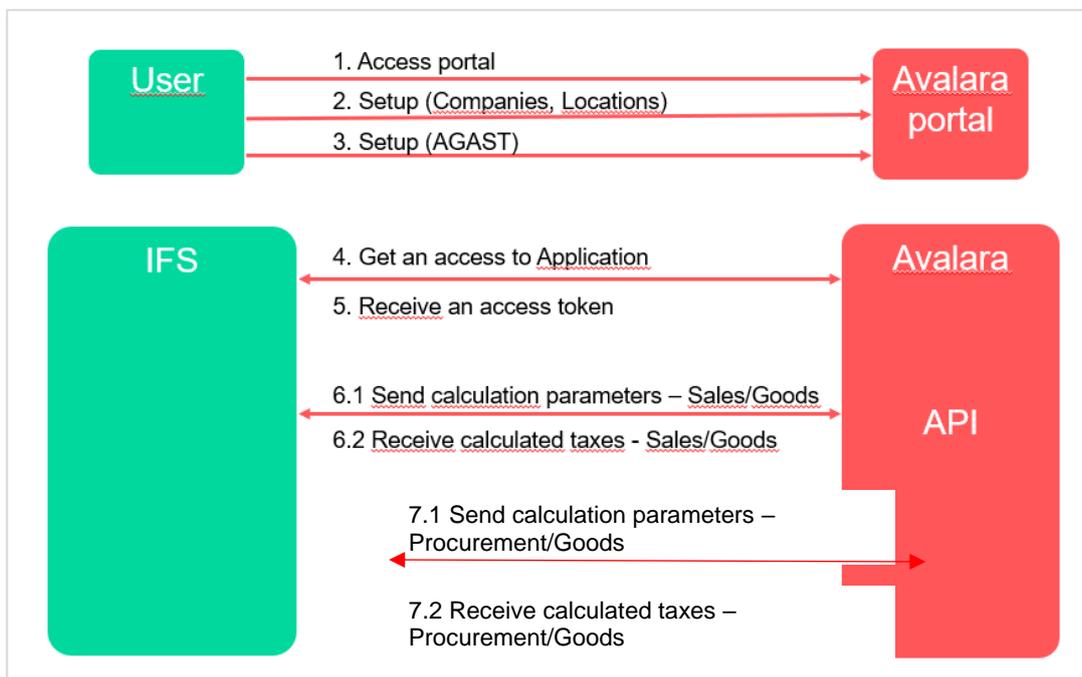
- Company Document Address
- Company tax registration numbers, activity sector and tax regime
- Customer setting for ICMS Taxpayer
- Customer Document Address (the document address associated with the customer order or the Project Invoice)
- Customer tax registration numbers, activity sector and tax regime
- Supplier setting for ICMS Taxpayer
- Supplier Document Address and supplier tax registration numbers
- Goods classification code (NCM) on sales respectively purchase parts in PO
- Goods acquisition reason on sales respectively purchase parts in PO
- Goods acquisition origin on sales respectively purchase parts in PO

- Business transaction code on sales respectively purchase order
- Discount Amount on the PO line
- Line connected charge on PO

In addition to these main parameters, information such as the price and quantity is also passed to the AvaTax software to ensure the correct tax types and tax rates are fetched. The discount amount is needed to be calculated if any discount is added for each row in the purchase order and sent to Avalara. Based on the information sent, Avalara determines the correct tax rates and tax amounts and return the information back to IFS Cloud. The information is then uploaded into the relevant Customer Order Tax Lines, Customer Order Invoice Tax Lines, Project Invoice Tax Lines, Purchase Order Tax Lines etc.

13.2 Process Overview

Integration Overview Example



Process Overview with Customer Order sales of goods



Process Overview with Project Invoice – Initial Solution



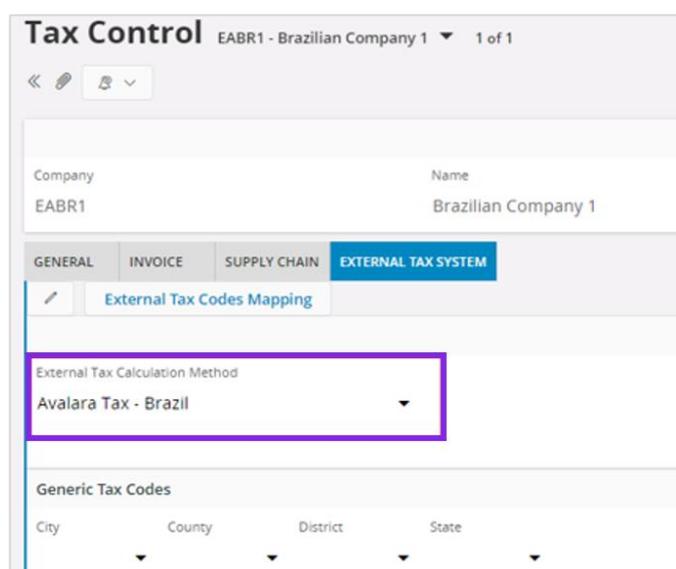
Process Overview with Purchase Order purchase of goods



13.3 Prerequisites

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

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



Tax Control EABR1 - Brazilian Company 1 1 of 1

Company: EABR1 Name: Brazilian Company 1

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

External Tax Codes Mapping

External Tax Calculation Method: Avalara Tax - Brazil

Generic Tax Codes

City	County	District	State

The prerequisites for IFS Cloud to communicate with Avalara is that the tax liability on the customer address is set to TAX and the sales part is taxable. In the Project Invoicing flow, the tax liability on the customer address should be set to TAX and the Report Code should be taxable. Also for the procurement flow the tax liability need to be TAX on the supplier address and the purchase part should be taxable.

Note that also parameters “Acquisition Origin”, “Business Operation”, “Brazilian Specific Fiscal Attributes”, “Address Specific Tax ID Numbers”, “Goods/Services Statistical Codes”, “Extended Tax Codes Tax Calculation Structures set-up”, “Outgoing Nota Fiscals” and “Use Automatic Generation of Official Invoice Numbers” must be enabled to fulfill data requirements for the Integration. Also,

company, customer and supplier basic data for tax calculation and Nota Fiscal must be defined. Please see the specific chapters on how to set up the data needed. Same basic data needed for Outgoing Nota Fiscal, as for example Detailed address, States and Cities, are also needed for the Procurement flow.

13.4 Define Basic Data

In order to utilize the IFS integration for Avalara, some basic data set up is required with regards to the Tax Codes, the Company, the Customer, Part and Sales Parts for sales flow, Report Codes for Project Invoicing flow, as well as the Supplier and Purchase Parts for procurement flow. If line connected purchase charges are used also the Purchase Charge Types need connected values for Brazil Charge Category.

13.4.1 EXTERNAL TAX SYSTEM PARAMETERS

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

External Tax System Parameters

Vertex O Series Connection Information	
User Name	Password
Avalara Connection Information	
User Name	Password
Avalara Brazil Connection Information	
Client ID	Client Secret
0aa49b97-6be1-46b4-b271-f4efaa221f60

13.4.2 DISABLE CUSTOMER AND SUPPLIER TAX CODE VALIDATIONS

Disable Customer Tax Code Validations in the page **Application Base Setup/Enterprise/Company/Company/Tax Control** and the **General** tab. Also do the same for the Supplier Tax Code Validation.

Tax Control CE-COMP-BRAZIL - CE company with Brazil localization 1 of 5

Company: CE-COMP-BRAZIL | Name: CE company with Brazil localization | Association No: | Created By: CEFRSE

GENERAL | INVOICE | SUPPLY CHAIN | EXTERNAL TAX SYSTEM

Customer Tax Code Validation

Object Level:

Address Level:

Transaction Level:

Supplier Tax Code Validation

Object Level:

Transaction Level:

Max Overwriting Level on Tax

Level in Percent: | Level in Accounting Currency:

Additional Parameters

Tax Liability: | Tax Rounding Method: Round to the Nearest

Modify Tax % in Tax Codes:

13.4.3 DEFINE TAX INTEGRATION PARAMETERS

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

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

For procurement a similar toggle is there to control requests sent to Avalara in the procurement flow.

Tax Control

CE-COMP-BRAZIL - CE company with Brazil localization 1 of 5

Company: CE-COMP-BRAZIL | Name: CE company with Brazil localization | Association No: | Created By: CEFRSE

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

External Tax Codes Mapping

External Tax Calculation Method
Avalara Tax - Brazil

Generic Tax Codes
City: | County: | District: | State: |

Tax Integration Parameters for Sales		Tax Integration Parameters for Procurement	
Refresh Tax Information at Release of Customer Order	<input checked="" type="checkbox"/>	Refresh Tax Information at Release of Purchase Order	<input checked="" type="checkbox"/>
Automatic Fetch of Tax Information at Part/Charge Line Entry	<input checked="" type="checkbox"/>	Automatic Fetch of Tax Information at Part Line Entry	<input checked="" type="checkbox"/>

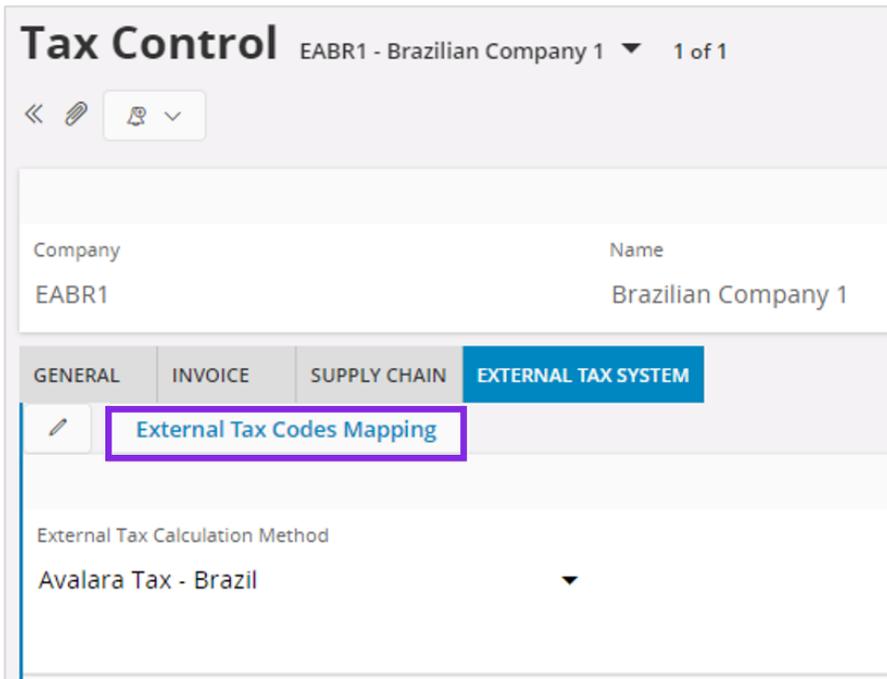
13.4.4 ENTER 0% TAX CODES FOR THE BRAZILIAN TAX TYPES

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

Tax Codes

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

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



Tax Control EABR1 - Brazilian Company 1 1 of 1

Company: EABR1 Name: Brazilian Company 1

GENERAL INVOICE SUPPLY CHAIN **EXTERNAL TAX SYSTEM**

External Tax Codes Mapping

External Tax Calculation Method: Avalara Tax - Brazil

External Tax Codes Mapping

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

13.4.5 DEFINE THE SALES PART PRICE WITHOUT TAXES

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

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

Inventory Part Availability Planning
Complementary Parts
Sub

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

GENERAL	DESCRIPTIONS	CHARACTERISTICS	CHARGES	EXTERNAL TAX PARAMETERS	MAINTENANCE	PART SPECIFIC O
Inventory Part						
Part No	Description	Configurable	DOP			
SARK01	Sark Brazil Part 01	No	No			
Unit Of Measure ▼						
Pricing						
Price	Price Including Tax	Expected Average Price				
72.75 BRL	72.75 BRL					
Rental Price	Rental Price Including Tax					
0.00 BRL	0.00 BRL					

Refer the Appendix 2 for more details.

13.4.6 DEFINE THE PROJECT SALES PRICE WITHOUT TAXES

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

Project Management > Plan and Execute > Project Setup Parameters

Exclude Project From Batch Invoices: Invoice Comment Mandatory: Branch: BR01

Budgeting and Forecasting

Financially Responsible: Budget Control On: Control As Budgeted: Control On Total Budget:

Month End Accruals

Default Cost Activity:

Brazilian Specific Attributes

Business Transaction ID: 103 - Venda de Serviço

CURRENCY PRE POSTINGS MANUAL CONNECTIONS FINANCE DOCUMENT TRANSMITTALS **PRICING** RESOURCE CRITERIA PCE CODE PART MCPR SUPPLIER ACTIVITY LINKS MCPR CUSTOMER ACTIVITY LINKS MCPR DEFAULT SUPPLIER ACTIVITIES JOB RATE MANAGEMENT

Pricing Information

Sales Price ID: Supplier Invoice Margin ID: Expense Margin List ID: Standard Margin For Material:

Currency Code: Cost Plus Basis:

MultiCompany Revenue Reporting Method: Multi-Company Revenue Reporting Method

If the fields on above groups are left blank, data from the customer of the project will be used. Any entered data in these fields will override the customer values.

Specific Sales Price

Sub Project ID	Description	Activity ID	Activity Description	Resource ID	Resource ID Description	Report Code	Report Code Description	Sales Price	Currency Code	Cost Plus	Markup Percentage	Markup Price	Markup Currency Code	Valid From	Valid To
								500.00	BRL					2/2/2022	1/1/4000

Specific Billing Category Description Override:

Refer the Appendix 2 for more details.

13.4.7 DEFINE THE SUPPLIER FOR PURCHASE PART PRICE INCLUDING TAXES

When using the Avalara integration, you will need to set the Purchase Part as taxable so you can add tax code as 0 in the **Supplier for Purchase Part** page. You should also enable the **Use Price incl Tax** toggle, so you can define the default Purchase Price incl Tax.

Supplier for Purchase Part CE-BRAZIL-PART1 - CE part 1 in Brazil - CE-B1 - CE-BR-SUP1 6 of 24+

Create Customer **Create Sales Part** Supplier Warranty Control Plan Export Control Emissions Alternate Purchase Parts Document Text Set Qualified Supplier

Part: CE-BRAZIL-PART1 - CE part 1 in Brazil Supplier: CE-BR-SUP1 - CE Brazil supplier 1 Supplier Contact: Site: CE-B1

Active: Document Text:

Notes

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

Part Parameters

Supplier's Part Information

Units of Measure

Order Information

Price Information

Price	Purchase Price incl Tax	Rental Price	Rental Price Incl Tax
80.00	80.00	0.00	0.00
Add Cost Net/Curr	Add Cost Gross/Curr	Currency Code	Tax Code
0.00	0.00	BRL	0 - Tax 0%
Discount (%)			
0			

For companies using Avalara the purchase orders created will have the setting in PO header as “Price incl Tax” regardless of setup on supplier and company.

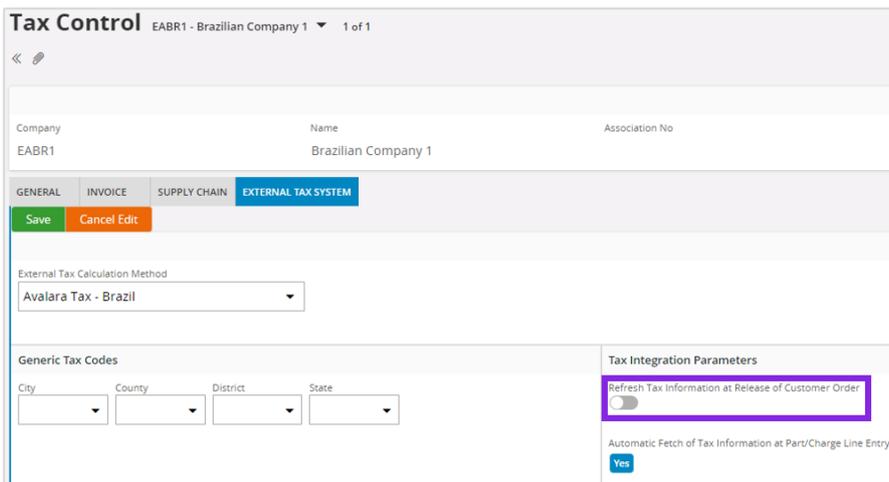
13.5 Create Customer Order

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

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

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

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



Tax Control EABR1 - Brazilian Company 1 1 of 1

Company: EABR1 Name: Brazilian Company 1 Association No:

GENERAL INVOICE SUPPLY CHAIN **EXTERNAL TAX SYSTEM**

Save Cancel Edit

External Tax Calculation Method: Avalara Tax - Brazil

Generic Tax Codes: City, County, District, State

Tax Integration Parameters

Refresh Tax Information at Release of Customer Order

Automatic Fetch of Tax Information at Part/Charge Line Entry

Customer Order P11278-3 1 of 1 Planned

[Status](#) [Share](#) [Operations](#) [Freight](#) [Invoice](#) [Related Pages](#) [Copy Order](#) [Order History](#) [Sales Promotions](#) [Commissions](#) [Project](#)

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

Order Amounts

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

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

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

Application Messages 1739266 1 of 1

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

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

Input Message Data

Name	MESSAGE_REQUESTS.json
------	-----------------------

Output Message Data

Name	MESSAGE_RESPONSE.txt
------	----------------------

Chain Link No	Address Data	Transport Connector	State	Error Text	Envelope	Transformer
1	https://avataxbr.sandbox.avalara.com.br	REST	Transferred			

```

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

```

```

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

```

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

×
Customer Order Line Tax Lines

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

☰ ▼ ⌂ + Set Default

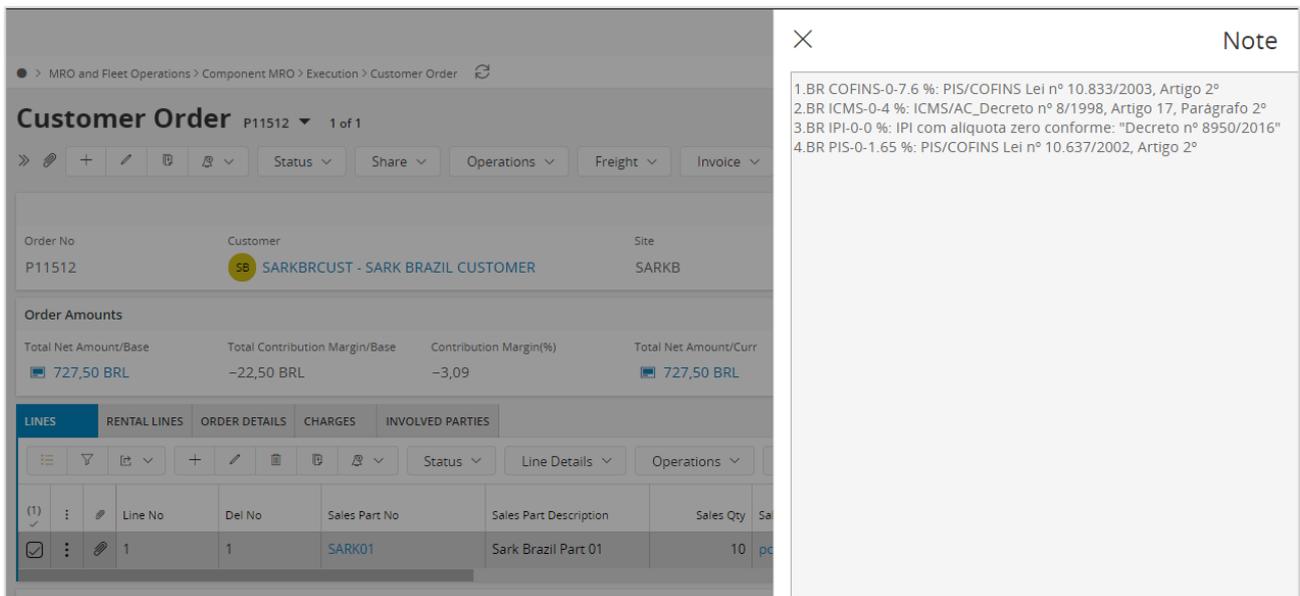
	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code	Legal Tax Class	Tax Type Category
⋮	838,62	BR COFINS-0	Tax	7,6	63,74	63,74	01		COFINS
⋮	838,62	BR ICMS-0	Tax	4	33,54	33,54	00		ICMS
⋮	838,62	BR IPI-0	Tax	0	0,00	0,00	51	999	IPI
⋮	838,62	BR PIS-0	Tax	1,65	13,84	13,84	01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

OK
Cancel

13.5.1 CITATION INFORMATION IN CUSTOMER ORDER LEVEL

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

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

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

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

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

13.6 Create Customer Invoice

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

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

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

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

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

```

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

```

13.6.1 COMPLEMENTARY INFORMATION IN CO INVOICE

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

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

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

Amounts

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

LINES GENERAL NF-E INFORMATION HISTORY

Invoice Type	Invoice Address	Indicators
CUSTORDDEB - Customer Order Invoice, Debit	1	Price Adjustment: No Advance/Prepayment Invoice: No Use Price Incl Tax: No Notes: No Correction Exist: No Correction Invoice: No Correction Reason ID: Correction Reason:
Invoice Date: 2021-06-16 Printed Date: Our Reference: ALAIN PRESTON Customer Reference: Customer Reference Name: Branch: A Customer Branch: Jinsui Status: Non Jinsui	Preliminary Invoice No: 202978 Customer Reference Name: Jinsui Status: Non Jinsui	

Payment:
 Delivery:

References:

Invoice Text

Invoice Text ID:
 Invoice Text:
 IPI com aliquota zero conforme: \Decreto n° 8950/2016\...

13.6.2 HANDLE OUTGOING NOTA FISCALS

Please read chapter “Outgoing Nota Fiscals” for description.

13.6.3 CREATE POSTINGS

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

13.7 Create Invoicing Plan/Project Transaction

Enter an Invoicing Plan/Project Transaction using standard functionality.

13.8 Create Project Invoice

Create a preliminary Project Invoice. In Project Invoices new tax calculation requests are initiated under the following circumstances:

- Invoice is created
- New Project Transaction is added/removed using Add to Invoice/Remove from Invoice function
- Invoice Qty is updated
- Invoice Price is updated
- Invoice Address is updated
- Delivery Address is updated
- Goods/Services Statistical Code is updated
- Branch is updated

Please note that for Brazilian country specifics, a new tax request is not initiated at the point when the invoice is printed/posted (as compared to IFS core). This is because no changes are allowed to the Project Invoice after the Outgoing Nota Fiscal is approved.

Application Messages 1829455 2 of 2

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

Application Message ID	Subject	Type
1829455	Message has been successfully executed	CONNECT
Function	Receiver	State
AVALARA_BR_INTEGRATION_SERVICE	CONNECT	Finished
State Date	Options	Error Text
2/12/24, 12:24 PM		
Initiated By	Initiated	Execute As
JACKIE	2/12/24, 12:24 PM	Initiator
Queue	Inbound	Routing Rule Used
DEFAULT	No	Example_Avalara_Brazil_Integration_Service

Input Message Data

Name
 : MESSAGE_REQUESTS.js...

Output Message Data

Name
 : MESSAGE_RESPONSE.txt

Chain Link No	Address Data	Transport Connector	State	Error Text	Envelope
1	https://avataxbr.sandbox.avalara.com.br/v3/(REST_ENDPOINT)	REST	Transferred		

{} MESSAGE_REQUEST (13)json

```

1  {
2    "header": {
3      "messageType": "services",
4      "eDocCreatorType": "self",
5      "eDocCreatorPerspective": true,
6      "operationType": "standardSales",
7      "transactionDate": "2024-02-13T00:00:00Z",
8      "amountCalcType": "gross",
9      "companyLocation": "04106230000198",
10     "documentCode": "BR01",
11     "locations": {
12       "entity": {
13         "taxRegime": "realProfit",
14         "type": "business",
15         "taxesSettings": {
16           "issRfRateForSimplesTaxRegime": 0,
17           "pCredSN": 0,
18           "subjectToPayrollTaxRelief": true,
19           "subjectToWithholdingPis": true,
20           "subjectToWithholdingCofins": true,
21           "subjectToWithholdingCsll": true,
22           "cofinsSubjectTo": "T",
23           "pisSubjectTo": "T",
24           "csllSubjectTo": "T"
25         },
26         "address": {
27           "neighborhood": "Bela Vista",
28           "zipcode": "06083215",
29           "cityName": "Osasco",
30           "country": "BRA"
31         },
32         "activitySector": {
33           "type": "cnae",
34           "code": "4649408"
35         }
36       },
37       "establishment": {
38         "taxRegime": "realProfit",
39         "type": "business",
40         "taxesSettings": {
41           "issRfRateForSimplesTaxRegime": 0,
42           "pCredSN": 0,
43           "subjectToPayrollTaxRelief": true,
44           "subjectToWithholdingPis": true,
45           "subjectToWithholdingCofins": true,
46           "subjectToWithholdingCsll": true,
47           "cofinsSubjectTo": "T",
48           "pisSubjectTo": "T",
49           "csllSubjectTo": "T"
50         },
51         "address": {
52           "zipcode": "06453000",
53           "cityName": "Barueri",
54           "country": "BRA"
55         },
56         "activitySector": {
57           "type": "cnae",
58           "code": "5212500"
59         }
60       },
61       "rendered": {
62         "address": {
63           "neighborhood": "Bela Vista",
64           "zipcode": "06083215",
65           "cityName": "Osasco",
66           "country": "BRA"
67         }
68       }
69     },
70     "payment": {
71       "installmentTerms": 0,
72       "bill": {
73         "vOrig": 2500,
74         "vDiscount": 0,
75         "vNet": 2500
76       },
77       "installment": []
78     }
79   }

```

{} MESSAGE_RESPONSE (1)json

```

1  {
2    "header": {
3      "messageType": "services",
4      "eDocCreatorType": "self",
5      "eDocCreatorPerspective": true,
6      "operationType": "standardSales",
7      "transactionDate": "2024-02-13T00:00:00Z",
8      "amountCalcType": "gross",
9      "companyLocation": "04106230000198",
10     "documentCode": "BR01",
11     "locations": {
12       "entity": {
13         "taxRegime": "realProfit",
14         "type": "business",
15         "taxesSettings": {
16           "issRfRateForSimplesTaxRegime": 0,
17           "pCredSN": 0,
18           "subjectToPayrollTaxRelief": true,
19           "subjectToWithholdingPis": true,
20           "subjectToWithholdingCofins": true,
21           "subjectToWithholdingCsll": true,
22           "cofinsSubjectTo": "T",
23           "pisSubjectTo": "T",
24           "csllSubjectTo": "T",
25           "subjectToSRF1234": false
26         },
27         "address": {
28           "neighborhood": "Bela Vista",
29           "zipcode": "06083215",
30           "cityName": "Osasco",
31           "country": "BRA",
32           "cityCode": 3534401,
33           "countryCode": "0",
34           "state": "SP"
35         },
36         "activitySector": {
37           "type": "cnae",
38           "code": "4649408"
39         },
40         "federalTaxId": ""
41       },
42       "establishment": {
43         "taxRegime": "realProfit",
44         "type": "business",
45         "taxesSettings": {
46           "issRfRateForSimplesTaxRegime": 0,
47           "pCredSN": 0,
48           "subjectToPayrollTaxRelief": true,
49           "subjectToWithholdingPis": true,
50           "subjectToWithholdingCofins": true,
51           "subjectToWithholdingCsll": true,
52           "cofinsSubjectTo": "T",
53           "pisSubjectTo": "T",
54           "csllSubjectTo": "T"
55         },
56         "address": {
57           "zipcode": "06453000",
58           "cityName": "Barueri",
59           "country": "BRA",
60           "cityCode": 3505708,
61           "countryCode": "0",
62           "state": "SP"
63         },
64         "activitySector": {
65           "type": "cnae",
66           "code": "5212500"
67         }
68       },
69       "rendered": {
70         "address": {
71           "neighborhood": "Bela Vista",
72           "zipcode": "06083215",
73           "cityName": "Osasco",
74           "country": "BRA",
75           "cityCode": 3534401,
76           "countryCode": "0",
77           "state": "SP"
78         }
79       }
80     }
81   }

```

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

Project Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount
1162.15	1100.00	62.15

Tax Line Details

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Transferred	CST Code	Legal Tax Class	Tax Type Category	Tax Category 1	Tax Category 2
1100.00	BR-COFINS	Tax	3	33.00	33.00	6.60	No	01		COFINS		
1100.00	BR-CSLL	Tax	0	0.00	0.00	0.00	No	01		CSLL		
1100.00	IRPJ-N	Tax	0	0.00	0.00	0.00	No			IRPJ		
1100.00	BR-ISS	Tax	2	22.00	22.00	4.40	No	01		ISS		
1100.00	BR-PIS	Tax	0.65	7.15	7.15	1.43	No	01		PIS		

OK Cancel

13.8.1 CITATION INFORMATION IN PROJECT INVOICE LEVEL

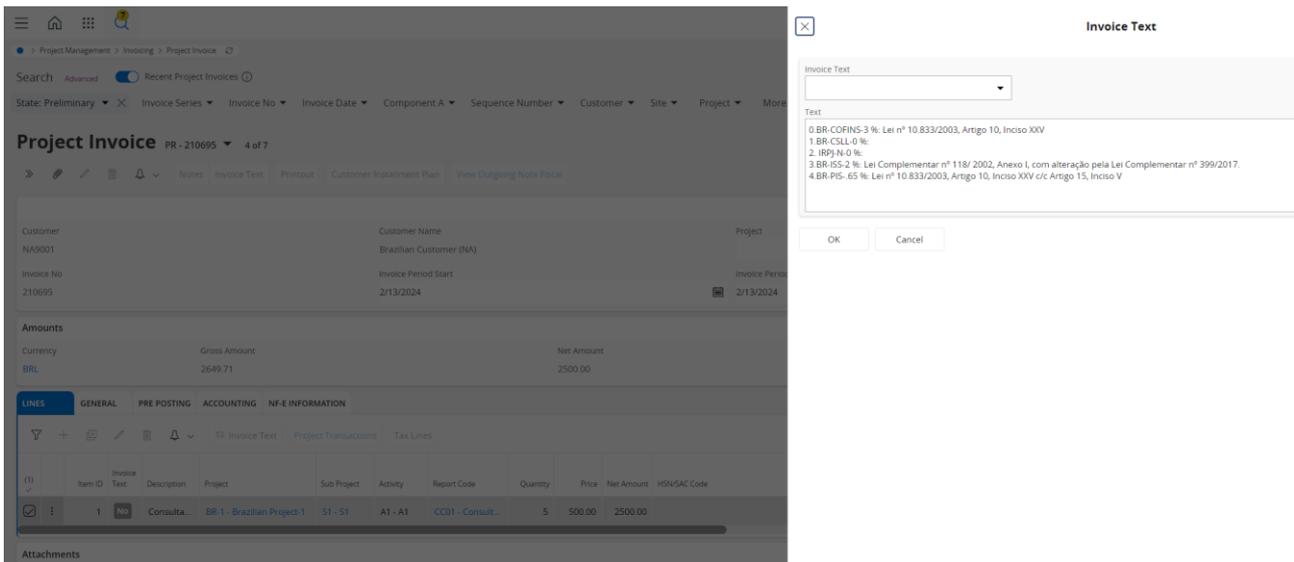
In the Avalara response message, there is a placeholder called “Citation” which includes information related to possible tax benefits applicable to the tax scenario, for example that the company might be subject to ICMS reduction benefits. The Citation information usually refers to the conditions in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

```

170 {
171   "jurisdictionname": "BRASIL",
172   "jurisdictiontype": "Country",
173   "taxImpact": {
174     "impactOnFinalPrice": "Included",
175     "impactOnNetAmount": "Included",
176     "accounting": "liability"
177   },
178   "taxType": "cofins",
179   "citation": "Lei nº 10.833/2003, Artigo 10, Inciso XXV",
180   "subtotalTaxable": 2500,
181   "rate": 3,
182   "tax": 75,
183   "exemptionCode": "",
184   "cst": "01",
185   "isCustomCitation": false
186 },
187 {
188   "jurisdictionname": "BRASIL",
189   "jurisdictiontype": "Country",
190   "taxImpact": {
191     "impactOnFinalPrice": "Included",
192     "impactOnNetAmount": "Subtracted",
193     "accounting": "asset"
194   },
195   "taxType": "cofinsRf",
196   "citation": "Lei nº 10.833/2003, Artigos 30 e 31, Instrução Normativa nº 459/2004, Artigo 2º c/c Artigo 1º, Parágrafo 2º, Inciso IV; Solução de Consulta nº 445/2010 _Disiteº",
197   "subtotalTaxable": 2500,
198   "rate": 3,
199   "tax": 75,
200   "exemptionCode": "",
201   "cst": "01",
202   "collectionCode": "5952",
203   "isCustomCitation": false
204 },
205 {
206   "jurisdictionname": "BRASIL",
207   "jurisdictiontype": "Country",
208   "taxImpact": {
209     "impactOnFinalPrice": "Included",
210     "impactOnNetAmount": "Included",
211     "accounting": "liability"
212   },
213   "taxType": "csll",
214   "subtotalTaxable": 2500,
215   "rate": 0,
216   "tax": 0,
217   "exemptionCode": "",
218   "traceCode": "001",
219   "cst": "01"
220 },
221 },
222 }

```

The Avalara “Citation Information” is saved as a “Note” on the Project Invoice lines.



The screenshot displays the IFS Project Invoice interface. A modal window titled "Invoice Text" is open, showing a list of tax items:

- 0 BR-COFINS-3 %: Lei nº 10.833/2003, Artigo 10, Inciso XIV
- 1 BR-CSLL-0 %:
- 2 IRPJ-N-0 %:
- 3 BR-ICMS-2 %: Lei Complementar nº 118/2002, Anexo I, com alteração pela Lei Complementar nº 399/2017.
- 4 BR-PIS-65 %: Lei nº 10.833/2003, Artigo 10, Inciso XXV c/c Artigo 15, Inciso V

The background interface shows the "Project Invoice" details for PR-210695, including customer information (NA9001), invoice period (2/13/2024), and a table of invoice lines with columns for Item ID, Invoice Text, Description, Project, Sub Project, Activity, Report Code, Quantity, Price, Net Amount, and HSN/SAC Code.

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

13.8.2 COMPLEMENTARY INFORMATION IN PROJECT INVOICE

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

```

{} MESSAGE_RESPONSE (1).json
73     "cityName": "Osasco",
74     "country": "BRA",
75     "cityCode": 3534401,
76     "countryCode": "0",
77     "state": "SP"
78   },
79   "federalTaxId": ""
80 },
81 },
82   "payment": {
83     "installmentTerms": 0,
84     "bill": {
85       "vOrig": 2500,
86       "vDiscount": 0,
87       "vNet": 2500
88     },
89     "installment": [
90       {
91         "documentNumber": "1",
92         "date": "2024-02-13T00:00:00Z",
93         "grossValue": 2500,
94         "withholdingPIS": 16.25,
95         "withholdingCOFINS": 75,
96         "withholdingCSLL": 25,
97         "withholdingMode": "PCC",
98         "netValue": 2258.75
99       }
100     ],
101     "withholdingMode": "PCC"
102   },
103   "rpsSerie": "0",
104   "services": {
105     "class": "PRESTACAO DE SERVICIO TRIBUTADO ISSQN"
106   },
107   "accountId": "39085bc1-4ed1-437f-b6d5-f7ee24b1daea",
108   "subscriptionId": "0aa49b97-6be1-46b4-b271-f4efaa221f60"
109   "additionalInfo": {
110     "complementaryInfo": "Valor Líq: R$ 2258,75 Trib aprox R$: 336,25 Federal e R$ 97,50 Municipal Fonte: IBPT"
111   }
112   "ediSyncState": "STORED"
113 },
114 "lines": [
115   {
116     "lineCode": 1,
117     "numberOfItems": 5,
118     "lineAmount": 2500,
119     "lineUnitPrice": 500,
120     "itemDescriptor": {
121       "hsCode": "1.01",
122       "serviceCode": "620400001",
123       "serviceCodeOrigin": "01.06.02.2.1-7",
124       "withLaborAssignment": true,
125       "cnae": "0",

```

Project Management > Invoicing > Project Invoice

Search **Advanced** Recent Project Invoices

State: Preliminary Invoice Series Invoice No Invoice Date Component A Sequence Number Customer Site Project

Project Invoice PR-210695 4 of 7

Customer	NA9001	Customer Name	Brazilian Customer (NA)	Project
Invoice No	210695	Invoice Period Start	2/13/2024	Invoice Period

Amounts	
Currency	BRL
Gross Amount	2649.71
Net Amount	2500.00

Item ID	Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	HGU/SAC Code
1	Consulta	BR-1 - Brazilian Project-1	S1-S1	A1-A1	CC01 - Consult		5	500.00	2500.00	

Attachments

Invoice Text

Invoice Text

Text

Valor Líq: R\$ 2394,00 Trib aprox R\$: 356,38 Federal e R\$ 103,34 Municipal Fonte: IBPT

OK Cancel

13.9 Create Purchase Order

For Purchase Order a new taxes are initiated, resulting in new tax requests being sent to Avalara under the following circumstances (depending on Company setup and order status):

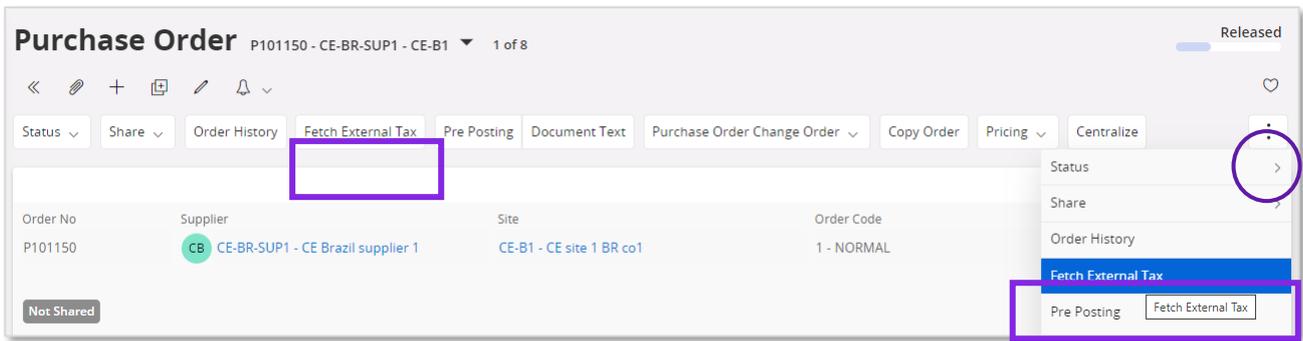
- New purchase order line is added
- Purchase Qty is updated
- Purchase Price is updated
- If Company default Document Address is updated also manual command to fetch tax is needed
- Supplier Document Address is updated on Purchase Order
- Goods/Services Statistical Code is updated.
- Acquisition Origin updated
- Acquisition Reason Id is updated
- Line connected charges are added or updated.
- Order is Released
- Manual command in Purchase Order to **Fetch External Taxes**.

User can decide whether the taxes are Calculated/etched upon, “Release of Purchase Order” or “PO Line Entry Level”. This is controlled by the IFS Application core functionality, **Company/Tax Control/External Tax System** tab, “*Tax Integration Parameters for Procurement*”.

In order to be able to restrict number of requests sent to Avalara there will not be any requests sent to Avalara when modifying above data, before an order is released (when having setup as only to fetch taxes at Purchase Order release). But after release any change of the data will automatically generate a request to update taxes from Avalara. (Except for when adding a new line, as fetching for part line entry is disabled.) If instead the toggle for fetching taxes at part line entry is enabled the changes will trigger a request to update taxes regardless of status.

Example: If user decides not to send tax requests upon releasing the order. Then the option Refresh Tax Information at Release of Purchase Order in **Company/Tax Control/External Tax System** tab (standard functionality) should be disabled. But please note that if using this setup you will need to manually fetch the taxes for automatically added PO lines, as explained more below.

In the Purchase Order header there is a new command available to Fetch External Taxes from Avalara that can be used whenever the user want to manually trigger a tax calculation from Avalara.



When using the new manual command in the PO header **Fetch External Taxes** a request will be sent to Avalara. This command will be enabled even if there are lines which are not supposed to be sent. When a request is sent to Avalara then the taxes will be fetched/updated for all the part lines in the PO. Exception to this is for PO lines which are not supposed to get Avalara taxes:

- when having status Cancelled
- when Tax Liability is EXEMPT
- when Not Taxable.

No part lines, rental lines, master parts with Product Type Classification as “Services”, non-line connected charges are not supported for the procurement flow. Furthermore, are the flows Purchase Requisition, Order Quotation and Purchase Order Change Order not supported.

This means that those lines are not sent in the request to Avalara.

PLEASE NOTE that for automatically created lines there will be no support for automatically getting the taxes from Avalara. The user needs to fetch the taxes for these lines by using the manual command in the Purchase Order header to fetch taxes or use the setup to get them automatically when release of PO.

This is also needed if the Company default Document Address is changed as this will not generate any automatic fetch of taxes.

When Purchase Order Lines are added, default values will be added for Goods/Services Statistical Code, Acquisition Reason and Acquisition Origin. If no default values are added, these need to be manually entered.

There is also a new column to show the **Discount Amount**, calculated as the discount percentage of the Price incl Tax/Base amount, multiplied by the line quantity.

When all information needed for the request to be sent is present, a request to Avalara can be processed correctly. If something is missing, you will receive an error and details about the error can be seen in the response message details.

Purchase Order P101130 - CE-BR-SUP1 - CE-B1 1 of 1

<< 🔗 + 📄 ✎ 🔔 ⌵

Status ⌵ Share ⌵ Order History Fetch External Tax Pre Posting Document Text Purchase Order Change Order ⌵ Copy Order P

Order No: P101130
 Supplier: CB CE-BR-SUP1 - CE Brazil supplier 1
 Site: CE-B1 - CE site 1 BR co1
 Order Code: 1 - NORMAL

Not Shared

Order Amounts

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
7.63 BRL	7.63 BRL	1.37 BRL	9.00 BRL

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

🔍 + ✎ Create Lines from Template ⚙️ ⌵ 📄 ⌵

✓	Part No	Quantity	Business Operation	Goods/Services Statistical Code	Acquisition Origin	Acquisition Reason	Discou (%)	Discount Amount
<input type="checkbox"/>	CE-BRAZIL-PART3	1	1102	45019000 - waste of c...	4 - Nacional, cu...	SC-BR-RS - Goods ...	10	1.00

The request and response message details can be checked in the page for Application messages. View details and download the message in order to check the values sent/received.

Application Messages 2380026 1 of 1

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

Application Message ID	Subject	Type	Sender
2380026	Message has been successfully executed	CONNECT	IFS_BR
Function	Receiver	State	External Message ID
AVALARA_BR_INTEGRATION_SERVICE	CONNECT	Finished	699A673384F14B7993C96321FFC23A53
State Date	Options	Error Text	Created From
9/7/23, 9:25 PM			
Initiated By	Initiated	Execute As	Locale
CEFRSE	9/7/23, 9:25 PM	Initiator	en-US
Queue	Inbound	Routing Rule Used	
DEFAULT	No	Example_Avalara_Brazil_Integration_Service	

Input Message Data

   24
<input checked="" type="checkbox"/> Name
<input type="checkbox"/> MESSAGE_REQUESTS.json

Output Message Data

   24
<input checked="" type="checkbox"/> Name
<input type="checkbox"/> MESSAGE_RESPONSE.txt

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "gross",
  "companyLocation": "77.214.253/0001-92",
  "documentCode": "P101169",
  "messageType": "goods",
  "locations": {
    "entity": {
      "name": "CE-BR-SUP1",
      "type": "stateGovernment",
      "taxesSettings": {
        "icmsTaxPayer": "true"
      }
    },
    "address": {
      "street": "Estrada Municipal Martins",
      "zipcode": "14813-000",
      "cityName": "Sao Paulo",
      "state": "Sp",
      "countryCode": "01058",
      "country": "BRA"
    },
    "activitySector": {
      "type": "cnae",
      "code": "7120100"
    }
  },
  "establishment": {
    "name": "CE-COMP-BRAZIL",
    "federalTaxId": "77.214.253/0001-92",
    "stateTaxId": "2563339899991",
    "suframa": "865302326",
    "type": "individual",
    "taxesSettings": {
      "icmsTaxPayer": "true"
    },
    "address": {
      "street": "detailed street adr for CE-ADR1",
      "zipcode": "10100-000",
      "cityName": "Sau paulo",
      "state": "Sp",
      "countryCode": "01058",
      "country": "BRA"
    },
    "activitySector": {
      "type": "cnae",
      "code": "2656265"
    }
  },
  "goods": {
    "indFinal": 0,
    "transport": null
  },
  "invoicedRefs": []
},
"lines": [
  {
    "lineCode": 1,
    "itemCode": "CE-BRAZIL-PART1",
    "numberOfItems": 1,
    "lineUnitPrice": 80,
    "lineAmount": 80,
    "lineTaxedDiscount": 0,
    "useType": "resale",
    "operationType": "standardPurchase",
    "orderNumber": "P101169",
    "orderItemNumber": "1",
    "freightAmount": 10,
    "insuranceAmount": 5,
  }
]

```

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "gross",
  "companyLocation": "77.214.253/0001-92",
  "documentCode": "P101169",
  "messageType": "goods",
  "locations": {
    "entity": {
      "name": "CE-BR-SUP1",
      "type": "stateGovernment",
      "taxesSettings": {
        "icmsTaxPayer": true
      }
    },
    "address": {
      "street": "Estrada Municipal Martins",
      "zipcode": "14813-000",
      "cityName": "Gavião Peixoto",
      "state": "Sp",
      "countryCode": "01058",
      "country": "BRA",
      "cityCode": "3516853"
    },
    "activitySector": {
      "type": "cnae",
      "code": "7120100"
    },
    "federalTaxId": ""
  },
  "establishment": {
    "name": "CE-COMP-BRAZIL",
    "federalTaxId": "77.214.253/0001-92",
    "stateTaxId": "2563339899991",
    "suframa": "865302326",
    "type": "individual",
    "taxesSettings": {
      "icmsTaxPayer": true
    },
    "address": {
      "street": "detailed street adr for CE-ADR1",
      "zipcode": "10100-000",
      "cityName": "Sau paulo",
      "state": "Sp",
      "countryCode": "01058",
      "country": "BRA",
      "cityCode": 0
    },
    "activitySector": {
      "type": "cnae",
      "code": "2656265"
    }
  },
  "goods": {
    "indFinal": 0,
    "transport": null,
    "model": "55",
    "idDest": 0,
    "tpEmis": "1",
    "class": "Compra de material para uso ou consumo",
    "tpImp": "1"
  },
  "invoicedRefs": [],
  "eDocCreatorPerspective": true,
  "accountId": "aafa0f9a-ec32-4a72-8861-a0d966f2b5a0",
  "subscriptionId": "0aa49b97-6be1-46b4-b271-f4efaa221f60",
  "additionalInfo": {}
},
"lines": [
  {
    "lineCode": 1,
    "itemCode": "CE-BRAZIL-PART1",
  }
]

```

When response message from Avalara has been received the tax lines will be updated in the dialog for Purchase Order Line Taxes.

The data received from Avalara will include Tax Base Amount, IFS Tax Code (fetched based on the tax codes mapping set-up), Tax %, Tax Amount in Curr and Base, CST Code, Legal Tax Class (for IPI taxes), Tax Type Category and Impact on Net Amount.

Purchase Order Line Taxes

Gross Amount/Curr	Net Amount/Curr	Tax Amount/Curr	Non-deductible Tax Amount/Curr
100.00	72.75	27.25	0.00
Total Tax Amount/Curr			
27.25			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount/Curr	Tax Amount/Base	Non-deductible Tax/Curr	Total Tax Amount	Impact On Net Amount	CST Code	Legal Tax Class	Tax Type Category
100.00	BR-COFINS	Tax	7.6	100	7.60	7.60	0.00	7.60	Included	56		COFINS
100.00	BR-ICMS	Tax	18	100	18.00	18.00	0.00	18.00	Included	00		ICMS
100.00	BR-PIIS	Tax	1.65	100	1.65	1.65	0.00	1.65	Included	56		PIIS

OK Cancel

This dialog with these specific Avalara columns will only be shown for part lines when using Avalara integration, the standard tax dialog is shown for no parts and rental parts. Only lines with the “Included” value in Impact On Net amount column will be considered for the total tax calculation.

Purchase Order part lines calculation will only consider the goods value when calculating the net amount and price for the part line. This calculation will be according to below example.

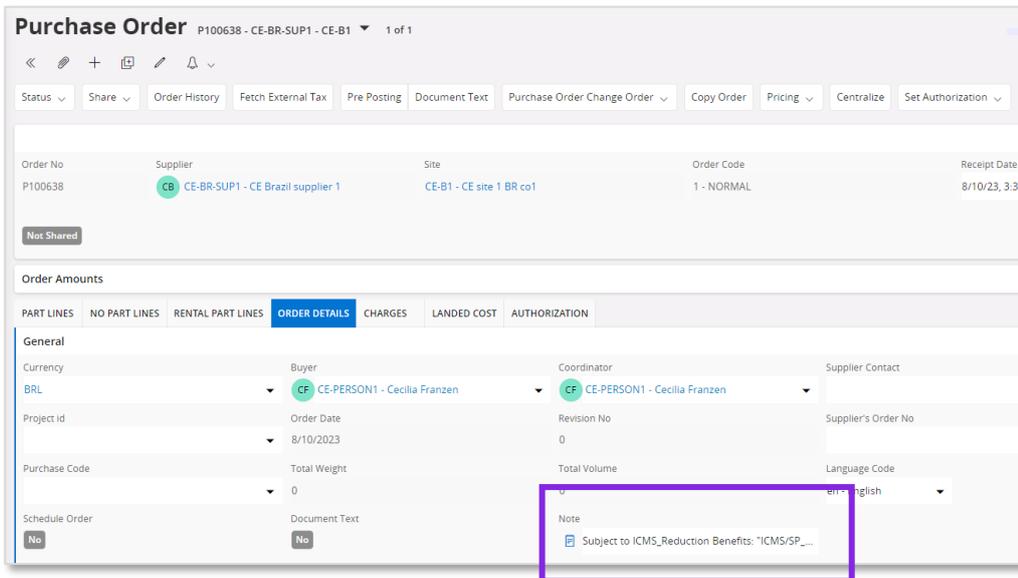
$$Part\ Line\ Tax = Part\ Gross * \left(\frac{Total\ Tax\ incl\ line\ connected\ charges}{Total\ Gross\ incl\ line\ connected\ charges} \right)$$

$$Part\ Line\ Net\ Amount = Part\ Gross - Part\ Line\ Tax$$

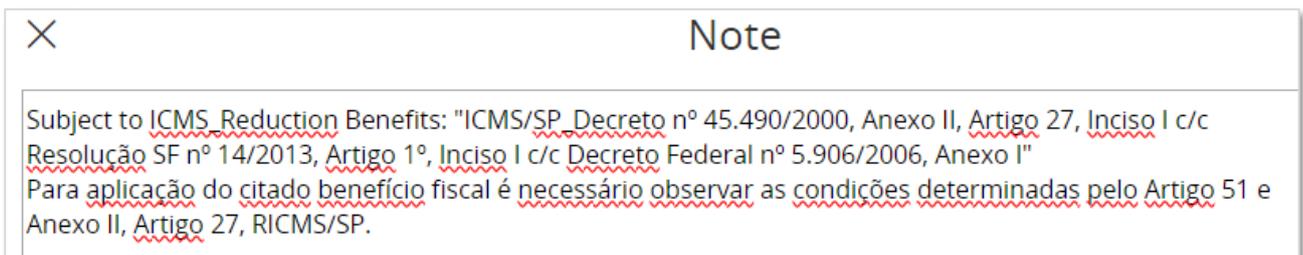
13.9.1 CITATION INFORMATION IN PURCHASE ORDER LEVEL

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

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



Example from PO header Note:



Example from PO line Note:



13.10 Tax Request to Avalara when having Line connected charges

The charges that are using the same Brazilian Charge Category for a line will be summarized and sent for the different Avalara tags.

For example if two charge lines connected to line no 1, rel no 1 are having National Freight as Brazilian Charge Category, the sum of 5+5=10 will be shown in the request message as

freightAmount.

PART LINES		NO PART LINES		RENTAL PART LINES		ORDER DETAILS		CHARGES		LANDED COST		AUTHORIZATION	
(1)	✓	Connect to Rel No	Connect to Line No	Brazilian Charge Category	Sequ... No	Charge Type	Charge Type Description	Charge Price/Base	Charge (%)	Charge Price Incl Tax/Charge Curr			
<input checked="" type="checkbox"/>	:	1	1	National Freight	3	CE-BR-CT3	Cecilia Brazil charge t	5.00		5.00			
<input type="checkbox"/>	:	1	1	National Freight	2	CE-BR-CT1	Cecilia Brazil charge t	5.00		5.00			
<input type="checkbox"/>	:	1	1	National Insurance	1	CE-BR-CT2	CE Brazil charge type	5.00		5.00			

```

"orderNumber": "P101140",
"orderItemNumber": "1",
"freightAmount": 10,
"insuranceAmount": 5,
"itemDescriptor": {
  "hsCode": "45019000",
}

```

When line connected charges exist the following calculations will be done in the Purchase Order Lines tax assistant. In below example there is one line connected charge line with a gross amount base of 10.

× Purchase Order Line Taxes

Gross Amount/Curr	Net Amount/Curr	Tax Amount/Curr	Non-deductible Tax Amount/Curr
210.00	152.77	57.23	0.00
Total Tax Amount/Curr			
57.23			

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount/Curr	Tax Amount/Base	Non-deductible Tax/Curr	Total Tax Amount	Impact On Net Amount	CST Code	Legal Tax Class	Tax Type Category
:	210.00	BR-COFINS	Tax	7.6	100	15.96	15.96	0.00	15.96	Included	56	COFINS
:	210.00	BR-ICMS	Tax	18	100	37.80	37.80	0.00	37.80	Included	00	ICMS
:	210.00	BR-PIS	Tax	1.65	100	3.47	3.47	0.00	3.47	Included	56	PIS

OK Cancel

Line connected charges will be included in the Gross Amount/Curr, then the tax lines with the included flag in Impact on Net Amount will be deducted from the Gross Amount/Curr to get the correct Net Amount/Curr for the Goods and the line connected charges according to below calculations.

$$\text{Gross Amount in Curr} = \text{Part Gross} + \text{Gross Amount Base for line connected charge lines.}$$

$$\text{Net Amount in Curr} = \text{Gross Amount in Curr} - \text{Tax Amount in Curr}$$

Purchase Order part lines calculation will only consider the goods value when calculating the net amount and price for the part line. This calculation will be according to below example.

$$\text{Part Line Tax} = \text{Part Gross} * \left(\frac{\text{Total Tax incl line connected charges}}{\text{Total Gross incl line connected charges}} \right)$$

$$\text{Part Line Net Amount} = \text{Part Gross} - \text{Part Line Tax}$$

13.11 Delimitations

For the Sales flow this release only covers tax determination via integration to Brazilian external tax system for Customer Order sales, Customer Order invoicing of goods transactions and Intersite movement of goods within same company. Scenarios supported in this release are:

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

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

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

For Procurement it covers the tax determination via integration to Brazilian external tax system (Avalara) for Purchase Order Part Lines. Also line connected charges are supported. In the procurement flow Gross price is used.

No part lines, rental lines, master parts with Product Type Classification as “Services”, non-line connected charges are not supported for the procurement flow. Furthermore, are the flows Purchase Requisition, Order Quotation and Purchase Order Change Order not supported.

When using the Avalara integration additional costs on purchase order line is not supported. Also note that centralized Purchase Orders are also not supported.

14 Outgoing Nota Fiscal

14.1 Overview Legal Requirement

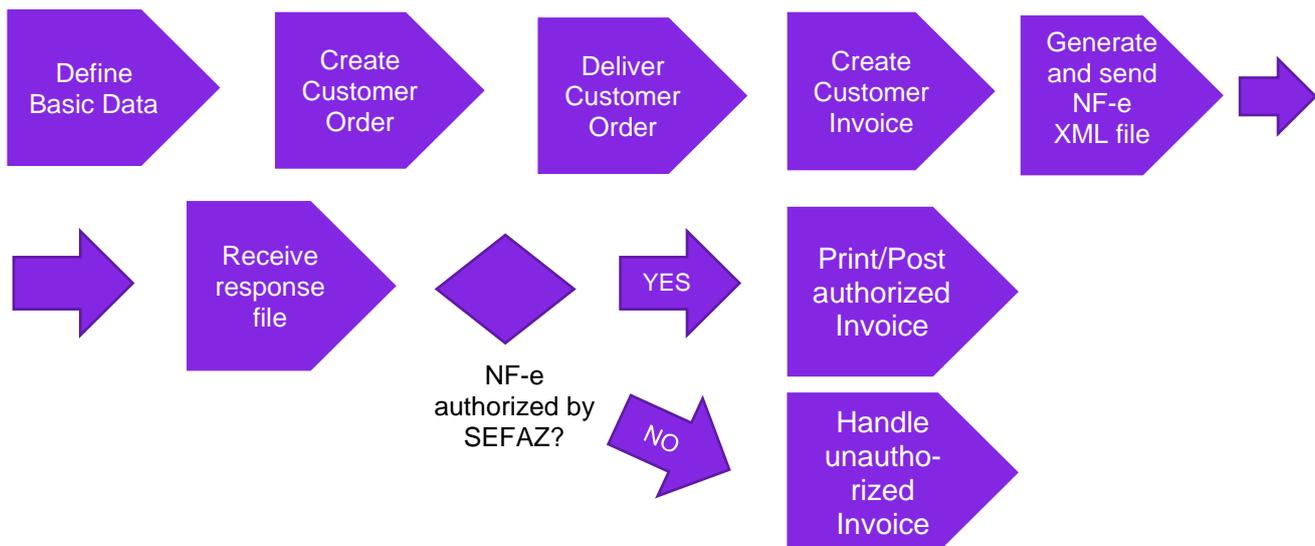
In Brazil the Nota Fiscal is a mandatory official document that must be issued to prove the existence of a commercial act, e.g. sale of goods. It's a tax document that registers transfer of ownership or possession of a good or commercial activity provided by a company to an individual or another company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

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

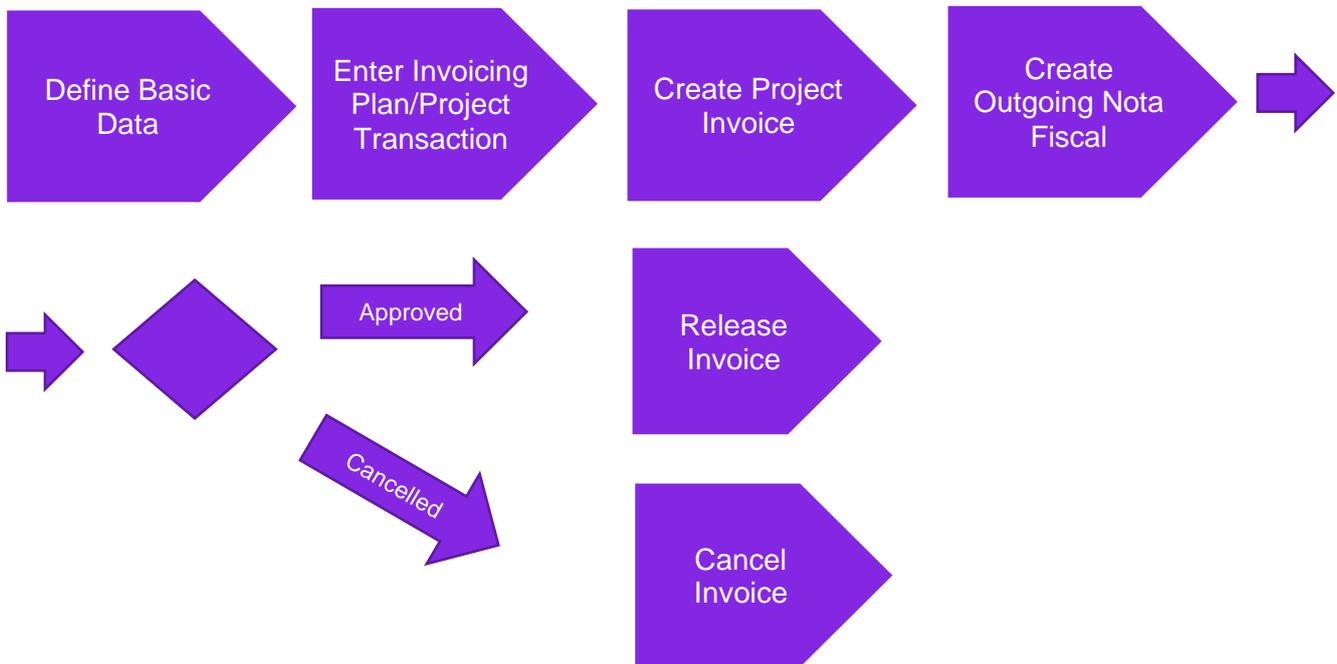
The Nota Fiscals must always be issued in Brazilian Real (BRL).

14.2 Process Overview

Customer Order sales of goods



Project Invoice – Initial Solution



14.3 Prerequisites

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

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

14.4 Define Basic Data

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

14.4.1 ADDRESS SETUP BRAZIL

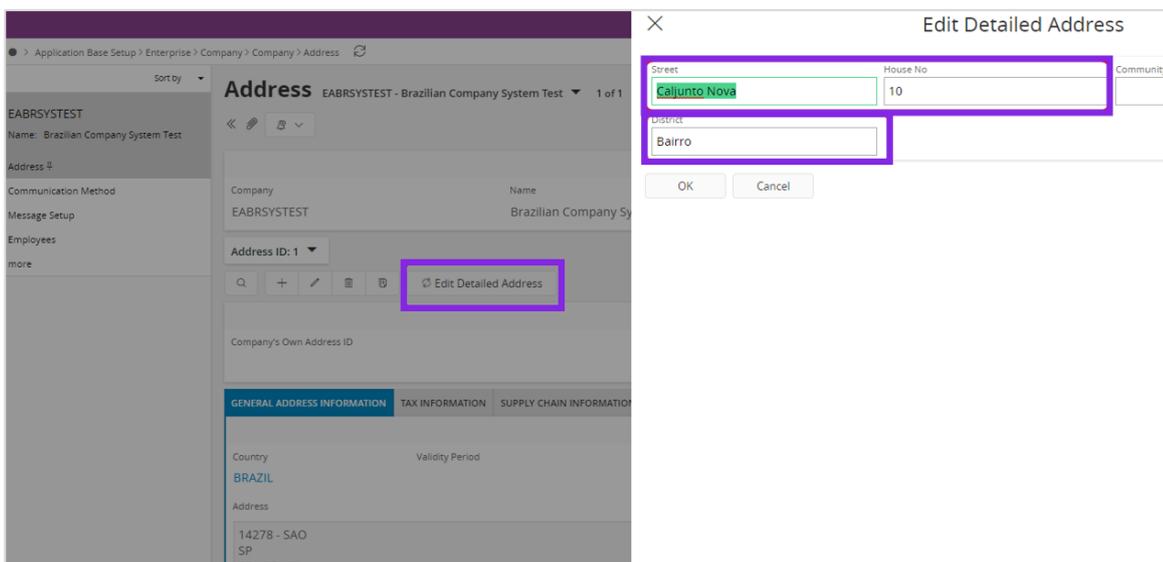
Use IFS standard functionality to define settings for Brazilian addresses in page **Application Base Setup/Enterprise/Basic Data/Address Setup per Country**. Detailed Address must be used to store and fetch the address information needed for the Nota Fiscal.

Application Base Setup > Enterprise > Basic Data > Address Setup per Country

Address Setup per Country

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

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



Application Base Setup > Enterprise > Company > Address

Address EABRSYSTEST - Brazilian Company System Test 1 of 1

Company: EABRSYSTEST, Name: Brazilian Company System Test

Address ID: 1

Company's Own Address ID

GENERAL ADDRESS INFORMATION | TAX INFORMATION | SUPPLY CHAIN INFORMATION

Country: BRAZIL, Validity Period

Address: 14278 - SAO SP

Edit Detailed Address

Street: Cajunto Nova, House No: 10, Community: [empty]

District: Bairro

OK, Cancel

14.4.2 ICMS TAX PAYER

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

Address DU:BR-1 - DU:BR-1 ▾ 1 of 1

Customer: DU:BR-1 Name: DU:BR-1

Address ID: BR:AD:1 ▾

Customer's Own Address ID: BR:AD:1 Customer Name:

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

Company: DU:BRAZIL-01 - DU:BRAZIL-01 ▾

Tax Withholding: Blocked Tax Rounding Method: Round to the Nearest

Exclude from Spesometro Declaration: **Icms Tax Payer:**

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

```

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

```

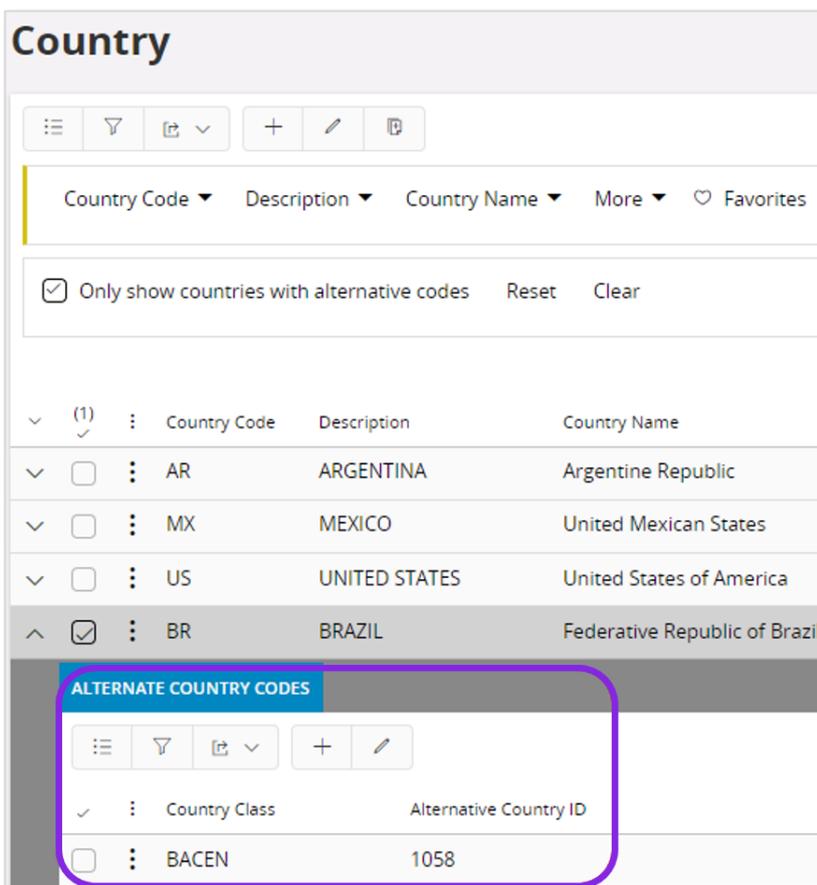
- If the customer is from abroad (Customer Invoice Document Address is not “Brazil”, the tag will be = 9 (not Tax Payer)

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

14.4.3 BACEN CODES (NON-ISO COUNTRY CODES)

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

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



Country

Country Code Description Country Name More Favorites

Only show countries with alternative codes Reset Clear

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

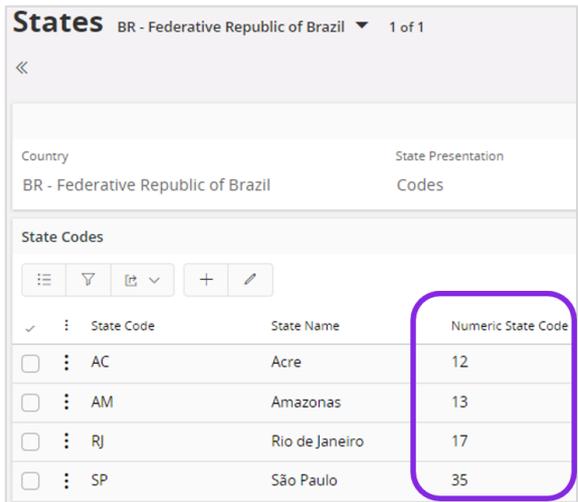
ALTERNATE COUNTRY CODES

Country Class	Alternative Country ID
BACEN	1058

14.4.4 IBGE STATE CODES (NUMERIC STATE CODES)

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

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

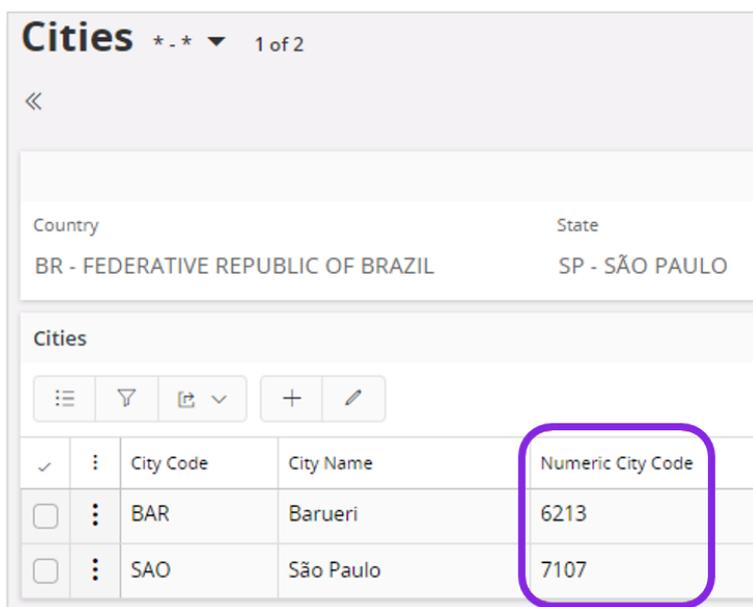


State Code	State Name	Numeric State Code
AC	Acre	12
AM	Amazonas	13
RJ	Rio de Janeiro	17
SP	São Paulo	35

14.4.5 IBGE CITY CODES (NUMERIC CITY CODES)

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

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



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

14.4.6 FINAL CONSUMER

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

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

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

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

Customer Order P10452 5 of 24+

Share
Operations
Invoice
RMA
Related Pages
Copy Order

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

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

LINES

RENTAL LINES

ORDER DETAILS

CHARGES

INVOLVED PARTIES

Coordinator	Currency	Customer's PO No	Additional Discou...	Priority	Delivery Address
AP ALAIN - Alain Prost	BRL	0			1 - Brazilian Custo
Reference	Agreement ID	Language Code	Final Consumer <input type="button" value="No"/>		Document Address
Salesperson	Add Rebate Customer	Main Representative			Document Address

```

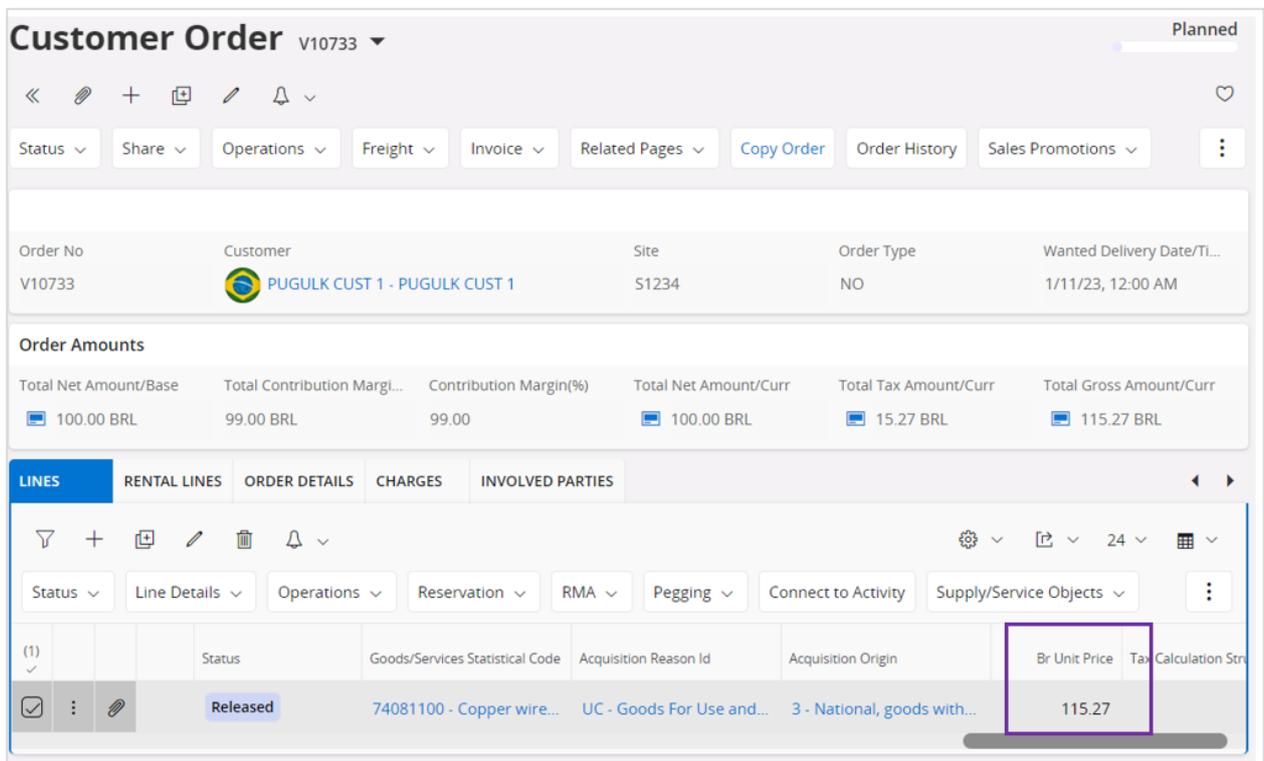
- <NFe xmlns:xs="http://www.w3.org/2001/XMLSchema" xmlns:xsi="http://www.v
- <infNFe versao="4" Id="35210612345679123450650090000100021002029788">
  - <ide>
    <cUF>35</cUF>
    <cNF>00202978</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010002</nNF>
    <dhEmi>2021-06-21T15:55:00+00:00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

```

Placeholder – “BR Unit Price”

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

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



Customer Order V10733 Planned

Order No: V10733 | Customer: PUGULK CUST 1 - PUGULK CUST 1 | Site: S1234 | Order Type: NO | Wanted Delivery Date/Time: 1/11/23, 12:00 AM

Order No	Customer	Site	Order Type	Wanted Delivery Date/Time
V10733	PUGULK CUST 1 - PUGULK CUST 1	S1234	NO	1/11/23, 12:00 AM

Order Amounts

Total Net Amount/Base	Total Contribution Margl...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
100.00 BRL	99.00 BRL	99.00	100.00 BRL	15.27 BRL	115.27 BRL

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

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

```

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

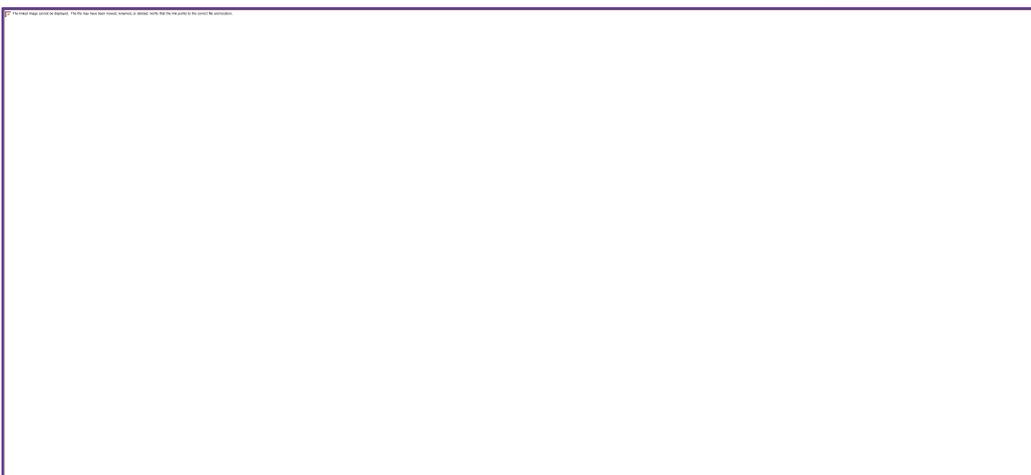
```

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

Calculation

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

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



14.4.7 PRESENCE TYPE

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

Business Transaction Codes

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

Not Applied: 0

Presence-Onsite: 1

Internet: 2

Phone: 3

Presence-Offsite: 5

Non-Presence: 9

```

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

```

14.4.8 COMPLEMENTARY INFORMATION IN NF-E

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

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

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

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

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

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

LINES GENERAL NF-E INFORMATION HISTORY

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

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

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

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

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

LINES GENERAL NF-E INFORMATION HISTORY

Invoice Type			Invoice Address			Indicators		
CUSTORDDEB - Customer Order Invoice, Debit			1			Price Adjustment	Advance/Prepayment Invoice	Use Price Incl Tax
2021-06-16			Preliminary Invoice No 202978			No	No	No
Our Reference ALAIN PRESTON			Customer Reference Name			Notes	Correction Exist	Correction Invoice
A			Non Jinsui			No	No	No
Payment			Delivery			Invoice Text		
References			Invoice Text ID			Invoice Text		
Order No P10608			Material segue para amostra, sem retorno.;Isento de IC...					

The complementary information entered as Invoice Text on the Customer Invoice is fetched to the NF-e XML file and added in the **infAdic** block and tag "infCpl".

With an integration to 3rd party tax determination engine for Brazilian taxes enabled, this complementary information can be received in the response file and automatically saved as Invoice Text on the Customer Invoice.

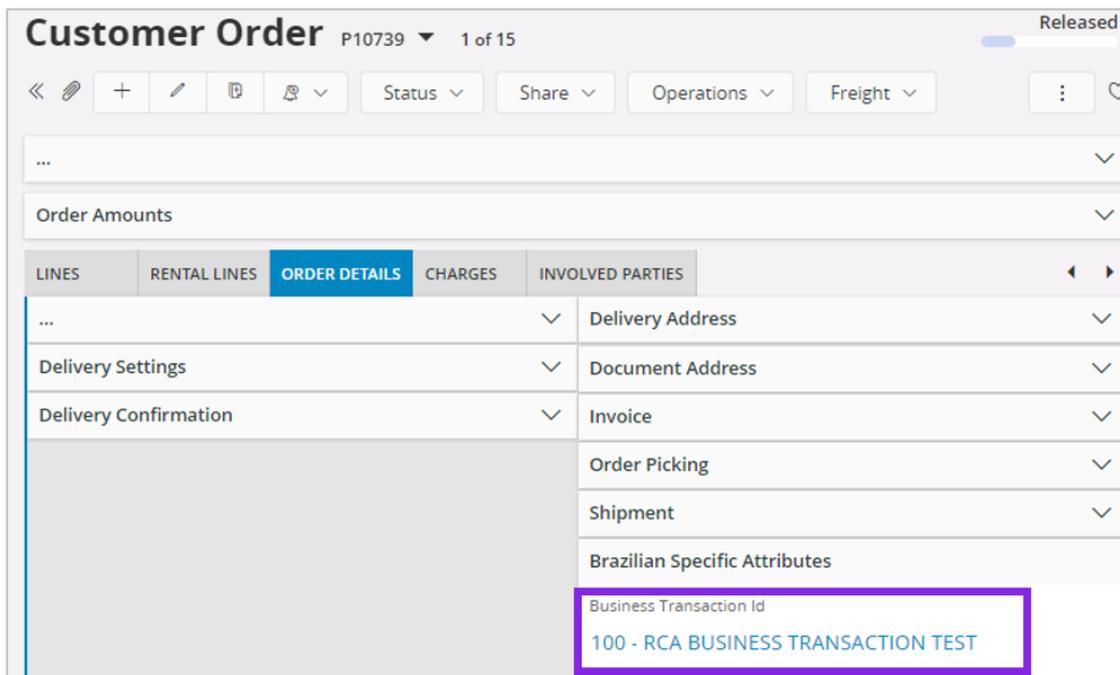
```

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

```

14.5 Create Customer Order

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



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

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

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

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

Customer Order Line Tax Lines

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

	Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code	Legal Tax Class	Tax Type Category
:	838,62	BR COFINS-0	Tax	7,6	63,74	63,74	01		COFINS
:	838,62	BR ICMS-0	Tax	4	33,54	33,54	00		ICMS
:	838,62	BR IPI-0	Tax	0	0,00	0,00	S1	999	IPI
:	838,62	BR PIS-0	Tax	1,65	13,84	13,84	01		PIS

OK Cancel

14.6 Deliver Customer Order

Single Order delivery

Deliver the single Customer Order using standard functionality.

Shipment delivery

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

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

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

Shipment Type BR - Brazil 1 of 1

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

Keep Manual Gross Weight and Volume: Packing Proposal:

Shipment Creation

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

Consolidation Parameters

Consolidate Source Lines by

Reference ID

SHIPMENT EVENTS **CUSTOMER ORDER EVENTS** SHIPMENT ORDER

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

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

14.7 Create Customer Invoice

Create the Customer (Order) Invoice or the Shipment Invoice (Customer Order Collective Invoice, Debit) in Preliminary state using IFS standard functionality.

14.8 Create Outgoing Nota Fiscal

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

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

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

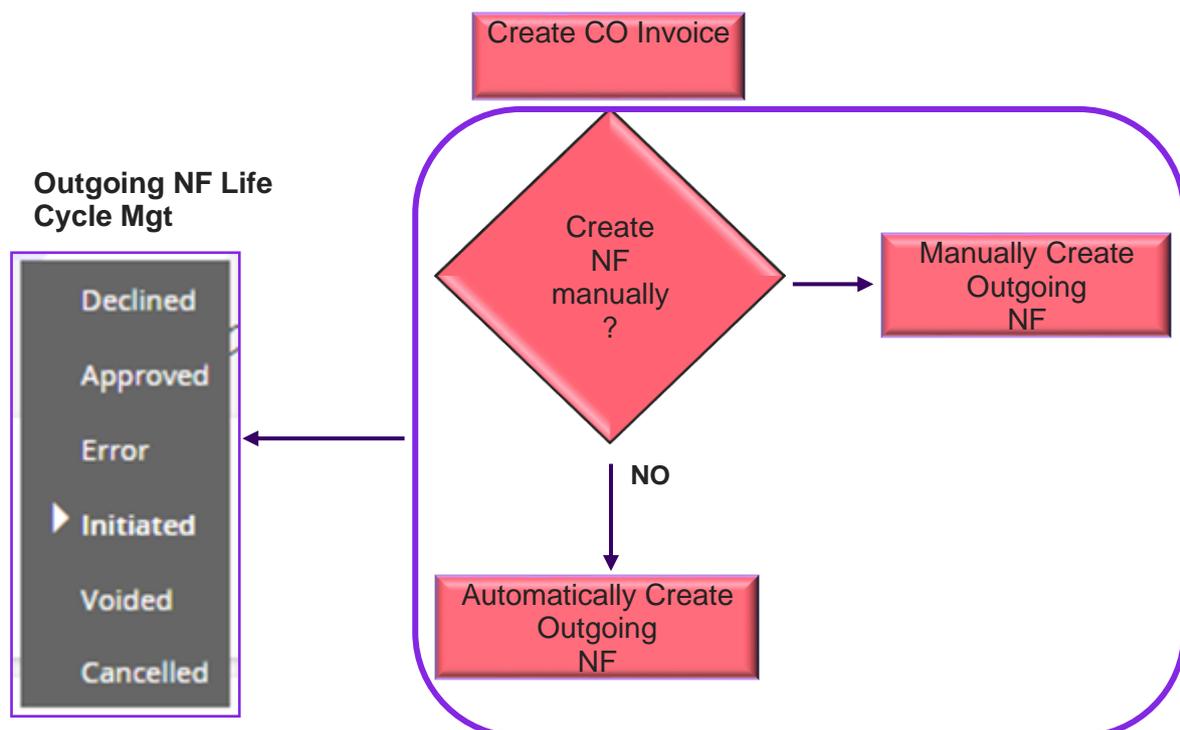
Company: DU-BR Name: DU-BR Company Association No:
 Created By: DUDALK

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

Manually Process Incoming Nota Fiscal Manually Process Outgoing Nota Fiscal

Attachments

Process Overview



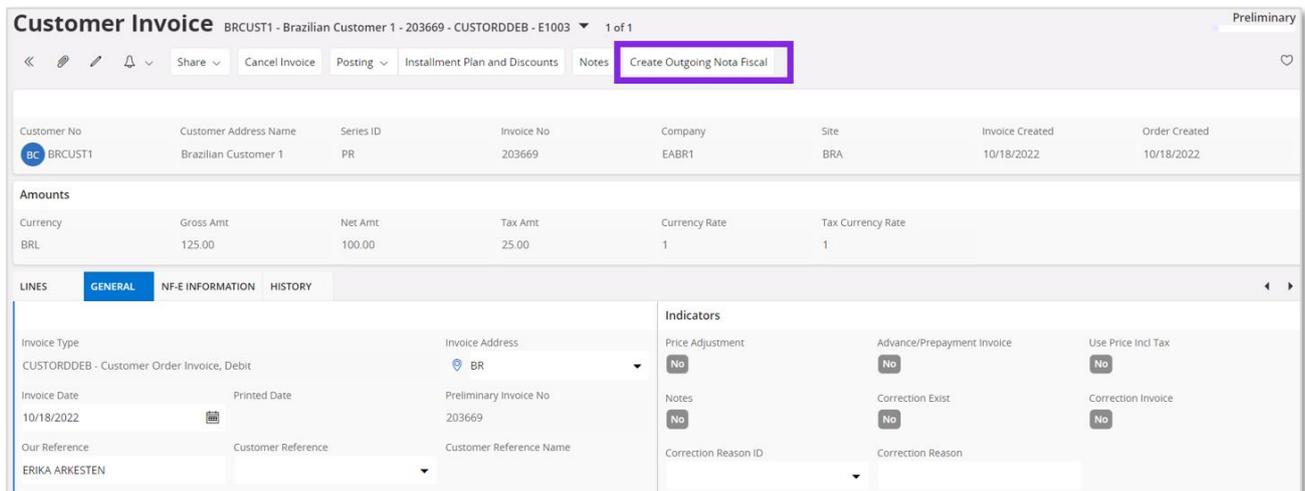
Below table shows, how this Company level parameter, “Manually Process Nota Fiscal” works with Customer Order Invoice, *Outgoing Nota Fiscal* and the NFe XML generation.

Parameter, Manually Process Nota Fiscal	Outgoing Nota Fiscal object	NFe XML generation
Enabled (Outgoing NF is Manually processed)	First, Customer Order Invoice is created and the Outgoing NF need to be manually created by using the command, Create Outgoing Nota Fiscal .	NFe XML need to be manually generated by using the command Send Nota Fiscal in the Outgoing NF page.
Disabled (Outgoing NF is Automatically processed)	When Customer Order Invoice is created, the Outgoing NF object is automatically created.	NFe XML is automatically generated based on the Outgoing NF object.
<i>*Both the Outgoing NF object and the NFe XML is automatically generated</i>		

14.9 Outgoing Nota Fiscal Life Cycle Management

14.9.1 OUTGOING NF MANUALLY CREATED

Company level parameter, “Manually Process Nota Fiscal” is enabled, then in the Customer Order Invoice process, Outgoing Nota Fiscal need to be manually created. To facilitate this manual process, command **Create Outgoing Nota Fiscal** is enabled on CO Invoice.



The screenshot displays the 'Customer Invoice' interface for a Brazilian customer. At the top, there are navigation options: 'Share', 'Cancel Invoice', 'Posting', 'Installment Plan and Discounts', 'Notes', and 'Create Outgoing Nota Fiscal' (highlighted with a purple box). Below this, a summary table shows customer details (Customer No: BRCUST1, Address: Brazilian Customer 1, Invoice No: 203669, Company: EABR1, Site: BRA, Invoice Created: 10/18/2022, Order Created: 10/18/2022). An 'Amounts' section shows currency (BRL), gross amount (125.00), net amount (100.00), and tax amount (25.00). The main area is divided into 'GENERAL', 'NF-E INFORMATION', and 'HISTORY' tabs. The 'GENERAL' tab is active, showing invoice type (CUSTOMRDEB - Customer Order Invoice, Debit), invoice address (BR), invoice date (10/18/2022), and various indicators like 'Price Adjustment', 'Advance/Prepayment Invoice', 'Use Price Incl Tax', 'Notes', 'Correction Exist', and 'Correction Invoice', all set to 'No'.

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

View Outgoing Nota Fiscal

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

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

LINES GENERAL NF-E INFORMATION HISTORY

Invoice Type		Invoice Address		Indicators	
CUSTORDDEB - Customer Order Invoice, Debit		BR		Price Adjustment	Advance/Prepayment Invoice
Invoice Date: 10/18/2022		Preliminary Invoice No: 203669		No	No
Our Reference: ERIKA ARKESTEN		Customer Reference		Notes	Correction Exist
				No	No
		Customer Reference Name		Correction Reason ID	Correction Reason

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

Outgoing NF Status	CO Invoice Status	CO Status
Initiated	Preliminary	Closed

Generate and Send NF-e XML File

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

Outgoing Nota Fiscal - 00910000022 1 of 1 Initiated

Send Nota Fiscal Customer Invoice

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

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

Once the Outgoing Nota Fiscal is sent to the third-party system integrator, Outgoing Nota Fiscal status is automatically set as “Sent Request”.

ing Nota Fiscal DU-BR Company

Outgoing Nota Fiscal - 00910000022 1 of 1

Customer Invoice Sent Request

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

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

Note

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

14.9.2 OUTGOING NF **AUTOMATICALLY CREATED**

When the Company parameter, "Manually Process Nota Fiscal" is disabled, the Outgoing Nota Fiscal Object is automatically created the Customer Order Invoice process. Once the Outgoing Nota Fiscal Object is created in the Customer Order Invoice process, also the NFe XML is automatically generated based on the Outgoing NF object and send to the third party system integrator to communicate with the Brazilian Tax Authority.

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

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

ing Nota Fiscal Company DU-BR Company

Outgoing Nota Fiscal - 00910000022 1 of 1

Sent Request

<< Customer Invoice >>
♥

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

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

14.9.3 GENERATION AND ASSIGNING A “NF-E KEY” TO NF-E XML

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

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

Data item	Description	Number of characters
cUF	State Code of Issuer	2
AAMM	Year and Month from Issuing Date of Nota Fiscal	4
CNPJ	CNPJ registration of Issuer	14
Mod	Nota Fiscal model from Nota Fiscal	2
Serie	Nota Fiscal Series from Nota Fiscal	3 (left zeros are used if series is less than 3 positions)
nNF	Nota Fiscal Number from Nota Fiscal	9 (left zeros are used if series is less than 9 positions)
tpEmis	Emission Type from Nota Fiscal (=1)	1
cNF	IFS Invoice No	8 (left zeros are used if series is less than 8 positions)
cDV	Check digit (calculation logic provided by the tax authority)	1

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

Outgoing Nota Fiscal - 009101000013 Sent Request

Customer Invoice

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

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

Amounts		
Gross Amount	Net Amount	Tax Amount
2800.00	2640.00	160.00

NF-E INFORMATION

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
8/3/2022		13220812457891414789650091010000131002036626	NF-e Processing Date
NF-e Status Code		Return Message	

14.9.4 GENERATION OF NF-E XML

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

```

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

```

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

14.9.5 OUTGOING NF APPROVED

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

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

14.9.5.1 Receive Response File

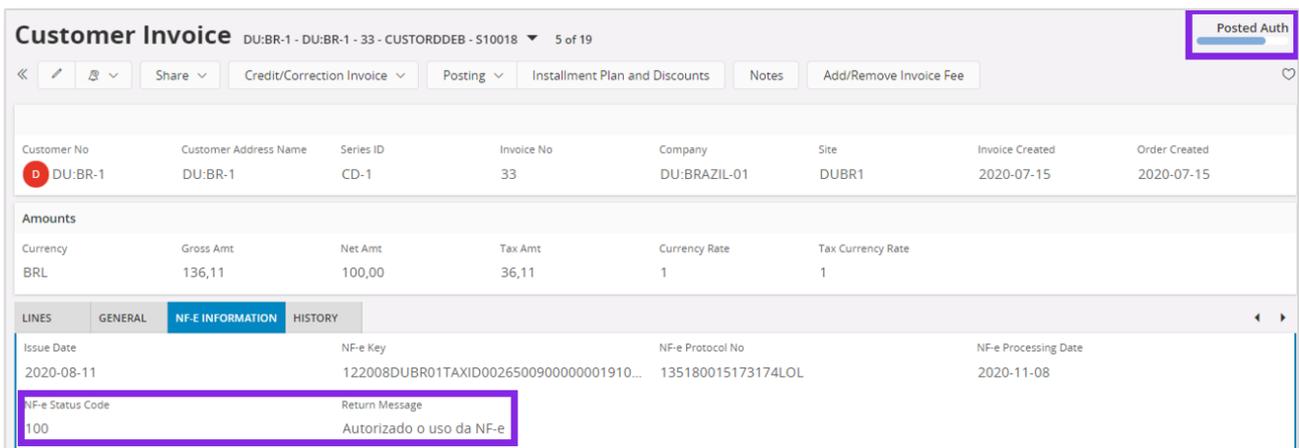
The Brazilian tax authority SEFAZ will in real time validate the received NF-e XML file and send back a response XML which must be received by IFS prior to the physical release of goods.

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

Once the IFS style XML response is received from the 3rd party service provider, IFS reads the file and recognize the correct Nota Fiscal by validating the "NF-e Key".

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

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



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

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

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

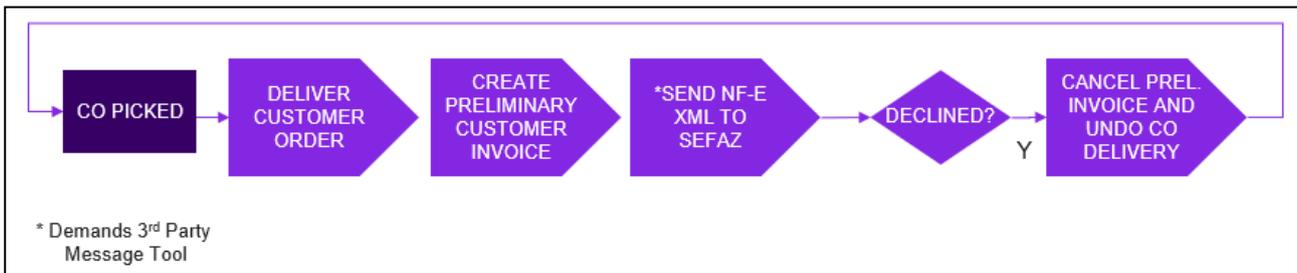
```

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

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

14.9.6 OUTGOING NF DECLINED

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



When a Nota Fiscal is declined it cannot be voided or cancelled and the Nota Fiscal number cannot be used again.

Outgoing Nota Fiscal - 009100000029 1 of 1 Declined

Customer Invoice | Customer Invoice Postings Analysis

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

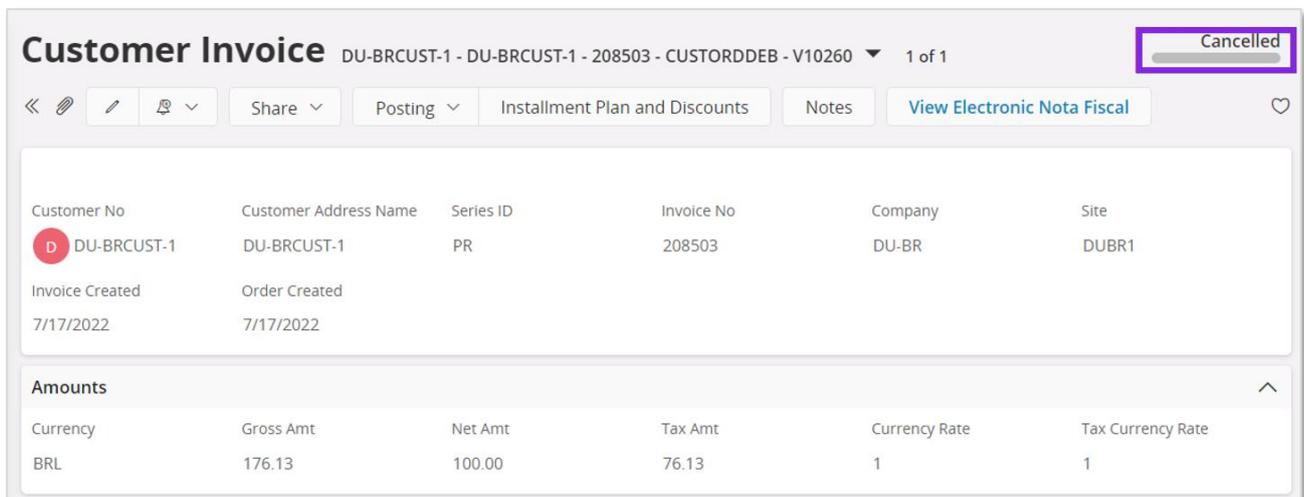
Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000029	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice		Cancelled
Business Transaction Id	Payment Terms	Currency Code

Once IFS Cloud received the Declined response message from the 3rd part integrator, Outgoing Nota Fiscal is set to the status “Declined”.

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

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

Subsequently, the connected CO Invoice get “Cancelled”.



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

Customer No: DU-BRCUST-1, Customer Address Name: DU-BRCUST-1, Series ID: PR, Invoice No: 208503, Company: DU-BR, Site: DUBR1

Invoice Created: 7/17/2022, Order Created: 7/17/2022

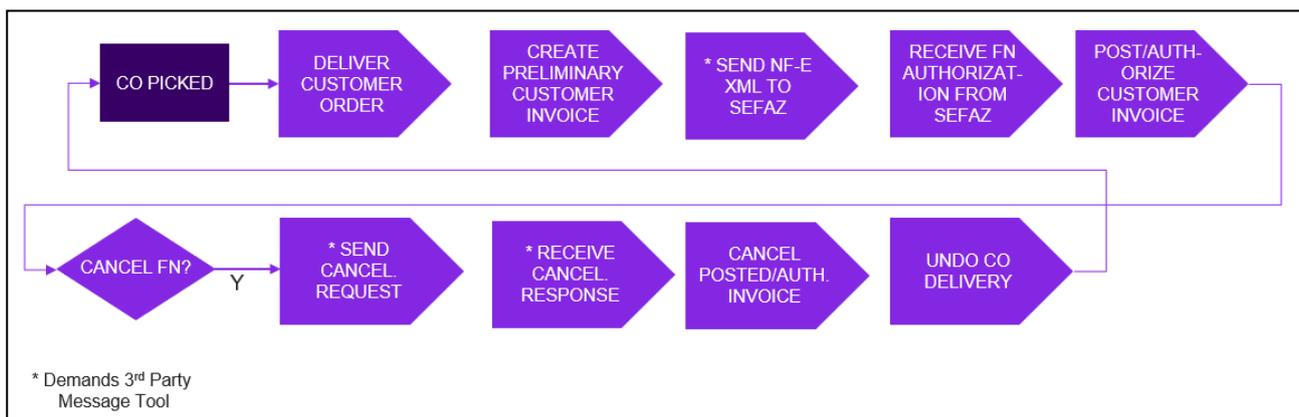
Amounts					
Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
BRL	176.13	100.00	76.13	1	1

Outgoing NF Status	CO Invoice Status	CO Status
Declined	Cancelled	Picked

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

14.9.7 CANCELLATION REQUEST SENT TO THE APPROVED OUTGOING NF

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



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

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

```

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

```

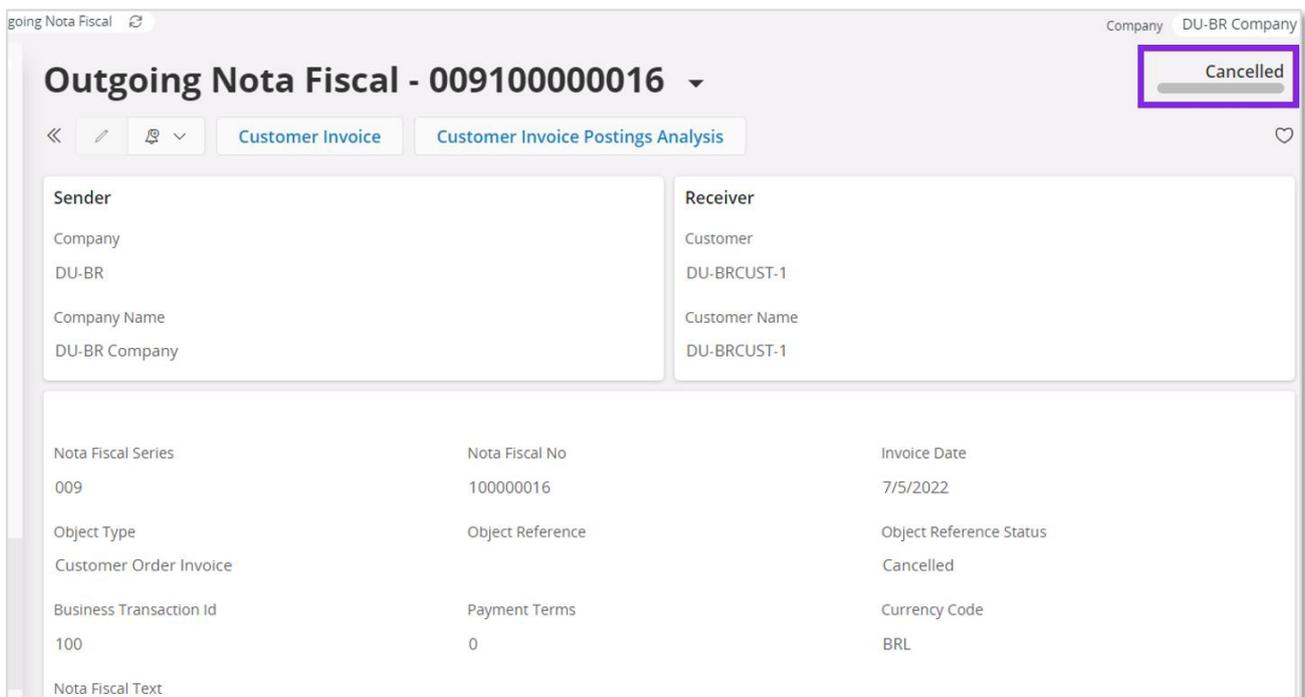
In the above scenario, Outgoing Nota Fiscal status is set to the “Cancellation Request Sent” while connected CO is still Authorized and CO status is Closed.

14.9.8 CANCEL APPROVED OUTGOING NF

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

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

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



The screenshot shows the IFS application interface for an Outgoing Nota Fiscal. The title is "Outgoing Nota Fiscal - 009100000016" and the status is "Cancelled". The interface includes a navigation bar with "Customer Invoice" and "Customer Invoice Postings Analysis" tabs. The main content area is divided into "Sender" and "Receiver" sections, and a table of details.

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

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

Nota Fiscal Text

Amounts		
Gross Amount	Net Amount	Tax Amount
176.13	100.00	76.13

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

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

Customer Invoice								Cancelled
Customer No	Customer Address Name	Series ID	Invoice No	Company	Site	Invoice Created	Order Created	
SB SARKBRUCST	SARK Brazil Customer	CD	970000034	SARKBRUCOM	SARKB	2022-01-12	2022-01-12	

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

LINES	GENERAL	NF-E INFORMATION	HISTORY
Issue Date		NF-e Key	NF-e Protocol No
2022-01-12		3522017721425300019265009000001031100...	135180015173174UB
		NF-e Processing Date	
		2019-01-15	
NF-e Status Code		Return Message	
135		Cancelamento Homologado	

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

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

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

LINES	RENTAL LINES	ORDER DETAILS	CHARGES	INVOLVED PARTIES							
Line No	Del No	Sales Part No	Sales Part Description	Sales Qty	Sales UoM	Price/Curr	Price Incl Tax/Curr	Price UoM	Total Calc Sales Price/Curr	Discount Amount/Curr	Total Order Line Discount (%)
1	1	001	Outer Cover	1	pcs	80.00	84.21	pcs	80.00	0.00	

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

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

14.9.9 RECEIVED Error response from the Brazilian Tax Authority

If a Brazilian tax authority recognized errors in the request file, they will send an Error responses via the 3rd party integrator. There could be 2 types of Errors as describes bellow,

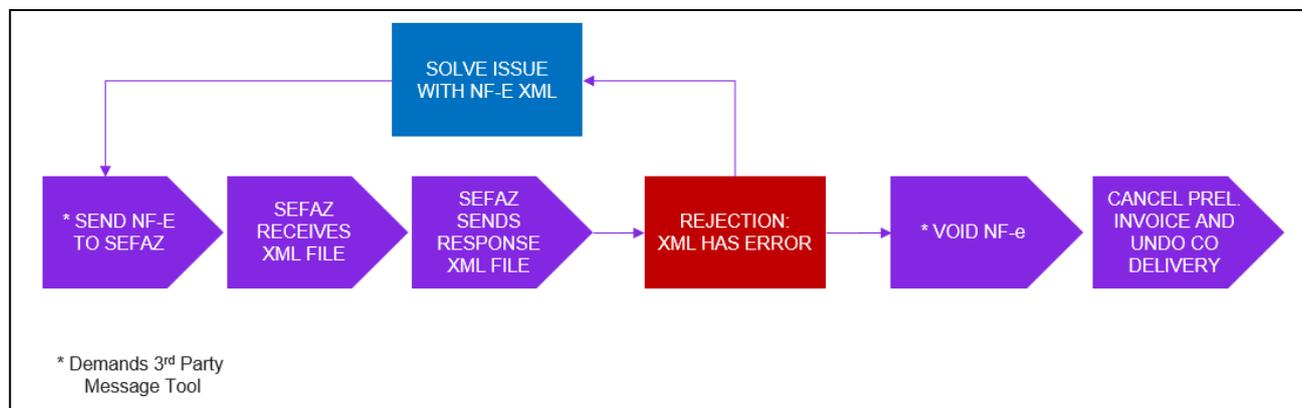
-Receive an Error Response which could be rectified

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

-Receive an Error Response which couldn't be rectified

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

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



When the return message from the Tax Authority is “Error” the **command Send Void Request** will be available in the **Outgoing Nota Fiscal** page.

Outgoing Nota Fiscal - 00910000028 1 of 1 Error

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

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

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	100000028	7/17/2022
Object Type	Object Reference	Object Reference Status
Customer Order Invoice	208502	Preliminary
Business Transaction Id	Payment Terms	Currency Code
100	0	BRL
Nota Fiscal Text		
Valor total do ICMS relativo ao Fundo de Combate à Pobreza (FCP) para a UF de destino: R\$ 0,00Valor total do ICMS de partilha para a UF do destinatário: R\$ 37,86V...		

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

Outgoing Nota Fiscal - 00910000028 1 of 1 Sent Void Request

Customer Invoice Customer Invoice Postings Analysis

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

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

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

ing Nota Fiscal ↻ Company DU-BR Company

Outgoing Nota Fiscal - 00910000028 1 of 1

Voided

Customer Invoice
Customer Invoice Postings Analysis

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

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

Amounts

Gross Amount 176.13	Net Amount 100.00	Tax Amount 76.13
------------------------	----------------------	---------------------

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

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

Customer Invoice

DU-BRCUST-1 - DU-BRCUST-1 - 208502 - CUSTORDDEB - V10260 1 of 1

Cancelled

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

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

Amounts

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

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

Invoice Type: CUSTOMORDER - Customer Order Invoice - Debit

Indicators: Price Adjustment: No

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

Customer Order

V10260 1 of 1

Picked

Share | Operations | Freight | Invoice | Related Pages

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

Order Amounts

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

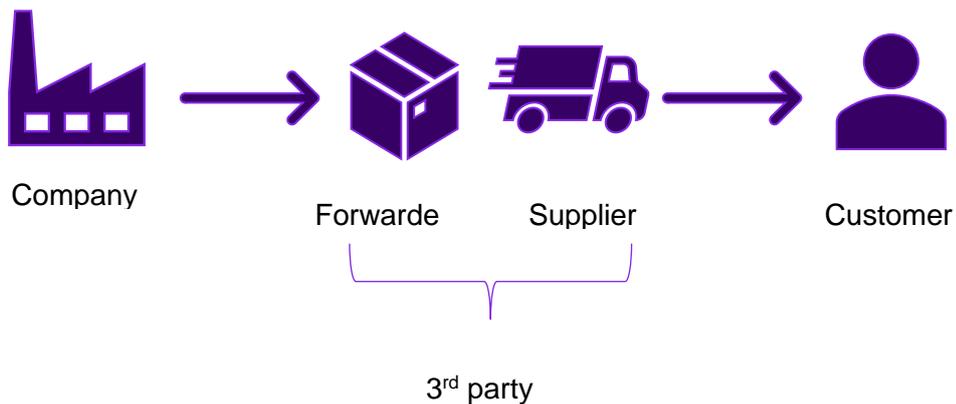
LINES | **RENTAL LINES** | ORDER DETAILS | CHARGES | INVOLVED PARTIES

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

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

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

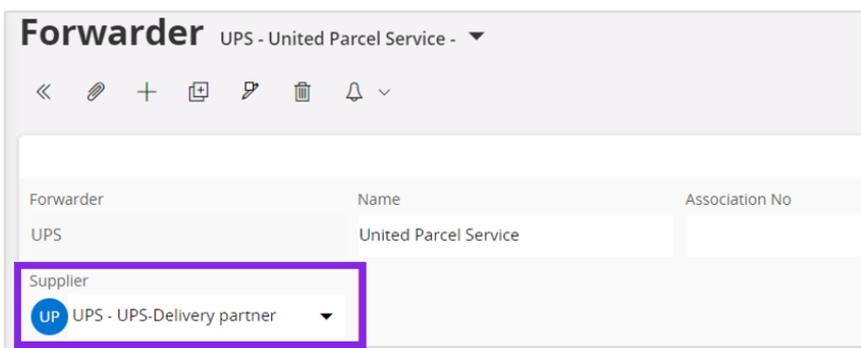
14.10.1 PROCESS OVERVIEW



14.10.2 BASIC DATA

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

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



The screenshot shows the 'Forwarder' setup page in the IFS system. The page title is 'Forwarder' and the dropdown menu is set to 'UPS - United Parcel Service'. The page contains a table with the following data:

Forwarder	Name	Association No
UPS	United Parcel Service	

Below the table, there is a 'Supplier' dropdown menu. The selected option is 'UPS - UPS-Delivery partner', which is highlighted with a red box.

Supplier	Name		
UPS	UPS-Delivery partner		
Address ID: UPS AD1 ▼			
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			
Supplier's Own Address ID		Supplier Name	
GENERAL ADDRESS INFORMATION		DELIVERY TAX INFORMATION	DOCUMENT TAX INFORMATION
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			
▼	(1)	Company	Tax ID Type
^	<input checked="" type="checkbox"/>	RCCOM2	Tax ID Number
ADDRESS SPECIFIC TAX ID NUMBERS			
<input type="text"/> <input type="text"/> <input type="text"/>			
✓		Tax ID Type	Tax ID Number
<input type="checkbox"/>	:	CNPJ	19940987654321
<input type="checkbox"/>	:	STATE_REG	20220804

14.10.3 TRANSPORTATION DETAILS IN NF_e

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

Vehicle & Package details :

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

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

Attributes	Data entry method in customer order	Data entry method in Shipment order
------------	-------------------------------------	-------------------------------------

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

The details of 3rd party, coming to the Outgoing Nota Fiscal under the **address** tab.

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Sender			
Document Address ID	Delivery Address ID	CNPJ	State Registration
ADCOM2	ADCOM2	12345678901234	1111111
Receiver			
Document Address ID	Delivery Address ID	CNPJ	State Registration
CUSAD1	CUSAD1	10010010010012	100100
Forwarder			
Forwarder	Forwarder Document Address	Supplier	Supplier Document Address
 DE - DHL	11	DHL	SUP AD1
CNPJ	State Registration		
19940123456789	00040008		

Other details are coming under **General** tab as follow.

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

14.10.4 TRANSPORTATION DETAILS IN NF- XML FILE

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

```

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

```

14.11 Enter Invoicing Plan/Project Transaction

Follow standard functionality to enter an Invoicing Plan/Project Transaction.

14.12 Create Project Invoice

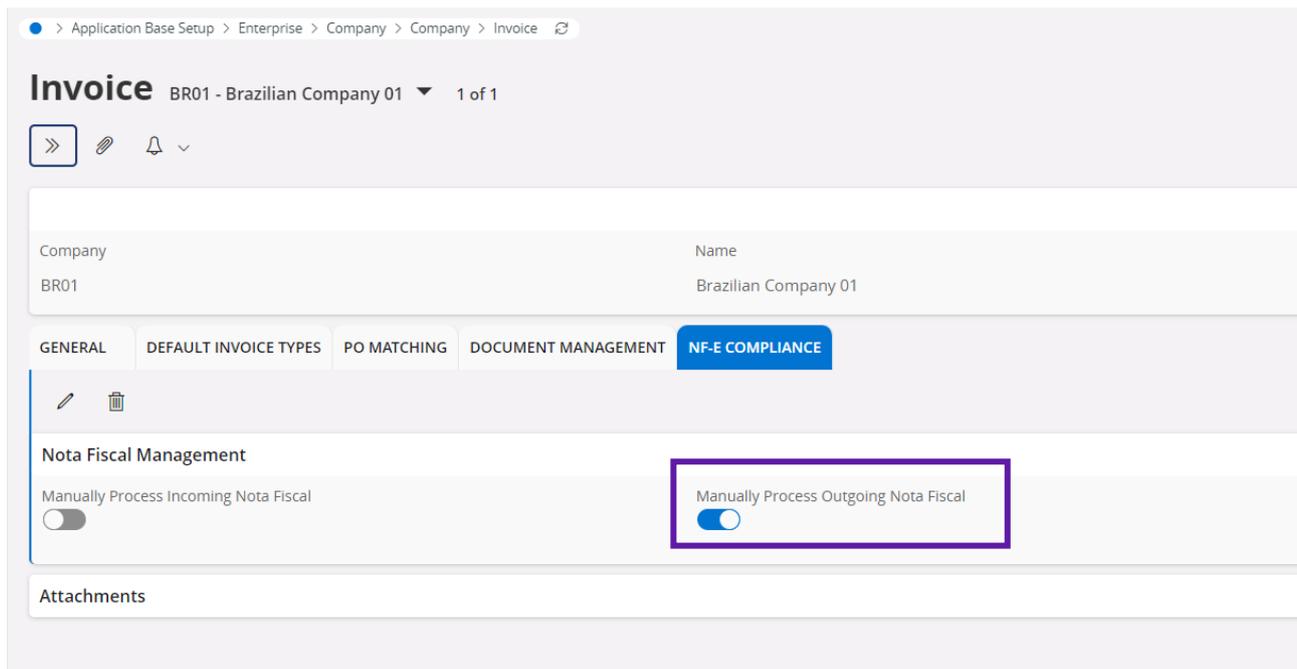
Create a preliminary Project Invoice.

Note

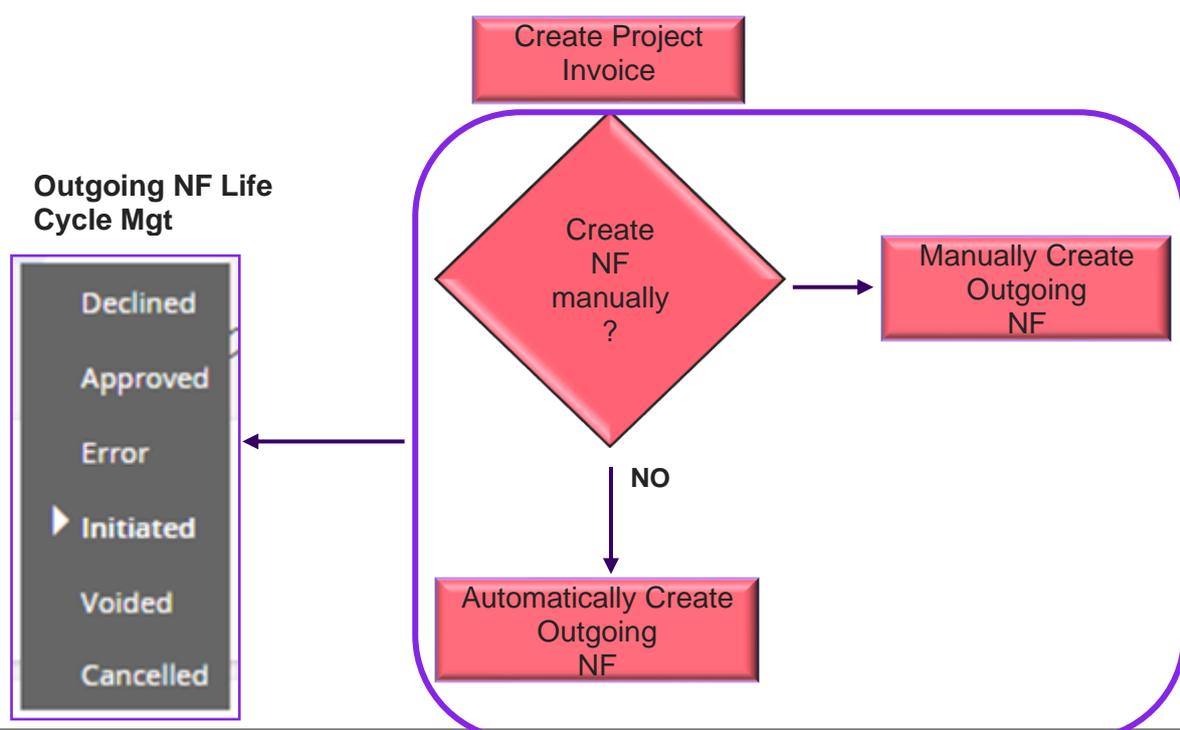
-When the Project Invoice created and is in “Preliminary” state, the IFS standard command on Project Preliminary Invoice “Send and Release Invoice”/“Release Invoice” is disabled.

14.13 Create Outgoing Nota Fiscal

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



Process Overview

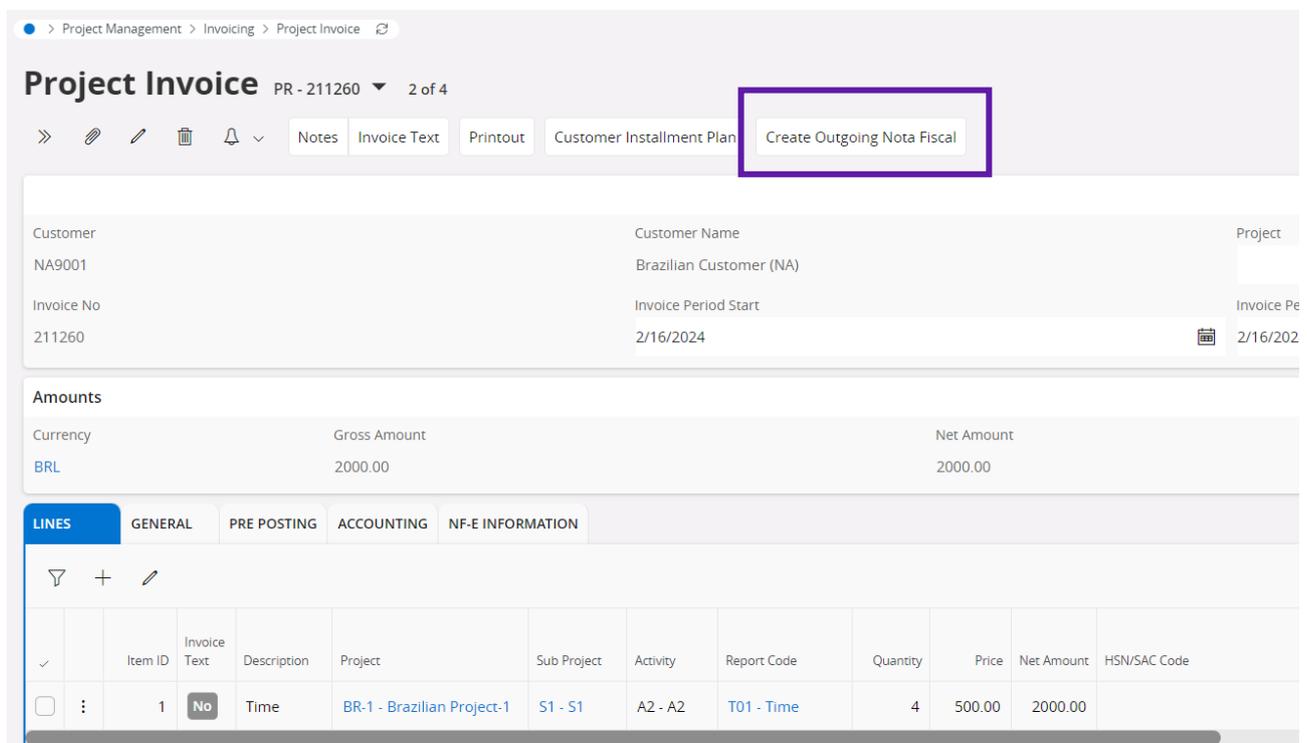


Below table shows, how this Company level parameter, “Manually Process Nota Fiscal” works with Project Invoice and the *Outgoing Nota Fiscal*.

Parameter, Manually Process Nota Fiscal	Outgoing Nota Fiscal object
Enabled (Outgoing NF is Manually processed)	First, Project Invoice is created and the Outgoing NF need to be manually created by using the command, Create Outgoing Nota Fiscal .
Disabled (Outgoing NF is Automatically processed)	When Project Invoice is created, the Outgoing NF object is automatically created.

14.13.1 OUTGOING NF MANUALLY CREATED

Company level parameter, “Manually Process Nota Fiscal” is enabled, then in the Project Invoicing flow, Outgoing Nota Fiscal need to be manually created. To facilitate this manual process, command **Create Outgoing Nota Fiscal** is enabled on **Project Invoice**.



The screenshot shows the 'Project Invoice' interface for invoice PR-211260. The 'Create Outgoing Nota Fiscal' button is highlighted with a purple box. Below the header, there are fields for Customer (NA9001), Customer Name (Brazilian Customer (NA)), Invoice No (211260), Invoice Period Start (2/16/2024), and Invoice Period End (2/16/2022). The 'Amounts' section shows a Gross Amount of 2000.00 and a Net Amount of 2000.00 in BRL. The 'LINES' section is visible with a table containing one line item.

Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	HSN/SAC Code
1	No	Time	BR-1 - Brazilian Project-1	S1 - S1	A2 - A2	T01 - Time	4	500.00	2000.00	

> Project Management > Invoicing > Project Invoice

Project Invoice

PR - 211260 1 of 1

Notes Invoice Text Printout Customer Installment Plan **View Outgoing Nota Fiscal**

Customer	Customer Name
NA9001	Brazilian Customer (NA)
Invoice No	Invoice Period Start
211260	2/16/2024

Amounts		
Currency	Gross Amount	Net Amount
BRL	2040.82	2000.00

LINES GENERAL PRE POSTING ACCOUNTING NF-E INFORMATION

Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount
1	No	Time	BR-1 - Brazilian Project-1	S1 - S1	A2 - A2	T01 - Time	4	500.00	2000.00

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

Outgoing NF Status	Project Invoice Status
Initiated	Preliminary

14.13.2 OUTGOING NF AUTOMATICALLY CREATED

When the Company parameter, “Manually Process Nota Fiscal” is disabled, the Outgoing Nota Fiscal Object is automatically created in the Project Invoicing flow.

14.14 Outgoing Nota Fiscal Life Cycle Management

14.14.1 OUTGOING NF APPROVED

Once the Outgoing Nota Fiscal is Approved, Outgoing Nota Fiscal status will be changed to **Approved** and **Send and Release Invoice/ Release Invoice** command on the Project Invoice gets enabled.

Financials > Financial e-Reporting > Outgoing Nota Fiscal

Company Brazilian Company 01

Outgoing Nota Fiscal - 010110000008

1 of 1

Approved

Project Invoice

Sender		Receiver	
Company	Company Name	Customer	Customer Name
BR01	Brazilian Company 01	NA9001	Brazilian Customer (NA)

Nota Fiscal Series	Nota Fiscal No	Entry Date	Object Type
010	110000008	2/27/2024	Project Invoice
Object Reference	Object Reference Status	Currency Code	Currency Rate
211260	Preliminary	BRL	1
Nota Fiscal Text			
Valor Líq: R\$ 2040,82 Trib aprox R\$: 0,00 Federal e R\$ 0,00 Municipal Fonte: IBPT			
Fiscal Document Model	Payment Terms	Business Transaction ID	
NFES	30	103	

Project Management > Invoicing > Project Invoice

Project Invoice PR - 211260

1 of 1

Send and Release Invoice

Customer Installment Plan View Outgoing Nota Fiscal

Customer	Customer Name	Project	Invoice Se
NA9001	Brazilian Customer (NA)		PR
Invoice No	Invoice Period Start	Invoice Period End	Notes
211260	2/16/2024	2/16/2024	No

Amounts			
Currency	Gross Amount	Net Amount	Tax Amount
BRL	2040.82	2000.00	40.82

LINES GENERAL PRE POSTING ACCOUNTING NF-E INFORMATION

Users can send the Project Invoice of the Approved Outgoing Nota Fiscal to the customer. Once the Project Invoice is sent the status of the invoice will be changed to "PostedAuth" and the Invoice No gets updated with the Official Invoice Number.

Project Management > Invoicing > Project Invoice

Project Invoice

PJ - 0102NFES11000005 1 of 1

Notes Printout Credit Entire Invoice Create Correction Invoice Customer Installment Plan View Outgoing Nota Fiscal

Customer NA9001	Customer Name Brazilian Customer (NA)	Project
Invoice No 0102NFES11000005	Invoice Period Start 2/27/2024	Invoice Period End 2/28/2024

Amounts			
Currency	Gross Amount	Net Amount	Tax Amount
BRL	3815.58	3600.00	215.58

LINES GENERAL PRE POSTING ACCOUNTING NF-E INFORMATION

Invoice Information

Invoice Date 2/28/2024	Invoice Type PRJINV	Series Reference
Currency Rate 1	Our Reference	Customer Ref
Tax Currency Rate 1	Voucher Type	Voucher No
Correction Reason ID	Correction Reason	Correction Exist No
Currency BRL	Business Transaction ID 103 - Venda de Serviço	

14.14.2 OUTGOING NF CANCELLED

Once the Outgoing Nota Fiscal is Cancelled, Outgoing Nota Fiscal status will be changed to "Cancelled" and **Cancel Invoice** command on the Project Invoice gets enabled.

Financials > Financial e-Reporting > Outgoing Nota Fiscal

Company Brazilian Company 01

Outgoing Nota Fiscal - 010110000007

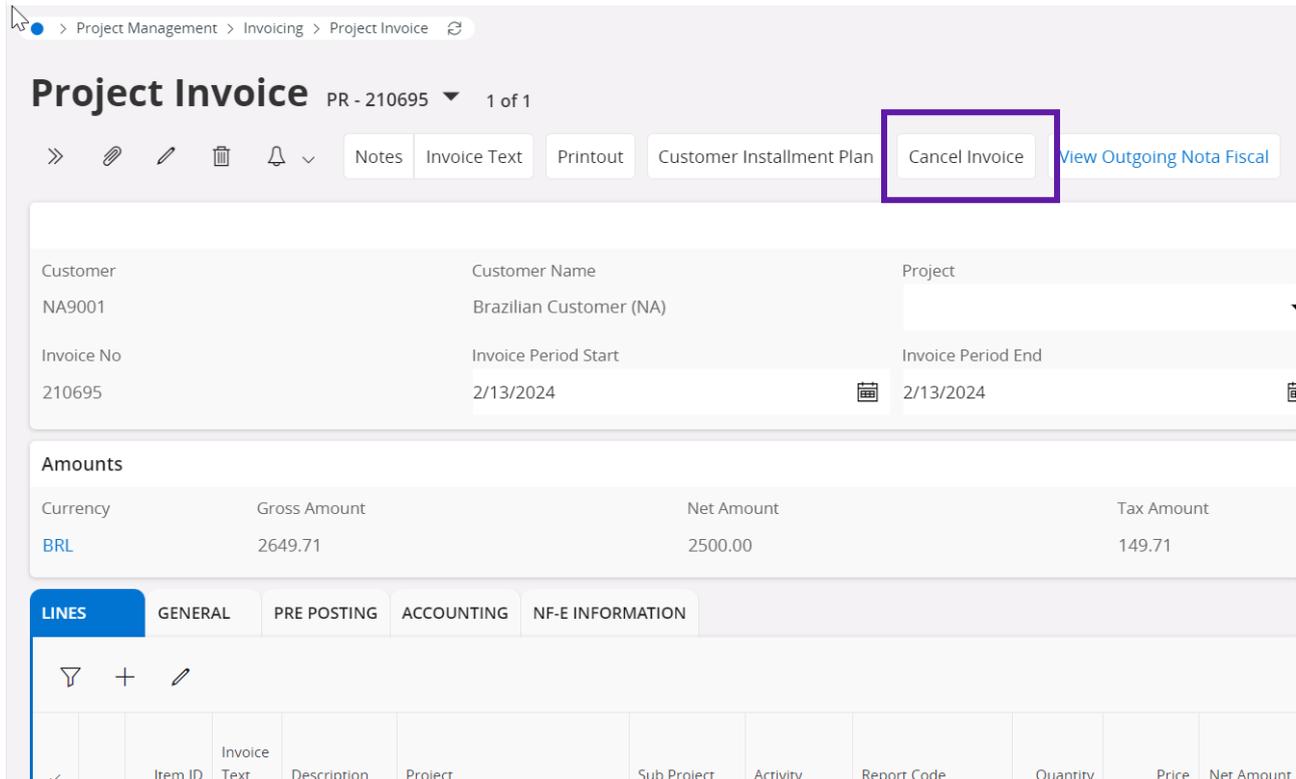
1 of 1

Project Invoice

Sender		Receiver	
Company BR01	Company Name Brazilian Company 01	Customer NA9001	Customer Name Brazilian Customer (NA)

Nota Fiscal Series 010	Nota Fiscal No 110000007	Entry Date 2/27/2024	Object Type Project Invoice
Object Reference 210695	Object Reference Status Preliminary	Currency Code BRL	Currency Rate 1
Nota Fiscal Text Valor Liq: R\$ 2394,00 Trib aprox R\$: 356,38 Federal e R\$ 103,34 Municipal Fonte: IBPT			
Fiscal Document Model NFES	Payment Terms 30	Business Transaction ID 103	

Cancelled



Users can cancel the Project Invoice of the Cancelled Outgoing Nota Fiscal. Once the Project Invoice is cancelled the status of the invoice will be changed to “Cancelled”.

14.14.3 CANCEL APPROVED OUTGOING NF

Companies are allowed to Cancel Approved Outgoing Nota Fiscals when the corresponding Project Invoice is not sent to the customer. Once the Approved Outgoing Nota Fiscal is Cancelled, Outgoing Nota Fiscal status will be changed to “Cancelled” and **Cancel Invoice** command on the Project Invoice gets enabled. Users can cancel the Project Invoice of the Cancelled Outgoing Nota Fiscal.

14.15 Delimitations

- In this version, Outgoing Nota Fiscal is not supported in *Instant Invoice* flow.
- Outgoing Nota Fiscal is supported only in the CO flow (and supports only the basic functionalities in CO flow) and the Project Invoice – Initial Solution, Supplier Returns for Credit and Intra company goods movements.
- In the Project Invoice – Initial Solution, Outgoing Nota Fiscal NF-e communication is not supported. Only the manual issuance of Outgoing Nota Fiscal is supported in the Project Invoice – Initial Solution.
- In the Project Invoice – Initial Solution, the BR Unit Price is not set on the Outgoing Nota Fiscal.
- In the Project Invoice – Initial Solution, there is no currency conversion for the Nota Fiscal.

15 Outgoing Nota Fiscal – Supplier Returns for credit

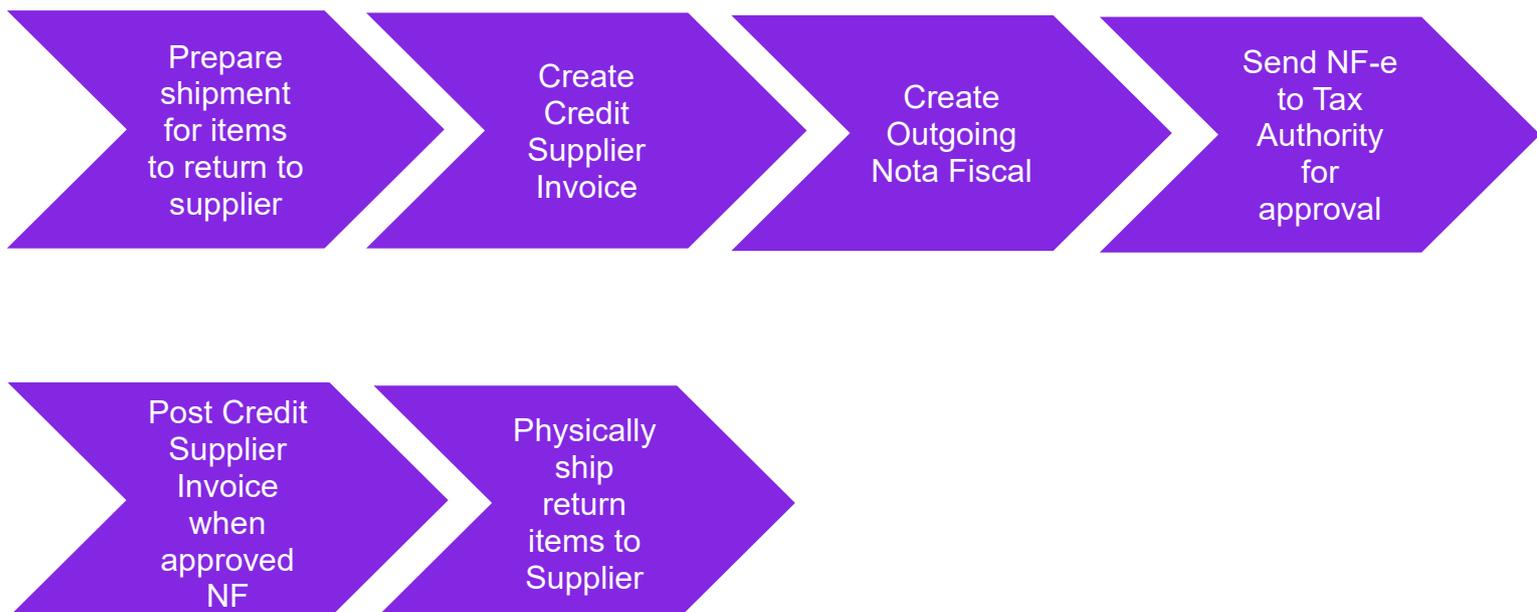
15.1 Overview Legal Requirement

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

When issuing an Outgoing Nota Fiscal to Supplier Returns transaction, following rules must be adhered:

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

15.2 Process Overview



- Creating a Credit Supplier Invoice will automatically generate an Outgoing Nota Fiscal Object.
- Generate NFe-xml and communicate with the third party system integrator
- Outgoing Nota Fiscal lifecycle management is applied (Explained more in detail in the *Outgoing Nota Fiscals* chapter)
- Credit Supplier Invoice could be processed according to the connected Outgoing Nota Fiscal status.

15.3 Prerequisites

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

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

15.4 Prepare shipment for items to return to Supplier

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

15.5 Create Credit Supplier Invoice

15.5.1 CREATE CREDIT SUPPLIER INVOICE NUMBER SERIES

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

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

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

Define a separate Invoice series used to generate Credit Supplier Invoice

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

Invoice Series

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

Then define an Invoice No series to be used.

Invoice Number Series

SCR - Supplier Credit Invoice ▼ 1 of 1

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

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

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

Supplier Invoice Types

Invoice Type	Description	Tax Free Tax Code	Reference Mandatory	Correction Reason Mandatory	Invoice Text Mandatory	Definite Invoice Series ID	Branch	Print Debit/Credit Note
<input type="checkbox"/> : SUPRECINV	Recurring Supplier Invoice		No	No	No	RS		No
<input type="checkbox"/> : SUPPINV_CR	Credit Supplier Invoice		No	No	No	SCR		Yes
<input type="checkbox"/> : SUPPINVRET	Supplier returns		No	No	No	SR		No
<input type="checkbox"/> : SUPPINV	Manual Supplier Invoice		No	No	No	SI		No
<input type="checkbox"/> : SUPPEXT	External Supplier Invoice		No	No	No	SX		No

Select Above Supp Inv Type when creating the Credit Supplier Invoice

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

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: DU-BR	Voucher Date: 7/26/2022	Accounting Year: 2022	Accounting Period: 7	User Group: AC	Voucher Type: I	Voucher No:
PO Reference:	Receipt Reference:	Sub Contract Reference:	Invoice Advice Reference:	Project ID:	Supplier:	
Invoice Type: SUPPINV_CR	Series ID: SCR	Invoice No:	Currency:	Currency Rate:	Invoice Date: 7/26/2022	Arrival Date: 7/26/2022
Payment Terms:	Due Date:	Plan Pay Date:	Payment Reference:	Automatic Payment Authorization:	Pay Term Base Date: 7/26/2022	Authorizer ID:

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

15.5.2 REFERENCE INVOICE NO IN THE CREDIT SUPPLIER INVOICE

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

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

To cater the above requirement, we need to establish a connection between the original Nota Fiscal received from the Supplier with the outgoing Nota Fiscal generated based on the new Credit Supplier Invoice. IFS Cloud core functionality "Reference Series" and "Reference Invoice No" is used to establish the connection.

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

New Manual Supplier Invoice

Header Information
Line Information
Posting Information

Company	Voucher Date	Accounting Year	Accounting Period	User Group	Voucher Type	Voucher No
DU-BR	7/25/2022	2022	7	AC	I	

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

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

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

Advance Invoice
 Gross Amount
 Net Amount
 Tax Amount

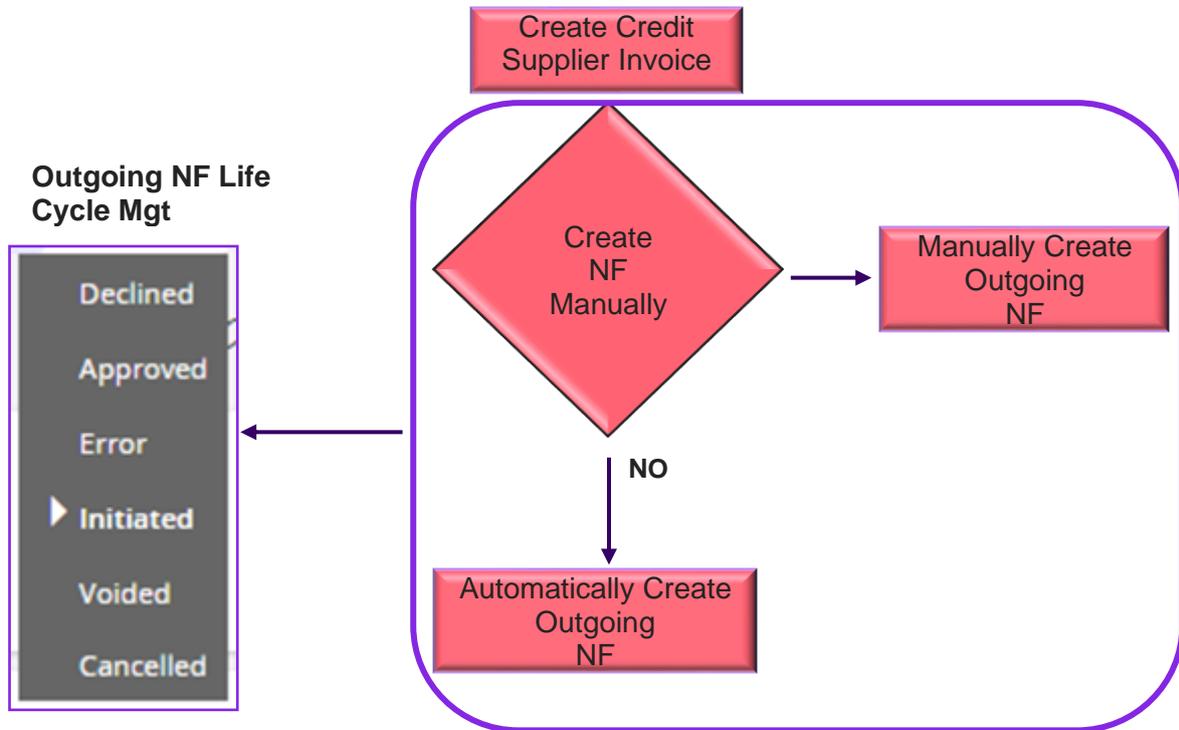
More Information

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

15.5.3 CREATE OUTGOING NOTA FISCAL MANUALLY/AUTOMATICALLY

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

Process Overview



15.5.4 BASIC DATA SETTING – OUTGOING NOTA FISCAL

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

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

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

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

Manually Process Incoming Nota Fiscal **Manually Process Outgoing Nota Fiscal**

Attachments

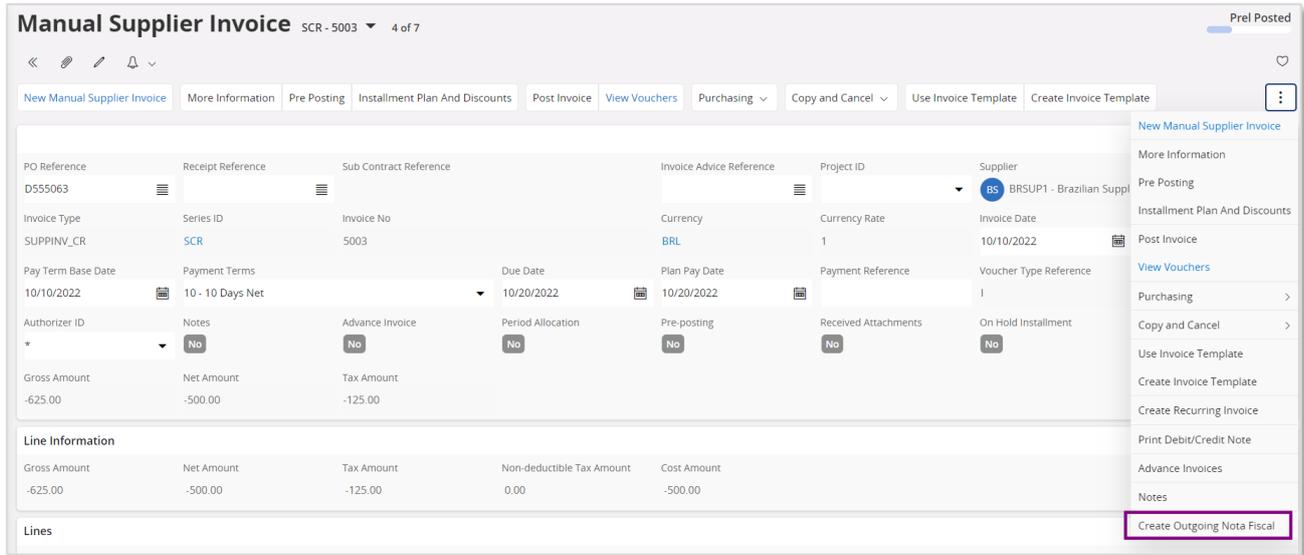
Below table shows, how this Company level parameter “*Manually Process Nota Fiscal*” works with *Credit Supplier Invoice*, *Outgoing Nota Fiscal* and the NFe XML generation.

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

15.6 Outgoing Nota Fiscal Life Cycle Management

15.6.1 OUTGOING NF MANUALLY CREATED

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



The screenshot shows the 'Manual Supplier Invoice' interface for SCR - 5003. The interface includes a navigation bar with options like 'New Manual Supplier Invoice', 'More Information', 'Pre Posting', 'Installation Plan And Discounts', 'Post Invoice', 'View Vouchers', 'Purchasing', 'Copy and Cancel', 'Use Invoice Template', and 'Create Invoice Template'. A dropdown menu is open, showing options such as 'New Manual Supplier Invoice', 'More Information', 'Pre Posting', 'Installation Plan And Discounts', 'Post Invoice', 'View Vouchers', 'Purchasing', 'Copy and Cancel', 'Use Invoice Template', 'Create Invoice Template', 'Create Recurring Invoice', 'Print Debit/Credit Note', 'Advance Invoices', 'Notes', and 'Create Outgoing Nota Fiscal' (highlighted with a red box).

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier	
D555063					BS - BRSUP1 - Brazilian Suppl	
Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	
SUPPINV_CR	SCR	5003	BRL	1	10/10/2022	
Pay Term Base Date	Payment Terms	Due Date	Plan Pay Date	Payment Reference	Voucher Type Reference	
10/10/2022	10 - 10 Days Net	10/20/2022	10/20/2022		I	
Authorizer ID	Notes	Advance Invoice	Period Allocation	Pre-posting	Received Attachments	On Hold Installment
*	No	No	No	No	No	No
Gross Amount	Net Amount	Tax Amount				
-625.00	-500.00	-125.00				

Line Information				
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
-625.00	-500.00	-125.00	0.00	-500.00

Lines

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

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

Outgoing NF Status	Credit Supplier Invoice Status
Initiated	Preliminary

15.6.1.1 Generate and Send NF-e XML File

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

Manual Supplier Invoice

SCR - 0091000010006 5 of 7 Prel Posted

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

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

Outgoing Nota Fiscal - 009100000036

1 of 1 Initiated

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

Sender

Company
DU-BR

Company Name
DU-BR Company

Receiver

Supplier
DU-BRSUP1

Supplier Name
DU-BRSUP1

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

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

ig Nota Fiscal Company DU-BR Company

Outgoing Nota Fiscal - 00910000036 1 of 1

Sent Request

Manual Supplier Invoice

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

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

Note

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

15.6.2 OUTGOING NF **AUTOMATICALLY CREATED**

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

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

Outgoing NF Status	Credit Supplier Invoice Status
Sent Request	Preliminary

g Nota Fiscal DU-BR Company

Outgoing Nota Fiscal - 009100000036 1 of 1

Sent Request

Manual Supplier Invoice

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

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

15.6.3 GENERATION AND ASSIGNING A “NF-E KEY” TO NF-E XML

The status “Sent Request” means the *Outgoing Nota Fiscal* is created and the NFe XML is generated and communicated with the third-party service provider. In this process, NF-e-Key is also generated and assigned to the Outgoing Nota Fiscal object and added in the NFe XML file.

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

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/25/2022		352207123456789012346500910000003610020951...	
NF-e Processing Date		NF-e Status Code	Return Message

15.6.4 GENERATION OF NF-E XML

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

```

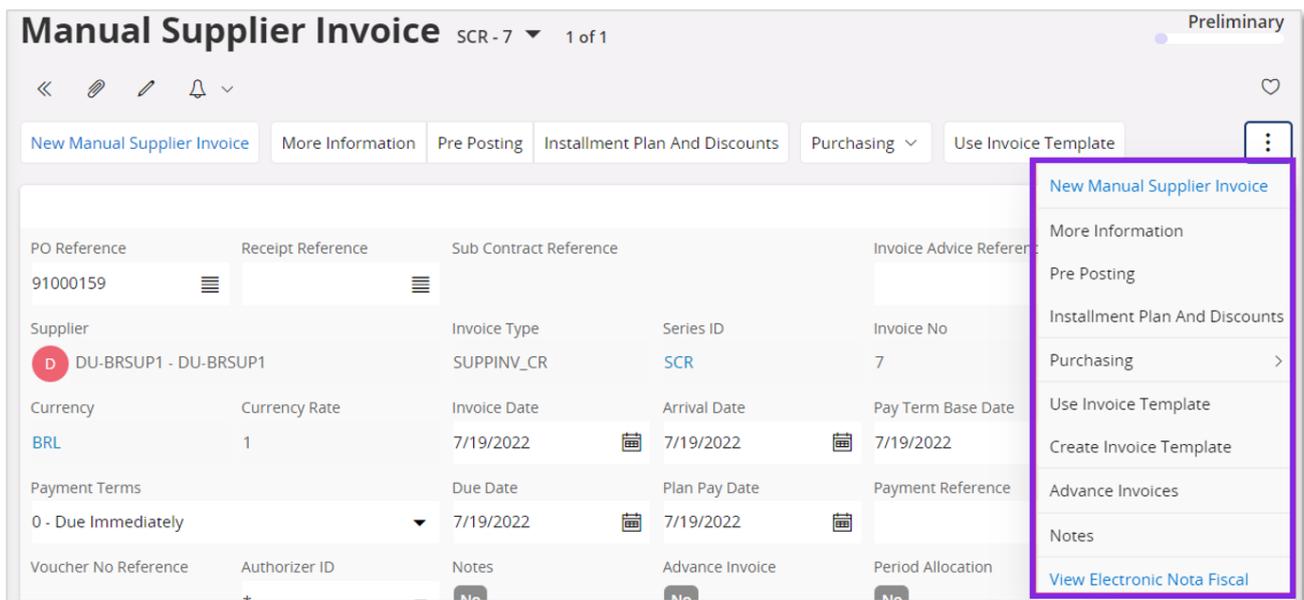
<NFe xmlns="http://www.portalfiscal.inf.br/nfe" xmlns:xsi="http://www.w3.org/200
- <infNFe Id="35201115257504000105650090000100161002104318" versao="4">
  - <ide>
    <cUF>35</cUF>
    <cNF>00210431</cNF>
    <natOp>Vendas</natOp>
    <mod>65</mod>
    <serie>009</serie>
    <nNF>000010016</nNF>
   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

```

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

15.6.5 CREDIT SUPPLIER INVOICE WITH OUTGOING NOTA FISCAL

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



Further processing of Credit Supplier Invoice is dependent on the Outgoing Nota Fiscal status and all possible status are described in detail in below chapters.

15.6.6 OUTGOING NF APPROVED

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

Outgoing NF Status	Credit Supplier Invoice Status
Approved	Approved

15.6.6.1 Receive Response File

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

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

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

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

ing Nota Fiscal Company DU-BR Company

Outgoing Nota Fiscal - 00910000041 1 of 1

Approved

Send Cancel Request Manual Supplier Invoice

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

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

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

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/26/2022		35220712345678901235650091000004110020962...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
10/7/2020		100	Autorizado o uso da NF-e

```

<?xml version="1.0" encoding="UTF-8"?>
- <SOAP-ENV:Envelope xmlns:SOAP-ENV="http://schemas.xmlsoap.org/soap/envelope/">
  - <SOAP-ENV:Header>
    - <fndcn:Message xmlns:fndcn="urn:ifsworld-com:schemas:fndcn" SOAP-ENV:mustUnderstand="1">
      <fndcn:Type>CONNECT</fndcn:Type>
      <fndcn:Function>NFE_RESPONSE</fndcn:Function>
      <fndcn:Sender/>
      <fndcn:Receiver/>
      <fndcn:SentAt/>
      <fndcn:ExpiresAt/>
    </fndcn:Message>
  </SOAP-ENV:Header>
  - <SOAP-ENV:Body>
    - <NFE_RESPONSE xmlns="urn:ifsworld-com:schemas:receive_nfe_response_service_receive_nfe_response_request">
      <FNE_STATE_ID>35190804106230000190550090000058191000006895</FNE_STATE_ID>
      <FNE_ENVIRONMENT>2</FNE_ENVIRONMENT>
      <FNE_STATE_DATE>15/01/2019</FNE_STATE_DATE>
      <FNE_STATE_USE>125190000261186</FNE_STATE_USE>
      <FNE_SEFAZ_STATUS_CODE>100</FNE_SEFAZ_STATUS_CODE>
      <FNE_RETURN_MESSAGE>Autorizado o Uso da NF-e</FNE_RETURN_MESSAGE>
    </NFE_RESPONSE>
  </SOAP-ENV:Body>
</SOAP-ENV:Envelope>
  
```

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

15.6.7 CREDIT SUPPLIER INVOICE WITH OUTGOING NF DECLINED

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

When a Nota Fiscal is declined it cannot be voided or cancelled and the Nota Fiscal number cannot be used again.

Outgoing Nota Fiscal - 009100000033

4 of 7

Declined

⏪ ✎ 📄 ▾
Supplier Invoice Analysis
View Vouchers
❤️

Sender

Company
DU-BR

Company Name
DU-BR Company

Receiver

Supplier
DU-BRSUP1

Supplier Name
DU-BRSUP1

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

Nota Fiscal Text

Once the IFS Cloud receives the Declined response message from the 3rd part integrator, Outgoing Nota Fiscal is set to the status “*Declined*”.

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

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

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

Outgoing NF Status	Credit Supplier Invoice Status
Declined	Cancelled

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

15.6.8 CANCELLATION REQUEST SENT TO THE APPROVED OUTGOING NF IN CREDIT SUPPLIER INVOICE PROCESS

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

Outgoing NF Status	Credit Supplier Invoice Status
Cancellation Request Sent	Authorized

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

```

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

```

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

15.6.9 CANCEL THE APPROVED OUTGOING NF IN CREDIT SUPPLIER INVOICE PROCESS

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

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

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

Outgoing Nota Fiscal - 00910000032 3 of 7

Cancelled

Supplier Invoice Analysis View Vouchers

Sender

Company
DU-BR
Company Name
DU-BR Company

Receiver

Supplier
DU-BRSUP1
Supplier Name
DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	10000032	7/21/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	9	Cancelled
Business Transaction Id	Payment Terms	Currency Code
	0	BRL

LINES	ADDRESS	GENERAL	NF-E INFORMATION
-------	---------	---------	------------------

Issue Date	NF-e Key	NF-e Protocol No
7/21/2022	35220712345678901234650091000003210020900...	135180015173174LOL
NF-e Processing Date	NF-e Status Code	Return Message
6/20/2022	135	Autorizado o uso da NF-e

LINES	ADDRESS	GENERAL	NF-E INFORMATION
-------	---------	---------	------------------

Issue Date	NF-e Key	NF-e Protocol No
7/21/2022	35220712345678901234650091000003210020900...	135180015173174LOL
NF-e Processing Date	NF-e Status Code	Return Message
6/20/2022	135	Autorizado o uso da NF-e

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

Supplier Invoice Analysis SCR - 9 1 of 1 Cancelled

More Information
Installation Plan and Discounts
Pre Posting
Vouchers
Payment Status

Supplier	DU-BRSUP1 - DU-BRSUP1	Invoice Type	SUPPINV_CR	Series ID	SCR	Invoice No	9
PO Reference	S133006	Receipt Reference		Sub Contract Reference		Project ID	
Invoice Date	7/21/2022	Arrival Date	7/21/2022	Advance Invoice	No	Notes	No
Correction Invoice	No	Correction Exist	No	On Hold Installment Exists	No	Currency	BRL
Currency Rate		Gross Amount		Net Amount			

15.6.10 RECEIVED ERROR RESPONSE FROM THE BRAZILIAN TAX AUTHORITY

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

Receive an Error Response which could be fixed

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

Receive an Error Response which couldn't be fixed

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

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

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

Outgoing Nota Fiscal - 00910000042 1 of 1

Company DU-BR Company

Send Nota Fiscal **Send Void Request** Manual Supplier Invoice

Sender

Company DU-BR

Company Name DU-BR Company

Receiver

Supplier DU-BRSUP1

Supplier Name DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	10000042	7/26/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	22	Preliminary
Business Transaction Id	Payment Terms	Currency Code

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

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

Outgoing Nota Fiscal - 00910000031 2 of 7

Company DU-BR Company

Supplier Invoice Analysis View Vouchers

Sender

Company DU-BR

Company Name DU-BR Company

Receiver

Supplier DU-BRSUP1

Supplier Name DU-BRSUP1

Nota Fiscal Series	Nota Fiscal No	Invoice Date
009	10000031	7/21/2022
Object Type	Object Reference	Object Reference Status
Manual Supplier Inv Return	8	Cancelled
Business Transaction Id	Payment Terms	Currency Code
	0	BRL
Nota Fiscal Text		

LINES	ADDRESS	GENERAL	NF-E INFORMATION
Issue Date		NF-e Key	NF-e Protocol No
7/21/2022		35220712345678901234650091000003110020900...	135180015173174LOL
NF-e Processing Date		NF-e Status Code	Return Message
6/20/2022		102	Autorizado o uso da NF-e

The connected Credit Supplier Invoice is "Cancelled".

Supplier Invoice Analysis SCR - 8 1 of 1 Cancelled

More Information
Installation Plan and Discounts
Pre Posting
Vouchers
Payment Status

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

16 Integration to Brazilian External Tax System – NF-e Communication

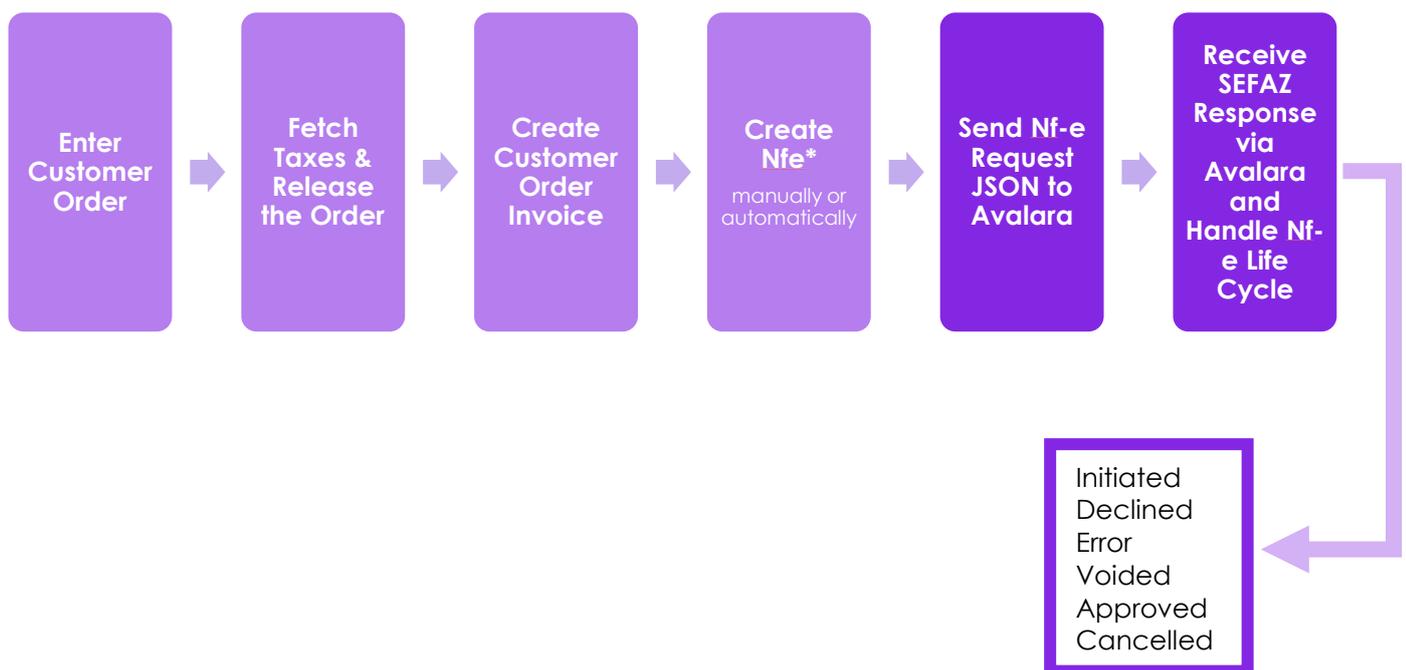
16.1 Overview Business Requirement

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

The NF-e is the Nota Fiscal issued online, which allows real time reporting of transactions to the SEFAZ, which is the state government responsible for taxation and revenue. The NF-e must be sent to SEFAZ for authorization, and the goods may only be sent to the recipient after the Fiscal Note has been accepted by SEFAZ.

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

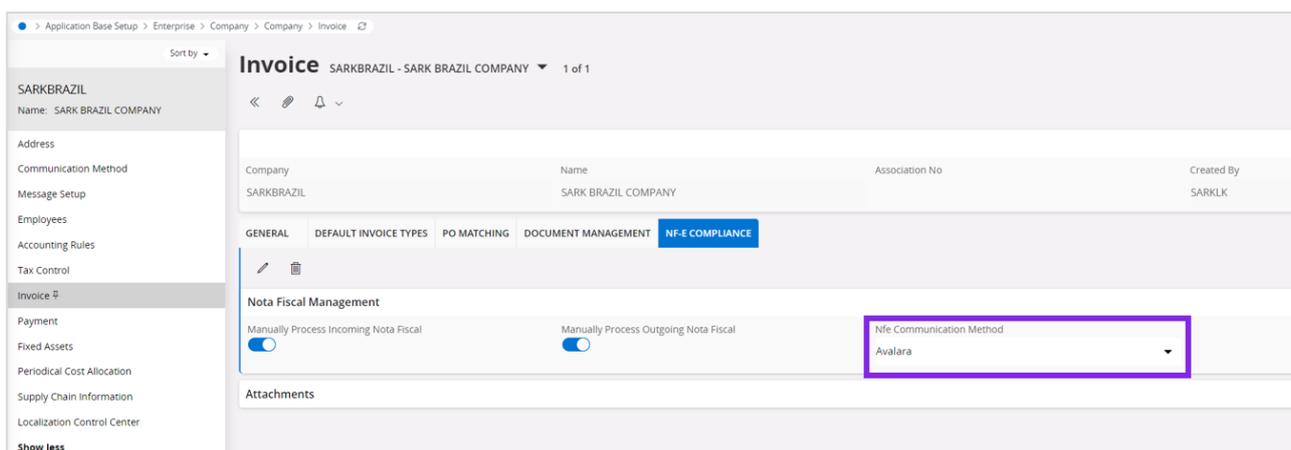
16.2 Process Overview



16.3 Prerequisites

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

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



The screenshot shows the 'Invoice' configuration page for 'SARKBRAZIL - SARK BRAZIL COMPANY'. The left sidebar lists various configuration categories, with 'Invoice' selected. The main content area has tabs for 'GENERAL', 'DEFAULT INVOICE TYPES', 'PO MATCHING', 'DOCUMENT MANAGEMENT', and 'NF-E COMPLIANCE'. Under the 'NF-E COMPLIANCE' tab, there is a 'Nota Fiscal Management' section with two toggle switches: 'Manually Process Incoming Nota Fiscal' and 'Manually Process Outgoing Nota Fiscal'. A dropdown menu for 'Nfe Communication Method' is highlighted with a purple box, showing 'Avalara' as the selected option.

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

16.4 Define Basic Data

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

16.4.1 EXTERNAL TAX SYSTEM PARAMETERS

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

External Tax System Parameters

Vertex O Series Connection Information

User Name Password

Avalara Connection Information

User Name Password

Avalara Brazil Connection Information

Client ID Client Secret

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

16.5 Create Customer Order & Process Customer Order Invoice and Outgoing Nota Fiscal

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

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

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

16.6 Generation of NF-e JSON

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

Application Base Setup > Enterprise > Company > Company > Invoice

Sort by

SARKBRAZIL
Name: SARK BRAZIL COMPANY

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

Invoice SARKBRAZIL - SARK BRAZIL COMPANY

Company Name Association No Created By
SARKBRAZIL SARK BRAZIL COMPANY SARKLK

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

Nota Fiscal Management

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

Attachments

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

Header Details of Json file

```

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

```


16.7 Outgoing NF Approved

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

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

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

Outgoing Nota Fiscal - 009000011053 Approved

Send Cancel Request
Customer Invoice
Customer Invoice Postings Analysis

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

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

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

Business Transaction ID
 100

Amounts		
Gross Amount	Net Amount	Tax Amount
134.38	100.00	34.38

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

16.8 Receive Error Response from SEFAZ

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

Example of Error response.

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

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

Outgoing Nota Fiscal - 009000011054 Error

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

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

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

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

Business Transaction ID
100

Amounts		
Gross Amount	Net Amount	Tax Amount
134.38	100.00	34.38

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

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

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

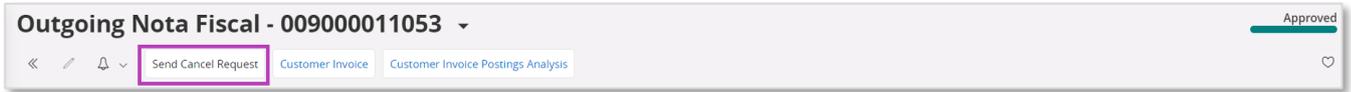
Outgoing Nota Fiscal - 009000011054 Error

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

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

16.9 Cancellation of Approved Outgoing Nota Fiscal

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



Cancel Request Json file

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

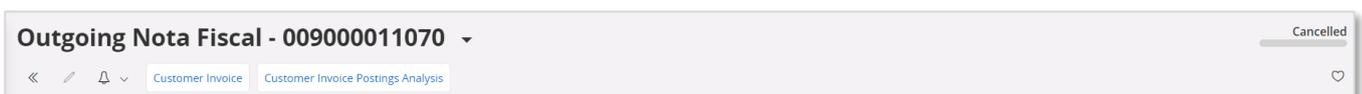
See [12.1.7 Cancellation Request sent to the Approved Outgoing NF](#) for more details.

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

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

Approved Cancellation Response

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



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

16.10 Delimitations

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

17 Tax Determination for Services with External Tax System in Customer Order

17.1 Overview Legal Requirement

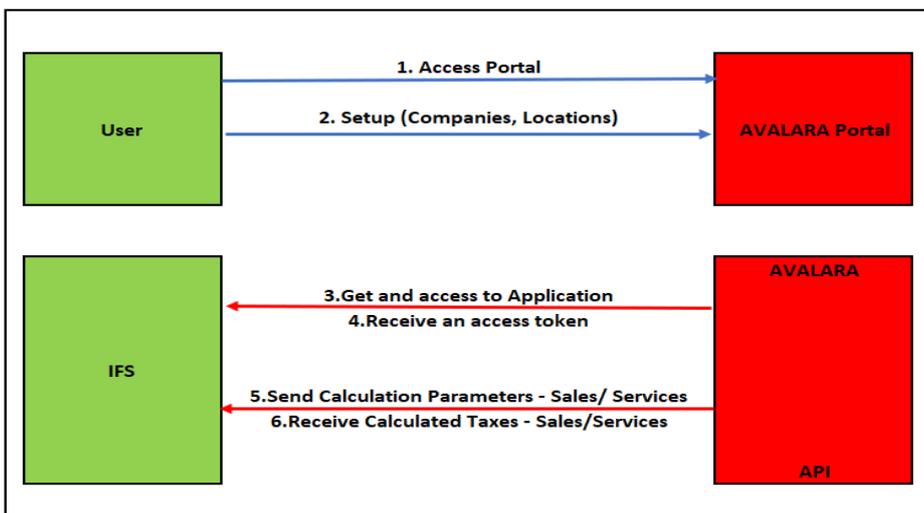
In Brazil, the calculation of taxes for services is a fundamental aspect of financial management and regulatory compliance. When providing services, companies must calculate the multiple service-related taxes that are applicable. The tax landscape includes various levies based on the nature and value of the services rendered. Accurately applying these taxes is not only a legal requirement but also essential for financial transparency and an important aspect when operating in the country.

17.2 Other Business Objectives

1. Enabling the User to calculate the specific taxes relevant for providing services.
2. Enabling the user to identify and record the Withholding taxes for the services provided.
3. Creating the Outgoing Nota Fiscal for services and manually approving the Outgoing Nota Fiscal

17.3 Process Overview

17.3.1 INTEGRATION OVERVIEW EXAMPLE



17.3.2 PROCESS OVERVIEW WITH CUSTOMER ORDER SALES OF SERVICES

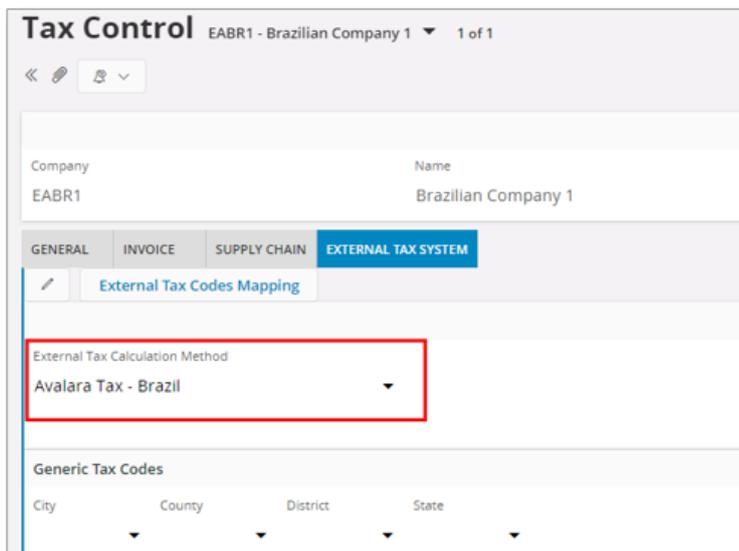


17.4 Prerequisites

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

Localization Control Center DEMO BRAZIL 3 - DEMO BRAZIL 3 1 of 1				
checkbox	ality	Description	Mandatory	Enabled
<input type="checkbox"/>	tion Origin	Enables functionality for defining acquisition origin for parts, needed for legal reporting.	Yes	Yes
<input type="checkbox"/>	s Specific Tax Registration ...	Enables the definition of multiple, address specific tax registration numbers on Company, Customer...	Yes	Yes
<input type="checkbox"/>	omatic Generation of Offi...	Enables the use of components to be combined with a sequence number per branch to create an o...	Yes	Yes
<input type="checkbox"/>	Bank Collection Bill	Enables the generation and print out of Brazilian Boleto when Customer Order Invoice is turned to ...	No	No
<input type="checkbox"/>	in Payment Formats	Enables the generation of payment format files for Santander, Banco do Brasil and Caixa Econômica...	No	Yes
<input type="checkbox"/>	in Specific Fiscal Attributes	Enables additional fiscal attributes specific for Brazil on Sales Part, Purchase Part and Master Part n...	Yes	Yes
<input type="checkbox"/>	ss Operation	Enables functionality to define if a specific operation is taxable or not, needed for legal reporting.	Yes	Yes
<input type="checkbox"/>	tion to Brazilian External T...	Enables integration to Brazilian Tax system to facilitate Tax Determination, communication of electr...	No	Yes
<input type="checkbox"/>	PostedAuth Customer Ord...	Enables the functionality for cancel customer order invoices in status PostedAuth.	Yes	Yes

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



The screenshot shows the 'Tax Control' interface for 'EABR1 - Brazilian Company 1'. The 'EXTERNAL TAX SYSTEM' tab is active, and the 'External Tax Codes Mapping' section is visible. A red box highlights the 'External Tax Calculation Method' dropdown menu, which is currently set to 'Avalara Tax - Brazil'.

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

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

17.5 Define Basic Data

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

[Application Base Setup](#) > [Enterprise](#) > [Tax](#) > [External Tax Systems](#) > [External Tax System Parameters](#)

External Tax System Parameters

[Verify Avalara Connection](#)

Vertex O Series Connection Information			
User Name	Password	Trusted ID	Version
IFS_API_User	*****	*****	9

Avalara Connection Information	
User Name	Password
1100062974	*****

Avalara Brazil Connection Information	
Client ID	Client Secret
0aa49b97-6be1-46b4-b271-f4efaa221f60	*****

17.5.1 DISABLE CUSTOMER TAX CODE VALIDATIONS

Tax Control

BNFX - BLUE NOTE GUITAR EFFECTS - IFS CLOUD 24R1 1 of 1

Company: BNFX Name: BLUE NOTE GUITAR EFFECTS - IFS CLOUD 24R1

[GENERAL](#) | [INVOICE](#) | [SUPPLY CHAIN](#) | [EXTERNAL TAX SYSTEM](#)

Customer Tax Code Validation

Object Level	Address Level	Transaction Level
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

17.5.2 DEFINE TAX INTEGRATION PARAMETERS FOR SALES

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

GENERAL INVOICE SUPPLY CHAIN **EXTERNAL TAX SYSTEM**

External Tax Codes Mapping

External Tax Calculation Method
Avalara Tax - Brazil

Generic Tax Codes
City County District

Tax Integration Parameters for Sales

Refresh Tax Information at Release of Customer Order

Automatic Fetch of Tax Information at Part/Charge Line Entry

17.5.3 ENTER 0% TAX CODES FOR THE BRAZILIAN TAX TYPES

Enter the Tax Codes with types 'Tax' and/or 'Tax Withholding' per tax type category with 0% in page **Accounting Rules/Tax/Tax Codes**. The 0-percentage rate will be replaced by the correct percentage rate for the specific tax scenario in transaction level based on the tax response from 3rd party tax determination engine Avalara.

Tax Codes

✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Tax Type Category	Valid From	Valid To	Tax Method Tax Received
<input type="checkbox"/>	PIS-RT	PIS Withholding	Tax Withhold	1,65	100	PIS/RF	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	PIS-RET	PIS Withholding	Tax Withhold	0	100	PIS/RF	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	PIS-R	PIS Withholding	Tax	0	100	PIS/RF	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	PIS-N	PIS Withholding	Tax	0	100	PIS	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	ISS-N	Generic Tax Code for ISS	Tax	0	100	ISS	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	ISS	Generic Tax Code for ISS Withholding	Tax Withhold	0	100	ISS/RF	01/01/2024	31/12/2049	Invoice Entry
<input type="checkbox"/>	IRRF-RET	IRRF Withholding	Tax Withhold	0	100	IRRF	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	IRRF-N	PIS Withholding	Tax	0	100	IRRF	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	IRPJ-RET	IRPJ Withholding	Tax Withhold	0	100	IRPJ	10/11/2023	31/12/2049	Payment
<input type="checkbox"/>	IRPJ-N	PIS Withholding	Tax	0	100	IRPJ	10/11/2023	31/12/2049	Payment

Next select the command **External Tax Code Mapping** in the page **Application Base Setup/Enterprise/Company/Company/Tax Control** and tab **External Tax System**. Connect the pre-defined 0% tax codes, type 'Tax' and/or 'Tax Withholding' for each Tax Type Category:

Tax Control

DEMO BRAZIL 3 - DEMO BRAZIL 3 ▼ 1 of 1

Company: DEMO BRAZIL 3 Name: DEMO BRAZIL 3

Created By: PUGULK

GENERAL INVOICE SUPPLY CHAIN **EXTERNAL TAX SYSTEM**

[External Tax Codes Mapping](#)

External Tax Calculation Method: Avalara Tax - Brazil ▼

External Tax Codes Mapping

✓	Tax Type Category	Tax Code	Tax (%)	Tax In Tax Base	Tax Type
<input type="checkbox"/>	ISS	BR-ISS - Generic Tax Code for ISS	0	No	Tax
<input type="checkbox"/>	ISS/RF	BR-ISS-RET - Generic Tax Code for ISS Withholding	0	No	Tax Withhold
<input type="checkbox"/>	PIS	BR-PIS - Generic Tax Code for PIS	0	Yes	Tax
<input type="checkbox"/>	COFINS/RF	COFINS-RET - COFINS Withholding	0	No	Tax Withhold
<input type="checkbox"/>	CSLL/RF	CSLL-RET - CSLL Withholding	0	No	Tax Withhold
<input type="checkbox"/>	INSS/RF	INSS-RET - INSS Withholding	0	No	Tax Withhold
<input type="checkbox"/>	IRPJ	IRPJ-N - PIS Withholding	0	No	Tax
<input type="checkbox"/>	IRRF	IRRF-RET - IRRF Withholding	0	No	Tax Withhold
<input type="checkbox"/>	PIS/RF	PIS-RET - PIS Withholding	0	No	Tax Withhold

17.5.4 GOODS/SERVICES STATISTICAL CODES

The Goods/Services Statistical Codes are used in context of services to handle the Service Codes listed in the federal list provided by Brazilian government, which concerns the legislation about tax on services of any nature (LC116).

Enter the service codes in the **Application Base Set Up/General Data/Goods/Services Statistical Codes** page as follows:

Non-Inventory Sales Part BOWLING - Boliche. - S2234 1 of 5

Complementary Parts Document Text Connect Services Customer Warranty

Sales Part No: BOWLING Part Description in Use: Boliche. Site: S2234 Sales Type: Sales Only

Category: Service Active

GENERAL DESCRIPTIONS CHARACTERISTICS CHARGES

Intrastat	Sourcing
Unit of Measure	Grouping
Pricing	Tax
GTIN	Miscellaneous
Indicators	Replacement Part

Goods/Services Statistical Code: 12.09 - Boliche.

Attachments

17.5.6 DEFINE CITY CODES FOR NON-INVENTORY SALES PART

User needs to define the service codes for the services offered by the Company according to the lists provided by the respective city halls in different cities where the company's Sites and the Customers are situated.

Example:

Company's Address

State: São Paulo

City: São Paulo

Customer's Address

State: São Paulo

City: Osasco

- This is the Service Code for service **"Boliche"** in the list of services codes made available by the city of São Paulo:

Tabela de códigos de serviços (ISS) de São Paulo (SP)

A última versão da tabela de códigos de serviços de São Paulo foi publicada em 2011 e atualizada a partir da Instrução Normativa SF/SUREM nº 23, de 22 de dezembro de 2017. Na tabela abaixo, você encontra todos os serviços que são tributados em São Paulo Saiba quanto deve ser recolhido de Imposto Sobre Serviços a cada nota fiscal.

Boliche. Q

Cod IBGE	Lei 116	Código	Descrição	Alíquota	Base Legal
3550308	12.09	08320	Boliche.	5,00%	ANEXO 1 IN SF/SUREM Nº 8/2011

- This is the Service Code for service “**Boliche**” in the list of services codes made available by the city of Osasco:

Na tabela abaixo, você encontra todos os serviços que são tributados em Osasco. Saiba quanto deve ser recolhido de Imposto Sobre Serviços a cada nota fiscal.

Q

Cod IBGE	Lei 116	Código	Descrição	Alíquota	Base Legal
2304400	12.09	932980201	Exploração de boliches.	5,00%	LEI COMPLEMENTAR Nº 159

Both service codes must be connected in the City Codes per Non-Inventory Sales Part:

City Codes Per Non-Inventory Sales Parts

« + 📄 ✎ 🗑️ 🔔 ⌵

Sales Part No	Part Description in Use	Site
BOWLING	Boliche.	52234

Labour Assignment

Service Codes Per City

🔍 + ✎

<input checked="" type="checkbox"/>	City Code	Service Code
<input type="checkbox"/>	OSA - Osasco	932980201
<input type="checkbox"/>	SAO - São Paulo	08320

17.5.7 ENABLE THE CUSTOMER FOR TAX WITHHOLDING

Enable the Customer to record the withholding taxes as follows.

Sort by

Address PUGULK CUST 1 - PUGULK CUST 1 1 of 1

« ✎ 🔔 ⌵

Customer	Name	Association No
PUGULK CUST 1	PUGULK CUST 1	

Address ID: NO 12

🔍 + 📄 ✎ 🗑️

... End Customer

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

Company: DEMO BRAZIL 3 - DEMO BRAZIL 3

🔍 + 📄 ✎ 🗑️ Customer Tax Withholding IPD Tax Information

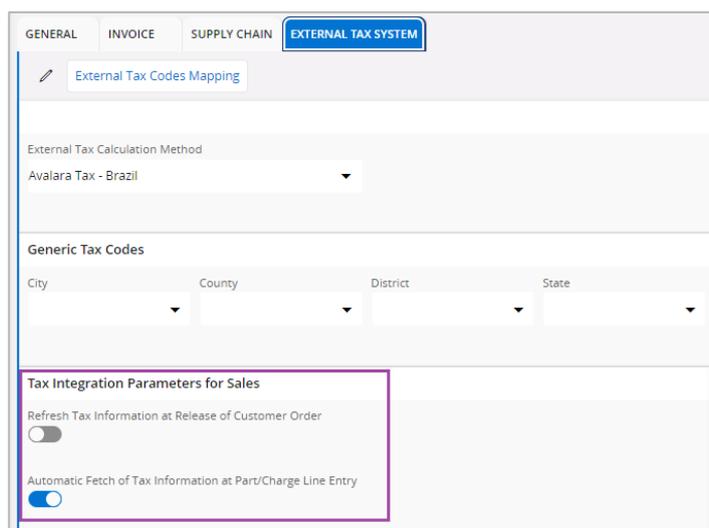
Tax Withholding	Tax Rounding Method	Tax Rounding Level
Tax Withhold	Round to the Nearest	Specified on company
Business Transaction ID	ICMS Tax Payer	
100 - Venda de Mercadoria	<input checked="" type="checkbox"/>	

17.6 Create Customer Order for Non Inventory Sales Part

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

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

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



After service-related taxes are returned from External Tax System, the taxable taxes details can be verified through the option Tax Lines in the Customer Order Line:

Customer Order P11633 1 of 1

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

Order No: P11633 Customer: NE RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGAÇÃO... Site: SP01 Order Type: NO Wanted Delivery Date/Time: 12/02/2024 00:00

Order Amounts

Total Net Amount/Base	Total Contribution Margin/Base	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
400,00 BRL	150,00 BRL	37,50	400,00 BRL	22,60 BRL	422,60 BRL

LINES RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES

Status Line Details Operations Reservation RMA Supply/Service Objects Capability Check Sourcing Create Job Close Job

Line No	Del No	Sales Pa	Address	Sales Qty	BR Unit Price	Sales UoM	Confirmed	Price/Curr	Price Ind Tax/Curr	Price UoM
1	1	F0609	meter Ad...	5	80,00	h	Yes	80,00	84,69	h

Price Query
Order Line Discount
Order Line Taxes
Order Line Milestones
Staged Billing Profile
Commission
View/Edit Order Line Commissions
Update Calculated Commissions
Update All Commissions
Order Line History

Attachments

Taxable taxes percentages are recorded over the 0-percentage Tax Codes predefined in the External Tax Codes Mapping for given the company:

Customer Order Line Tax Lines

Gross Amount	Net Amount	Tax Amount
422,60	400,00	22,60

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	CST Code	Legal Tax Class	Tax Type Category
400,00	BR-COFINS	Tax	3	12,00	12,00	01		COFINS
400,00	BR-CSLL	Tax	0	0,00	0,00	01		CSLL
400,00	IRPJ-N	Tax	0	0,00	0,00			IRPJ
400,00	BR-ISS	Tax	2	8,00	8,00	01		ISS
400,00	BR-PIS	Tax	0,65	2,60	2,60	01		PIS

OK Cancel

Application Messages 1836635 ▾ 1 of 1

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

...

Input Message Data

🔍 [Settings] [Copy] [24] [Menu]

✓ Name

: MESSAGE_REQUESTS.js...

Output Message Data

🔍 [Settings] [Copy] [24] [Menu]

✓ Name

: MESSAGE_RESPONSE.txt

...

The messaging standard is supported by the application messages, with an authentication token provided for each call to the third-party partner's API.

Message Request.json

```
{
  "header": {
    "messageType": "services",
    "eDocCreatorType": "self",
    "eDocCreatorPerspective": true,
    "operationType": "StandardSales",
    "transactionDate": "2024-02-22T00:00:00Z",
    "amountCalcType": "net",
    "companyLocation": "42453675818190",
    "documentCode": "V11556",
    "locations": {
      "entity": {
        "taxRegime": "individual",
        "type": "stateGovernment",
        "taxesSettings": {
          "issRfRateForSimplesTaxRegime": 0,
          "pCredSN": 0,
          "subjectToPayrollTaxRelief": true,
          "subjectToWithholdingPis": true,
          "subjectToWithholdingCofins": true,
          "subjectToWithholdingCsll": true,
          "cofinsSubjectTo": "T",
          "pisSubjectTo": "T",
          "csllSubjectTo": "T"
        },
        "address": {
          "zipcode": "69900-000",
          "cityName": "Osasco",
          "country": "BRA"
        },
        "activitySector": {
          "type": "cnae"
        }
      },
      "establishment": {
        "taxRegime": "realProfit",
        "type": "individual",
        "taxesSettings": {
          "issRfRateForSimplesTaxRegime": 0,
          "pCredSN": 0,
          "subjectToPayrollTaxRelief": true,
          "subjectToWithholdingPis": true,
          "subjectToWithholdingCofins": true,
          "subjectToWithholdingCsll": true,
          "cofinsSubjectTo": "T",
          "pisSubjectTo": "T",
          "csllSubjectTo": "T"
        },
        "address": {
          "zipcode": "01000-000",
          "cityName": "São Paulo",
          "country": "BRA"
        },
        "activitySector": {
          "type": "cnae"
        }
      }
    }
  }
}
```

Message Response.json

```
{
  "header": {
    "messageType": "services",
    "eDocCreatorType": "self",
    "eDocCreatorPerspective": true,
    "operationType": "StandardSales",
    "transactionDate": "2024-02-22T00:00:00Z",
    "amountCalcType": "net",
    "companyLocation": "42453675818190",
    "documentCode": "V11556",
    "locations": {
      "entity": {
        "taxRegime": "individual",
        "type": "stateGovernment",
        "taxesSettings": {
          "issRfRateForSimplesTaxRegime": 0,
          "pCredSN": 0,
          "subjectToPayrollTaxRelief": true,
          "subjectToWithholdingPis": true,
          "subjectToWithholdingCofins": true,
          "subjectToWithholdingCsll": true,
          "cofinsSubjectTo": "T",
          "pisSubjectTo": "T",
          "csllSubjectTo": "T",
          "subjectToSRF1234": false
        },
        "address": {
          "zipcode": "69900-000",
          "cityName": "Rio Branco",
          "country": "BRA",
          "cityCode": "1200401",
          "countryCode": "0",
          "state": "AC"
        },
        "activitySector": {
          "type": "cnae"
        },
        "federalTaxId": ""
      },
      "establishment": {
        "taxRegime": "realProfit",
        "type": "individual",
        "taxesSettings": {
          "issRfRateForSimplesTaxRegime": 0,
          "pCredSN": 0,
          "subjectToPayrollTaxRelief": true,
          "subjectToWithholdingPis": true,
          "subjectToWithholdingCofins": true,
          "subjectToWithholdingCsll": true,
          "cofinsSubjectTo": "T",
          "pisSubjectTo": "T",
          "csllSubjectTo": "T"
        },
        "address": {
          "zipcode": "01000-000",
          "cityName": "São Paulo",
          "country": "BRA"
        }
      }
    }
  }
}
```

17.7 Handling Withholding Taxes for Non Inventory Sales Parts/ Services

User needs to define the WHT taxes in the **tax codes** page as explained above. The WHT taxes are calculated when the customer order is created using external tax engine AVALARA.

The Withholding taxes calculated will be reflected in the Tax Lines, **Withholding** command available in the Customer Invoice lines.

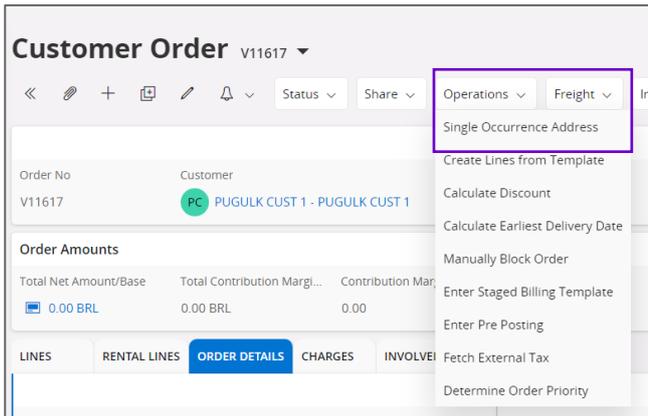
LINES							
GENERAL		NF-E INFORMATION		HISTORY			
<div style="display: flex; justify-content: space-between;"> Tax Lines Tax Lines, Withholding Invoice Line Discount Pre Posting </div>							
(1)	Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price Qty	Price UoM
✓	1	BOWLING	Boliche.	1	HOUR	1	HOUR

Tax Lines, Withholding							
Customer	Withholding Base	Series ID	Invoice No				
PC PUGULK CUST 1 - PUGULK CUST 1	Invoice Net Amount	PR	212552				
Tax Curr Rate	Gross Amount	Net Amount					
1	4407.71	4000.00					
Line Details							
✓	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency
<input type="checkbox"/>	COFINS/RF	Tax Withhold	4000.00	0	0.00	0.00	0.00
<input type="checkbox"/>	CSLL/RF	Tax Withhold	4000.00	0	0.00	0.00	0.00
<input type="checkbox"/>	INSS/RF	Tax Withhold	4000.00	0	0.00	0.00	0.00
<input type="checkbox"/>	IRRF	Tax Withhold	4000.00	4.8	192.00	192.00	576.00
<input type="checkbox"/>	ISS/RF	Tax Withhold	4000.00	0	0.00	0.00	0.00
<input type="checkbox"/>	PIS RF	Tax Withhold	4000.00	0	0.00	0.00	0.00

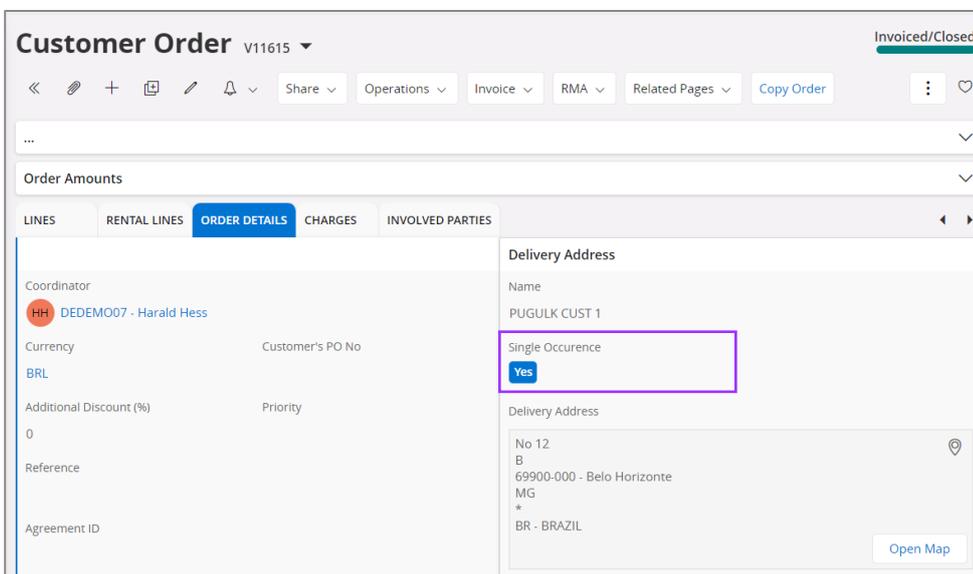
17.8 Tax Calculation for Services Using Single Occurrence Address

Single Occurrence address is used for defining a temporary delivery address for a particular order. The Order header must have been saved. The country codes and the address formats needed to be defined using *Application Base Setup/Enterprise/Basic Data/Address Presentation*. A single-occurrence delivery address is defined for the order. The ordered parts will be delivered to this address. This is a temporary address and it will be used only for a specific order.

Define a single occurrence address using *Operations Tab/Single Occurrence Address* available in the Customer Order header level.



Upon entering the single occurrence address, the delivery address will be updated by enabling the single occurrence toggle button as follows.



17.9 Delimitations

No known delimitations.

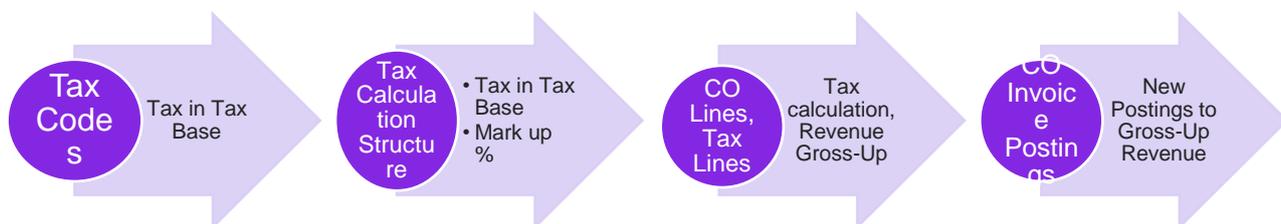
18 Gross Revenue Accounting

18.1 Overview Legal Requirement

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

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

18.2 Process Overview



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

18.3 Prerequisites

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

18.4 Tax in Tax Base

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

18.5 Revenue Gross-up in Customer Order Line level

18.5.1 Sales Price Without Tax In All Price Sources

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

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

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

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

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

18.5.2 CUSTOMER ORDER LINE LEVEL

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

Customer order line is created with the net amount 100.00

Customer Order V10204

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

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

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

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

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

Gross Amount	Net Amount	Tax Amount
111.11	100.00	11.11

☰
🔍
Set Default

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

OK
Cancel

18.6 Customer Order Invoice Postings

18.6.1 CUSTOMER ORDER INVOICE LINE LEVEL

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

✕
Customer Invoice Tax Lines

Gross Amount	Net Amount	Tax Amount
111.11	100.00	11.11 Tax Amount

☰
🔍
Set Default

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

OK
Cancel

18.6.2 CUSTOMER INVOICE POSTINGS TO REVENUE GROSS-UP

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

To facilitate these requirements, two new postings introduced for Brazilian country specifics, as follows,

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

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

Brazilian specific postings in CO Invoice F Voucher:

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

18.6.3 NEW CONTROL TYPES SPECIFIC TO BRAZIL

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

Accounting Rules > Posting Rules > Posting Control

Posting Control

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

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

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

Posting Control Details

IP4 - Account - C128 1 of 1

Code Part Name: Account Control Type: C128

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

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

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

18.7 Delimitations

Gross Revenue Accounting is not supported in this Project Invoice – Initial Solution. Tax in Sales Revenue and Tax Deduct from Gross Revenue should be manually posted.

19 Nota Fiscal issue date as applied date on inventory transactions for goods issue

19.1 Overview Legal Requirement

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

19.2 Process Overview

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



19.3 Prerequisites

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

19.4 Deliver customer order

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

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

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

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

19.6 Set Nota Fiscal Issue Date as applied date on inventory transactions

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

Inventory Transactions History

Modify Date Applied

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

Customer Invoice

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

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

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

NF-E INFORMATION

Issue Date	NF-e Key	NF-e Protocol No	NF-e Processing Date
2020-09-02	122009608812990004056500900000031100...	135180015173174LOL	2020-09-02

NF-e Status Code: 100, Return Message: Autorizado o uso da NF-e

Inventory Transactions History

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

19.7 Transfer Inventory Transactions

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

19.8 Delimitations

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

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

20 Cancel PostedAuth Customer Order Invoices

20.1 Overview Legal Requirement

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

20.2 Process Overview



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

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

20.3 Prerequisites

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

20.4 Cancel PostedAuth Customer Order Invoices

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

20.5 Delimitations

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

21 Taxes in intracompany goods movement

21.1 Overview Legal Requirement

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

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

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

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

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

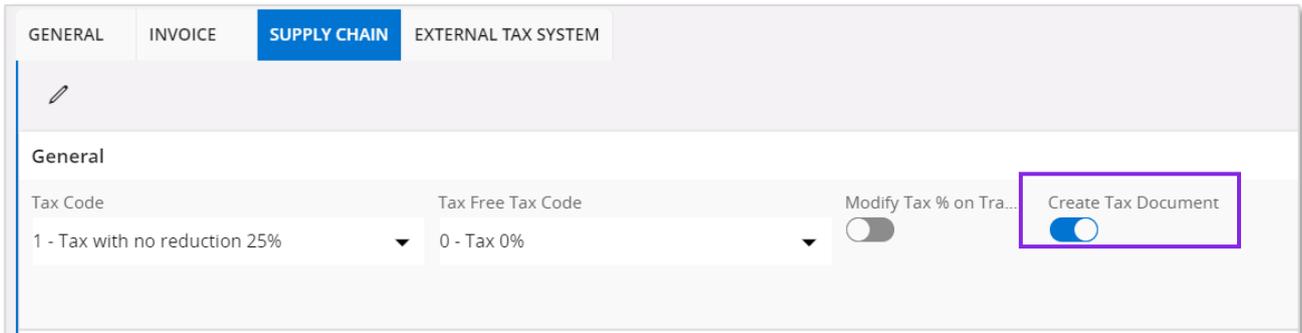
The Tax Document is developed as generic core functionality and not controlled by LCC parameter. For Brazil the Tax Document is integrated with Outgoing/Incoming Nota Fiscal functionality.

21.2 Process Overview



21.3 Prerequisites

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

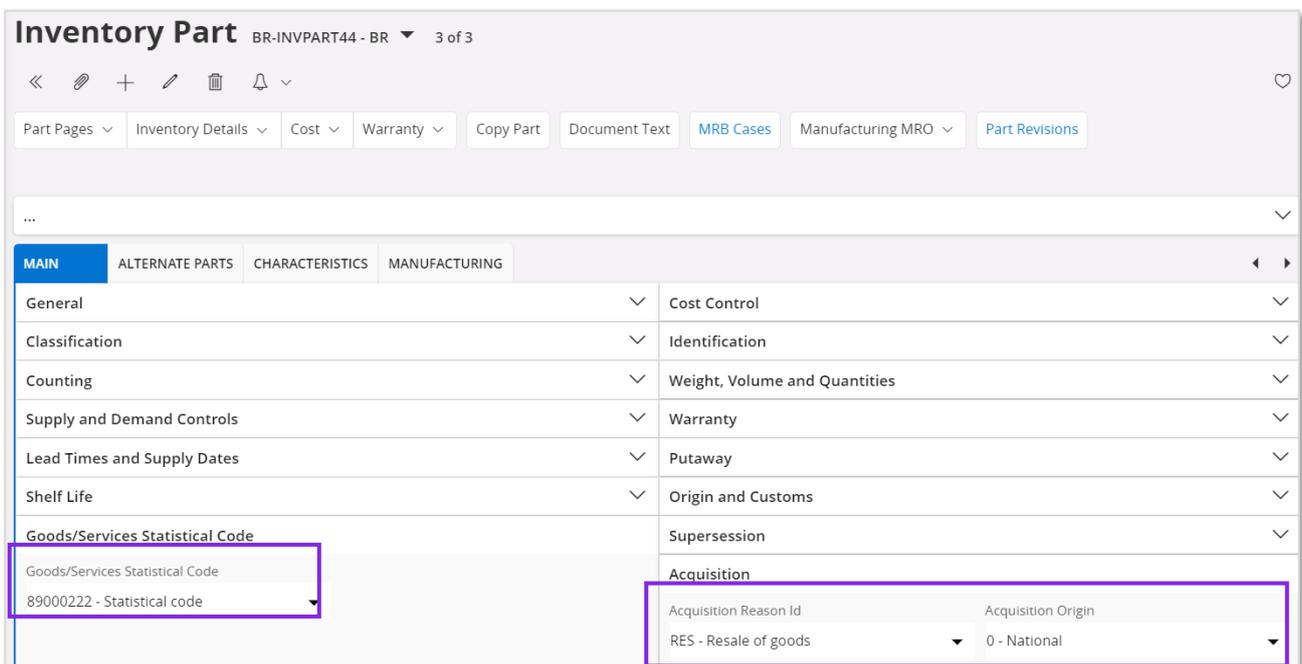


The screenshot shows the 'SUPPLY CHAIN' tab selected. Under the 'General' section, the 'Tax Code' is set to '1 - Tax with no reduction 25%' and the 'Tax Free Tax Code' is '0 - Tax 0%'. A 'Modify Tax % on Tra...' toggle is turned off. The 'Create Tax Document' toggle is turned on and is highlighted with a purple box.

21.4 Define Basic Data

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

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



The screenshot shows the 'Inventory Part' configuration page. The 'Goods/Services Statistical Code' is set to '89000222 - Statistical code' and is highlighted with a purple box. The 'Acquisition' section is also highlighted with a purple box, showing 'Acquisition Reason Id' as 'RES - Resale of goods' and 'Acquisition Origin' as '0 - National'.

21.5 Create and process Shipment Order

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

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

Use a Shipment Type that creates a shipment when releasing the Shipment Order. Release the Shipment Order and process the connected Shipment until Completed state using IFS Cloud standard functionality. Create the Outgoing Tax Document via the command in Shipment header - **Create Outgoing Tax Document**. An Outgoing Tax Document will be created in Preliminary state.

Outgoing Tax Document 221 ▾ 1 of 1 Posted

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

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

Total Amounts

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

GENERAL

LINES

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

21.6 Process Tax Document with Nota Fiscal

21.6.1 OUTGOING NOTA FISCAL

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

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

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

Automatically creation of Outgoing Nota Fiscal

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

When the connected shipment is delivered and the cost and taxes are calculated on the Outgoing Tax Document, the Outgoing Nota Fiscal is created automatically. Once the Outgoing Nota Fiscal is created, it is automatically sent to the Tax authorities for approval.

21.6.2 RESPONSE FROM TAX AUTHORITIES

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

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

21.6.3 INCOMING NOTA FISCAL

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

Manual creation of Incoming Nota Fiscal

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

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

Automatic creation of Incoming Nota Fiscal

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

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

Incoming Tax Document 222

Preliminary

⏪ 🔔 ▼
Post Tax Document
Cancel
Posting Analysis
❤️

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

Total Amounts

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

GENERAL

LINES

◀ ▶

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

21.7 Tax Document with 3rd party external tax system

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

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

21.8 Postings

21.8.1 OUTGOING TAX DOCUMENT

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

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

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

21.8.2 INCOMING TAX DOCUMENT

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

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

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

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

Tax Document Posting Analysis 22 ▾ 1 of 1

⏪ ⏩ ▾

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

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

Posting Information

☰ ▾ ⏪ ⏩ ▾

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

21.9 Handling of Non-deductible Taxes

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

Handling non-deductible taxes for standard cost parts

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

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

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

Following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

Calculation of non-deductible taxes

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

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

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

100% Deductible Scenario

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

Tax document postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M299	100	
		M300		100

2610	2699								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">M297</td> <td style="width: 20%; text-align: right;">100</td> <td style="width: 40%;"></td> </tr> </table>		M297	100		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">M298</td> <td style="width: 20%; text-align: right;">100</td> <td style="width: 40%; text-align: right;">M300 100</td> </tr> </table>		M298	100	M300 100
	M297	100							
	M298	100	M300 100						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;"></td> <td style="width: 20%; text-align: right;">M299</td> <td style="width: 20%; text-align: right;">100</td> <td style="width: 40%;"></td> </tr> </table>		M299	100						
	M299	100							

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

0% Deductible Scenario

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

Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M303	100	
		M300		100

2610	2699
M297 100	M298 100 M300 100

Acc XXXX
M303 100

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

Handling of Multiple Taxes

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

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

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

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

Taxes will be calculated as follows for the above tax codes:

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

Tax Document Postings

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

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

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

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

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

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

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

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

Following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

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

Example:

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

Created inventory transactions:

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

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

New weighted average applicable to the demand site = $(1060 + (200 \times 10))/20 = 153$
 Total amount to be posted = $153 \times 10 = 1530$

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

T Accounting

1400			
	M1	1000	
M3	1060		
M1	1530	M3	1530
2590			2530

1405			
M4	1000		
		M4	1060
M4	60		
1060			1060

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

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

Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

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

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

Handling of Different Scenarios

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

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

Few example scenarios where the above transactions are created:

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

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

21.10 Delimitations

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

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

Incoming Nota Fiscal

21.11 Overview Legal Requirement

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

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

All inventory transactions created from procurement must be identified by the Nota Fiscal number and Nota Fiscal item. These references are used when submitting tax reporting to the tax authority at the end of tax period. These references might also be required in Tax Audits. The references are also widely used in the daily operations in Brazilian companies.

21.12 Process Overview

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

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

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

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

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

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

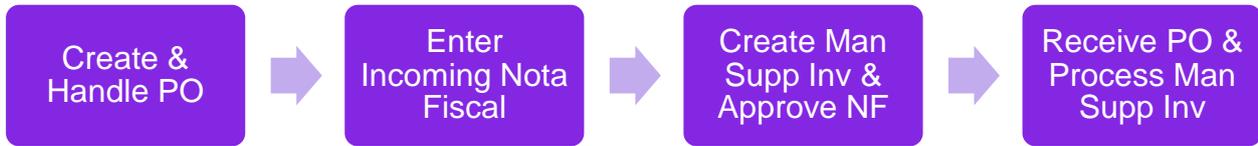
Finally, user can create the inventory transactions related to the goods receipt and process Manual Supplier Invoice.

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

21.12.1 RECEIVE INCOMING NOTA FISCAL AUTOMATICALLY (NF-E) – USING EXTERNAL SUPPLIER INVOICE FLOW

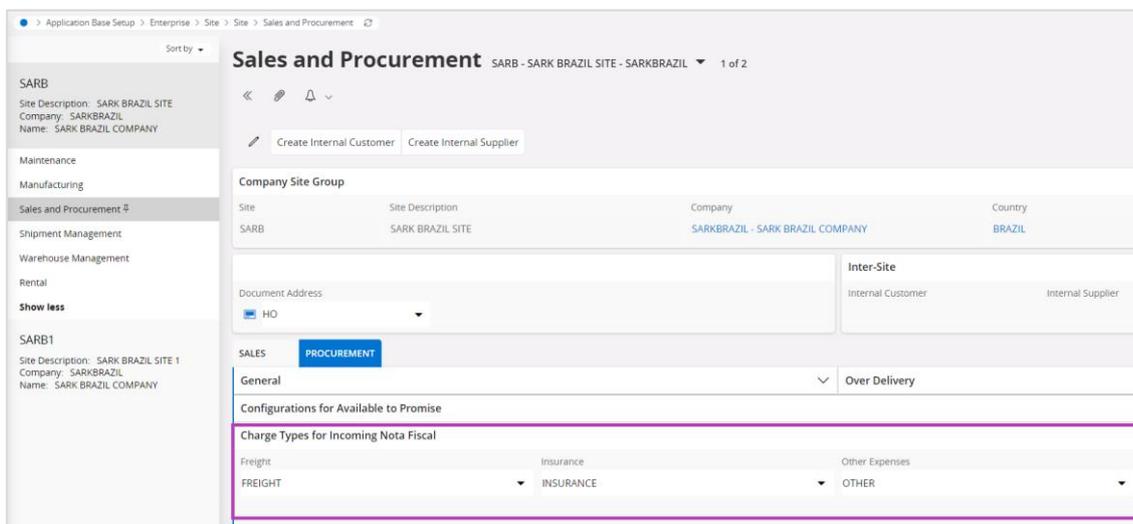


21.12.2 ENTER INCOMING NOTA FISCAL MANUALLY (DANFE) – USING INCOMING NOTA FISCAL PAGE



21.13 Prerequisites

- The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the “Incoming Nota Fiscal” parameter must be enabled.
- The “Address Specific Tax Registration Numbers” parameter must be enabled. Read the chapter “Address Specific Tax Registration Numbers” and setup Supplier and Company CNPJ accordingly.
- Create Purchase Charge types related for Freight, Insurance & Other Expenses using standard functionality and select them in Application Base Setup/Enterprise/Site/Site/Sales and Procurement/Procurement tab.



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

Sort by

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

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

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

Sales and Procurement

 SARB - SARK BRAZIL SITE - SARKBRAZIL 1 of 2

Create Internal Customer Create Internal Supplier

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

Document Address: HO

Inter-Site: Internal Customer, Internal Supplier

SALES **PROCUREMENT**

General Over Delivery

Configurations for Available to Promise

Charge Types for Incoming Nota Fiscal

Freight	Insurance	Other Expenses
FREIGHT	INSURANCE	OTHER

- Media Code “E-INVOICE” and Default Load Type “SUPPEXT” must be set up on the Supplier in page **Application Base Setup/Enterprise/Supplier/Supplier/Invoice**, tab **Message Defaults**. This set-up is defined per Company ID.

Application Base Setup > Enterprise > Supplier > Supplier > Invoice

Invoice

BRSUP1 - Brazilian Supplier 1 1 of 1

Supplier: BRSUP1 Name: Brazilian Supplier 1 Association No:

Company: EABR1 - Brazilian Company 1

Notes: Default Cost Code String

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

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

Attachments

- The core functionality *External Supplier Invoice Tax Codes* must be defined and make sure that the correct Tax Type Category relates to each tax code. In this page the Brazilian tax types categories have been added. Enter "*" for both Supply and Delivery Country.

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Tax Codes

External Supplier Invoice Tax Codes

Incoming Tax (%)	Supplier	Supply Country	Delivery Country	Tax Type Category	Tax Code	Tax (%)
15	BRSUP1 - Brazilian Supplier 1	*	*	IPI	IPI15 - IPI 15%	15
17	BRSUP1 - Brazilian Supplier 1	*	*	ICMS	ICMS17 - ICMS 17%	17

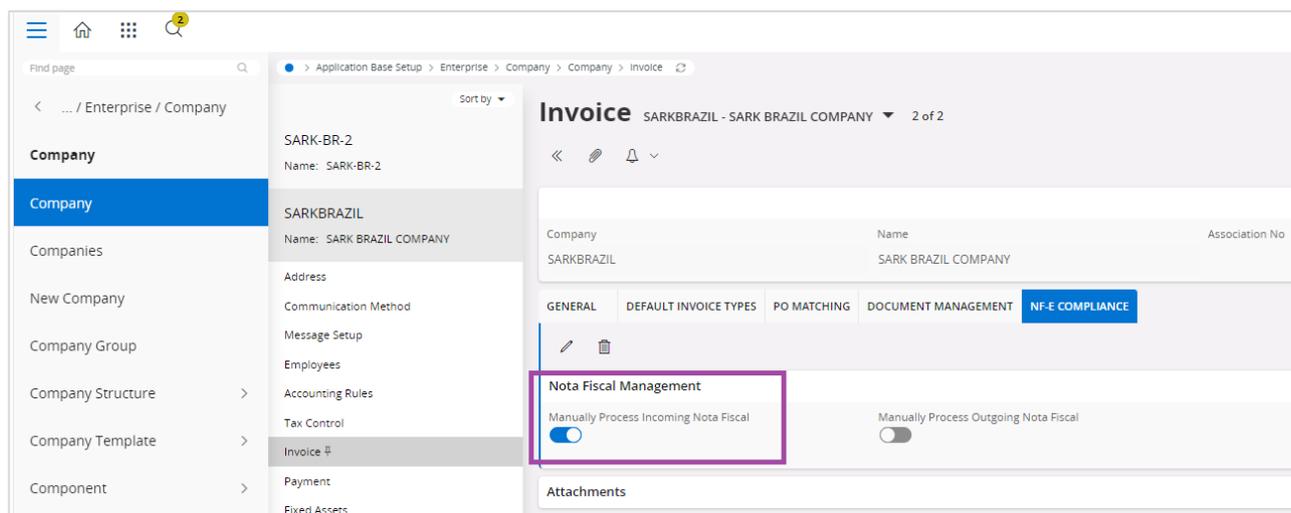
- Go to Financials/Supplier Invoice/External Invoice/External Supplier Invoice Parameters & enable "Used for Incoming Nfe"

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Parameters

External Supplier Invoice Parameters

Load Type	Invoice Type	Default	Changeable	Deletable	Check When Loaded	Create When Checked	Allow Partial Create	Create Posting Proposal if Postings Exist	Create Image	Enforce Project Unique Procurement	Use Code String Completion	Base For Transaction Date	Tax Recalculation Method	Do Not Recalculate Amounts	Validate Payment Address ID	Used for Incoming Nfe
SUPPEXT	SUPPEXT	Yes	Yes	Yes	No	No	No	No	No	No	No	System Date	None	No	No	Yes

- Enable/Disable the "Manually Process Incoming Nota Fiscal" toggle in Application Base Setup/Enterprise/Company/Company/Invoice/NF-E COMPLIANCE tab.



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

IFS Cloud standard External Supplier Invoice flow is used in this scenario to upload the received Incoming Nota Fiscal XML file. Once uploading the NFe XML in External Supplier Invoice flow, Incoming Nota Fiscal could be created automatically.

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

21.14.1 CREATE AND HANDLE PURCHASE ORDER

Follow the normal process to enter a purchase order but with the addition to include the Brazil attributes needed as described in this document. Inventory purchase parts are added in the **Procurement/Order/Purchase Order** page. Release and confirm purchase order with the Brazilian specific taxes either manually entered or fetched from Avalara in the PO lines.

21.14.2 RECEIVE INCOMING NF-E XML FILE AND CREATE THE INCOMING NOTA FISCAL

Use IFS Core External Supplier Invoice flow to load the incoming NF-e XML and create the NFe using **Create Nota Fiscal** command.

Note

This activity is used to read an external input file, unpack the file data and call a dedicated interface (API) that will continue with the further processing of data.

Correct Company and the Supplier Identification

When NE-e XML is loaded from the Core External Supplier Invoice interface, the correct Company and the Supplier Identified from the CNPJ numbers.

Company and Supplier CNPJ Nos are defined in the NF-e XML in below tags:

- a) Supplier CNPJ No

```
<emit>
  <CNPJ>21816476000175</CNPJ>
```
- b) Company CNPJ No

```
<dest>
  <CNPJ>45504618000127</CNPJ>
```

Please note that the CNPJ number of the destination/receiving company is the key when mapping the incoming XML file to a Company ID in IFS. No External Supplier Invoice Load ID can be created without this match.

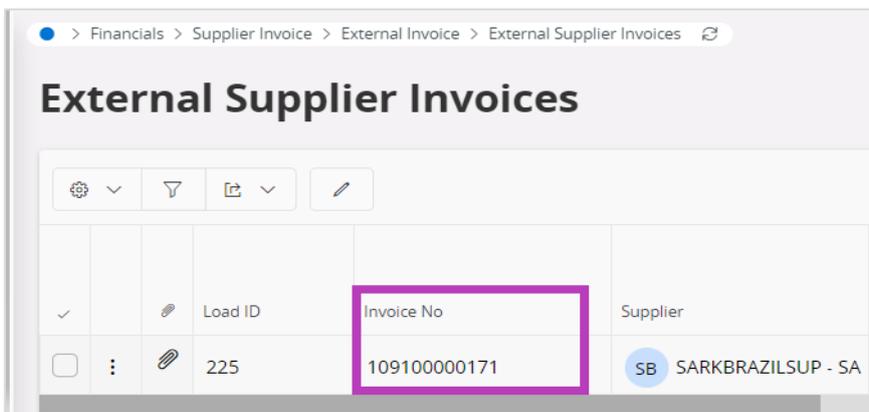
Nota Fiscal No as Supplier Invoice No

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

Below is the tag containing the Nota Fiscal No,

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

From the **External Supplier invoice** page below, you can see that the Nota Fiscal “Series” and “No” both concatenated and inserted as the Supplier Invoice No.

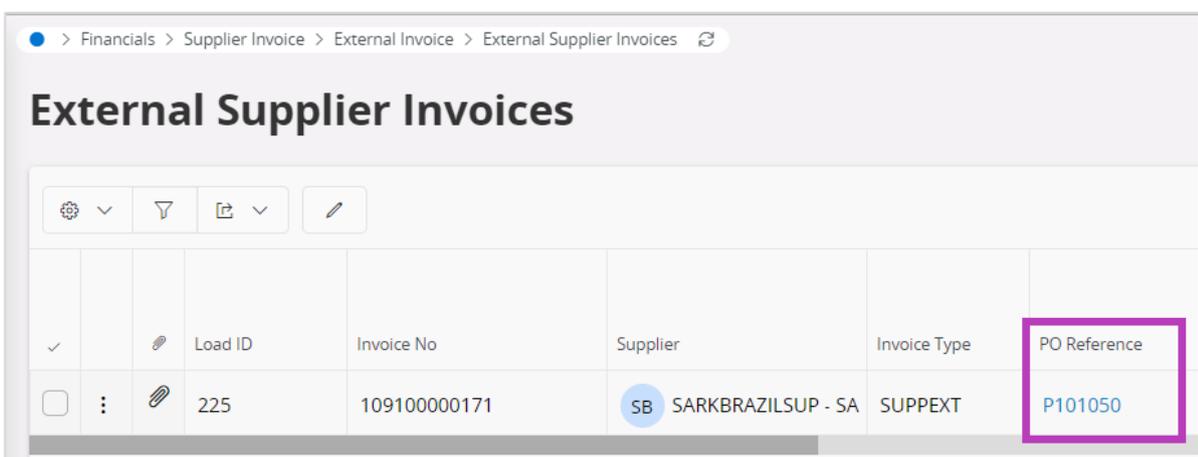


✓	✎	Load ID	Invoice No	Supplier
<input type="checkbox"/>	:	225	109100000171	SB SARKBRAZILSUP - SA

PO Reference on Supplier Invoice

PO No is included in the NF-e XML file in the below tag, (<xPed>PO No</xPed>)

From the **External Supplier invoice** page below, you can see that the PO No received in relation to the Nota Fiscal is visible.



✓	✎	Load ID	Invoice No	Supplier	Invoice Type	PO Reference
<input type="checkbox"/>	:	225	109100000171	SB SARKBRAZILSUP - SA	SUPPEXT	P101050

Nota Fiscal Line information as Supplier Invoice Lines

Nota Fiscal Line information are included in the below NF-e XML tags,

```

<det nItem="1">
  <prod>
    <cProd>SARKBRPART1</cProd>
    <cEAN>SEM GTIN</cEAN>
    <xProd>BR-Inventory Part</xProd>
    <NCM>24012020</NCM>
    <CEST>0105700</CEST>
    <EXTIPI/>
    <CFOP>6101</CFOP>
    <uCom>pcs</uCom>
    <qCom>1.0000</qCom>
    <vUnCom>118.32</vUnCom>
    <vProd>118.32</vProd>
    <cEANtrib>SEM GTIN</cEANtrib>
    <uTrib>pcs</uTrib>
    <qTrib>1.0000</qTrib>
    <vUnTrib>118.32</vUnTrib>
    <vFrete>10.00</vFrete>
    <vSeg>5.00</vSeg>
    <vOutro>5.00</vOutro>
    <indTot>1</indTot>
    <xPed>P100753</xPed>
  </prod>

```

Each of the NF-e XML Lines received in relation to the Nota Fiscal are inserted into the **External Supplier invoice Line Information** page as the separate lines. Correspondent line information contains Qty, Price...etc. extracted directly from the NF-E XML.

External Supplier Invoice Line Information 33 - S09S00000003 - SUPPEXT

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

External Supplier Invoice Lines

Line ID	Income Type Identity	Delivery Type	Tax Code	Tax (%)	Net Amount	Tax Amount	Net Amount in Accounting Currency	Tax Amount in Accounting Currency
1					100.00	21.11		21.11
2					100.00	21.11		21.11

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

External Supplier Invoice Lines

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

Nota Fiscal Tax information as Supplier Invoice Tax Lines

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

```

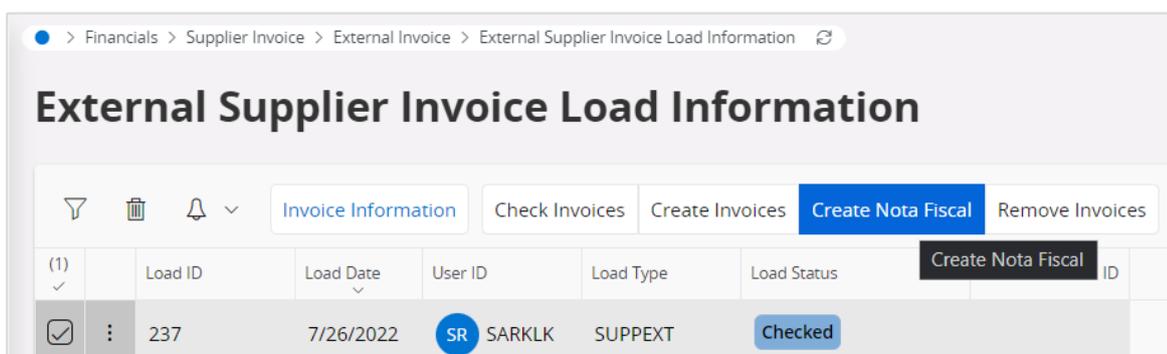
26      </prod>
27      <imposto>
28          <vTotTrib>21.11</vTotTrib>
29          <ICMS>
30              <ICMS00>
31                  <pICMS>10</pICMS>
32                  <vICMS>11.11</vICMS>
33              </ICMS00>
34          </ICMS>
35          <IPI>
36              <CENQ/>
37              <IPITrib>
38                  <pIPI>10</pIPI>
39                  <vIPI>10</vIPI>
40              </IPITrib>
41          </IPI>
42      </imposto>

```

Each of the NF-e XML Tax Lines received in relation to the Nota Fiscal is inserted into the **External Supplier invoice Tax Information** page as separate tax lines.

Create Incoming Nota Fiscal using External Supplier Invoice

- Go to *Financials/Supplier Invoice/External Invoice/External Supplier Invoice Load Information* and select the command **Create Nota Fiscal**.



- View Incoming Nota Fiscal

[Financials](#) > [Supplier Invoice](#) > [External Invoice](#) > [External Supplier Invoice Load Information](#)

External Supplier Invoice Load Information

[Invoice Information](#) [View Incoming Nota Fiscal](#) [Remove Invoices](#)

(1)	Load ID	Load Date	User ID	Load Type	Load Status	Load File ID
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Created	

Document Type

Document Type
Nota Fiscal

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

Nota Fiscal Series	Nota Fiscal No	Invoice Date	Object Type
009	000010304	8/30/2022	Manual Supplier Invoice
Object Reference	Object Reference Status	Payment Terms	Currency Code
		10	BRL

Nota Fiscal Text
IPI Decreto nº 11.158/22, Artigo 1º, Anexos I, II, III, IV/IS/COFINS Lei nº 10.637/2002, Artigo 2º/PIIS/COFINS Lei nº 10.833/2003, Artigo 2º

Business Transaction ID	PO Reference	Site
	P100627	SARB

Amounts

Gross Amount	Net Amount	Tax Amount
179.82	120.00	59.82

Charge Amounts

Freight	Insurance	Other Expenses
10.00	5.00	5.00

LINES ADDRESS GENERAL

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

- Create Manual Supplier Invoice

[Financials](#) > [Financial e-Reporting](#) > [Incoming Nota Fiscal](#)

Sort by

Incoming Nota Fiscal - 10910000177

1 of 1

[Cancel](#) [Create Manual Supplier Invoice](#)

63

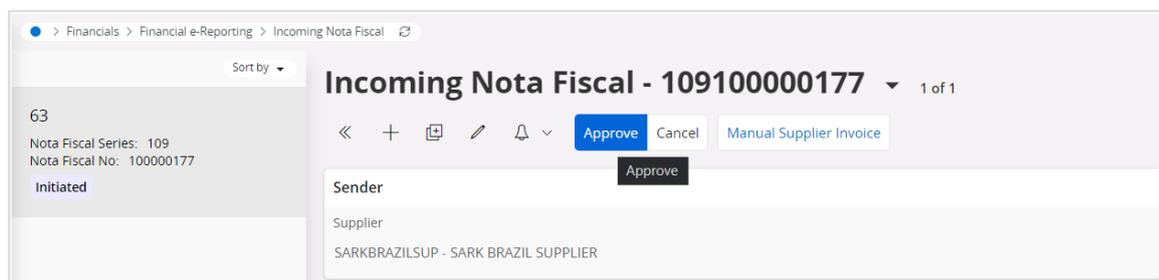
Nota Fiscal Series: 109
Nota Fiscal No: 100000177
Initiated

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

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

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

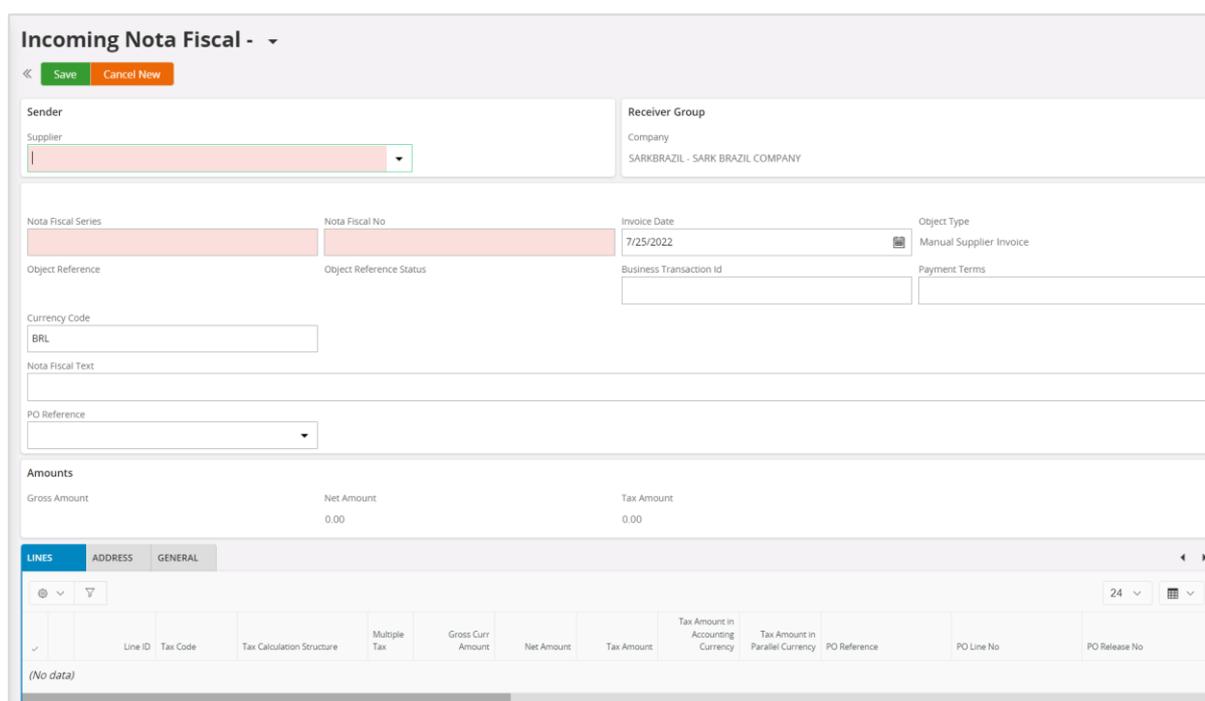
- Approve Nota Fiscal



The screenshot shows the 'Incoming Nota Fiscal' page for document 10910000177. The page includes a header with navigation links, a list of items on the left, and a main form area. In the main form, there are buttons for 'Approve', 'Cancel', and 'Manual Supplier Invoice'. Below these buttons, there is a section for 'Sender' and 'Supplier' information, with the supplier name 'SARKBRAZILSUP - SARK BRAZIL SUPPLIER' visible.

21.15 Enter Incoming Nota Fiscal Manually (DANFe) – Using Incoming Nota Fiscal Page

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



The screenshot shows the 'Incoming Nota Fiscal' page with the 'Save' and 'Cancel New' buttons. The form is divided into several sections: 'Sender' (Supplier), 'Receiver Group' (Company), 'Nota Fiscal Series' and 'Nota Fiscal No', 'Invoice Date' (7/25/2022), 'Object Type' (Manual Supplier Invoice), 'Object Reference', 'Object Reference Status', 'Business Transaction Id', 'Payment Terms', 'Currency Code' (BRL), 'Nota Fiscal Text', and 'PO Reference'. Below these sections is the 'Amounts' section, which shows 'Gross Amount', 'Net Amount' (0.00), and 'Tax Amount' (0.00). At the bottom, there is a 'LINES' section with a table header and a '(No data)' message.

Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	Gross Curr Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	PO Reference	PO Line No	PO Release No
(No data)											

- Ensure the Purchase Order number (or numbers) is referenced in field **PO Reference**.
- Columns **Goods/Services Statistical Codes**, **Business Operation** and **Acquisition Origin** are available also on the line level.

Create Manual Supplier Invoice using the command **Create Manual Supplier Invoice**.

Financials > Financial e-Reporting > Incoming Nota Fiscal

Sort by

Incoming Nota Fiscal - 10910000177

 1 of 1

63
Nota Fiscal Series: 109
Nota Fiscal No: 10000177
Initiated

Cancel Create Manual Supplier Invoice

Sender

Supplier
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

Receiver Group

Company
SARKBRAZIL - SARK BRAZIL CC

Nota Fiscal Series	Nota Fiscal No	Invoice Date
109	10000177	12/8/2020

Approve the Nota Fiscal.

Financials > Financial e-Reporting > Incoming Nota Fiscal

Sort by

Incoming Nota Fiscal - 10910000177

 1 of 1

63
Nota Fiscal Series: 109
Nota Fiscal No: 10000177
Initiated

Approve Cancel Manual Supplier Invoice

Sender

Supplier
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

21.16 Receive Purchase Order

Receive the Purchase Order by selecting “Receive” in the **Financials/Supplier Invoice/Manual Supplier Invoice/Lines** page (IFS standard). This option will be available for supplier invoice lines with reference to a Purchase Order number, line and release no.

Ensure the Nota Fiscal number is entered as Receipt Reference.

Receive

Received By
EA ERARSE

Receipt Reference
1/300777

Actual Delivery Date
2020-06-08 00:00

Packing Details

Handling Unit Type ID

Print

Print Barcodes Print Arrival Report Print Serviceability Tag

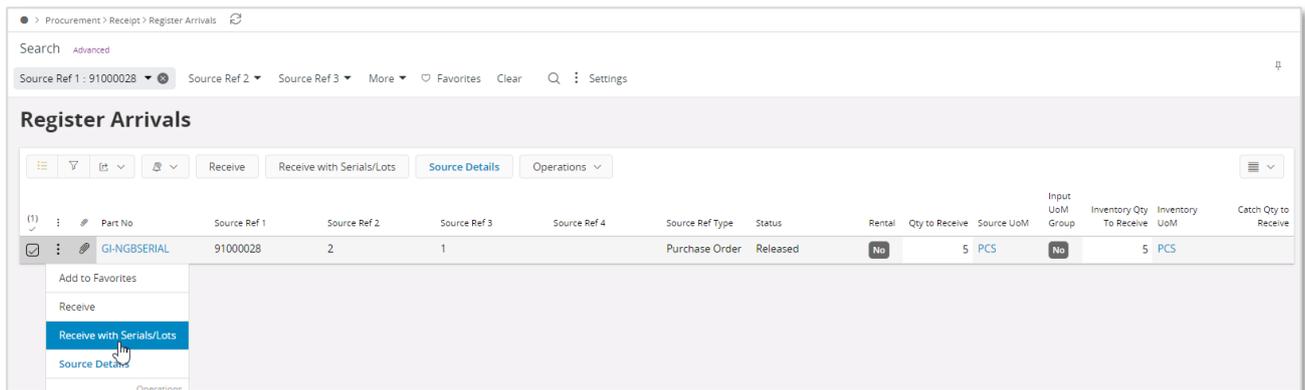
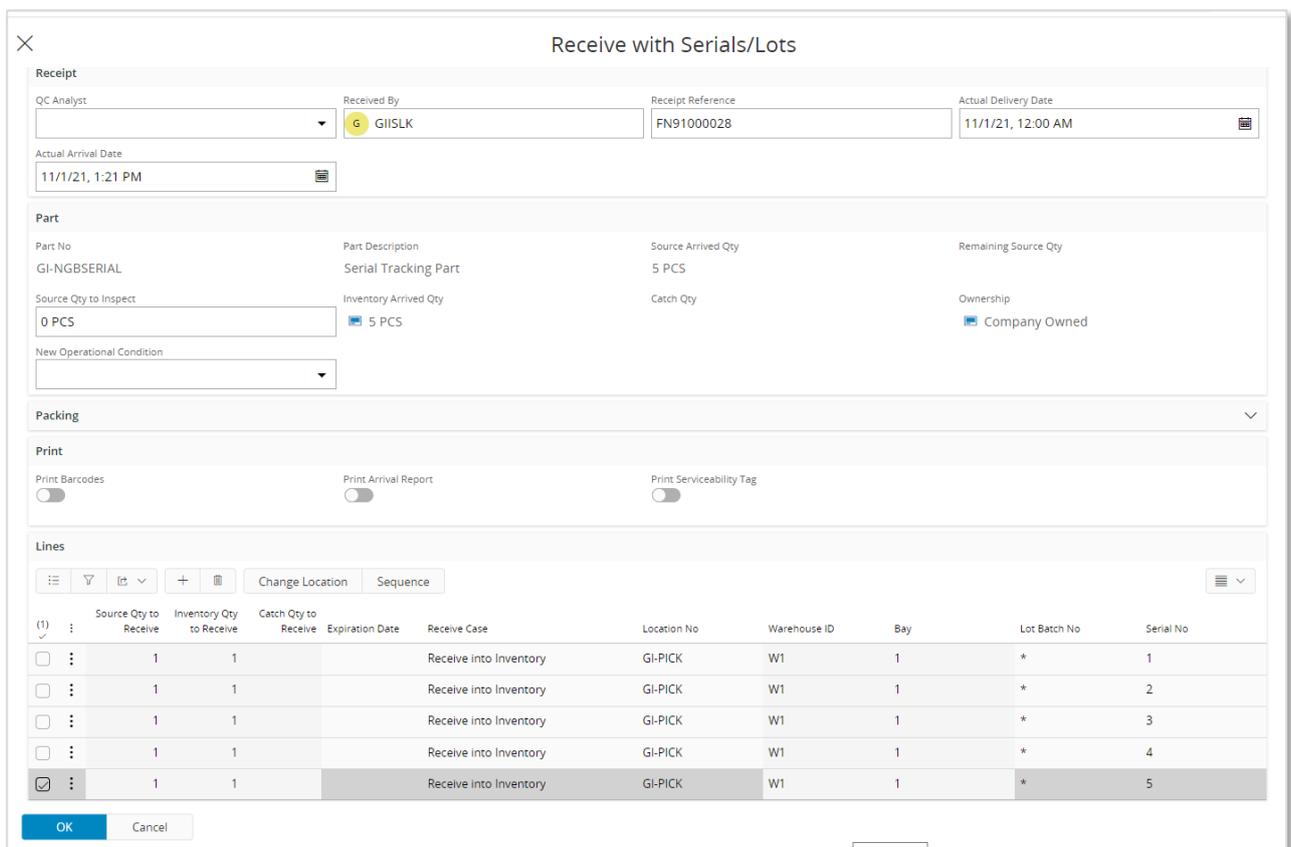
Source Ref 1	Source Ref 2	Source Ref 3	Site	Part No	Part Description	Qty to Receive	Source UoM	Qty to Inspect	Receive Case
D555051	1	1	BR1	165	Remote con	1	pcs	0	Receive into Arrival

OK Cancel

The goods arrival can also be registered before the Manual Supplier Invoice is created using IFS standard functions “Register Arrival” and via “Incoming Dispatch Advice”. Enter the Nota Fiscal number as Receipt Reference. Then create the Manual Supplier Invoice and match to the PO receipt.

Receive with Serials/Lots can be handled with the existing core functionality.

Receipt Serials/Lots via Generic receipt

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

Receipt Serials/Lots via Incoming Dispatch Advice

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

Delivery Note No: FN91000030 | Message ID: 501 | Reference No: Manually Created

Message Type: Per Dispatch | Actual Ship Date: 11/1/21, 12:00 AM | Sender ID: GI-BRSUP

Delivery Note Created: | Received Date: 11/1/21, 2:24 PM | Created Date: 11/1/21, 2:24 PM

Delivery Information

Forwarder: | External Transport Lead Time: | Shipping Document ID: | Notes: Shipment Note

Ship Via: | Delivery Terms: | Del Terms Location: | Label Note:

Receiver Address: | Open Map

PART LINES | AVAILABLE SOURCE LINES

Receive | Receive with Serials/Lots | Cancel | Source Details

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

Receive with Serials/Lots

Receipt Serials/Lots via Supplier Invoice

Manual Supplier Invoice SX - S095000000024 1 of 1 Preliminary

New Manual Supplier Invoice | More Information | Pre Posting | Installment Plan And Discounts | Post Invoice | Purchasing | Copy and Cancel

PO Reference: D555077 | Receipt Reference: SX | Sub Contract Reference: S095000000024 | Invoice Advice Reference: | Project ID: | Supplier: GI-BRSUP - Brazilian Supplier

Invoice Type: SUPPEXT | Reference Series: SX | Invoice No: S095000000024 | Currency: BRL | Currency Rate: 1 | Invoice Date: 11/1/2021 | Arrival Date: 11/1/2021

Pay Term Base Date: 11/1/2021 | Payment Terms: 0 - Due Immediately | Due Date: 11/1/2021 | Plan Pay Date: 11/1/2021 | Payment Reference: | Voucher Type Reference: | Voucher No Reference:

Authorizer ID: * | Notes: No | Advance Invoice: No | Period Allocation: No | Pre-posting: No | Received Attachments: No | On Hold Installment: No | Posting Proposal: No

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

Line Information

Gross Amount: 188.24 | Net Amount: 128.00 | Tax Amount: 60.24 | Non-deductible Tax Amount: 0.00 | Cost Amount: 128.00

Lines

Match PO Receipts Per Line | Price Adjustment Purchase Per Line | Receive | Receive With Serials/Lots | Tax Lines

(1)	PO Reference	Receipt Reference	PO Line No	PO Release No	Quantity	Supplier Part No	Line ID	Delivery Type	Income Type Identity	Tax Code
<input checked="" type="checkbox"/>	D555077		1	1	4		1			

Receive With Serials/Lots

Go to the **Warehouse Management/Transaction History/Inventory Transactions History** page. Ensure the new fields **Nota Fiscal Number** and **Nota Fiscal Item** are enabled for the page. These will present reference to Nota Fiscal number and Nota Fiscal item (line).

Inventory Transactions History

Transaction ID	Transaction Code	Part	Site	Configuration ID	Direction	Quantity	Fiscal Note Number	Fiscal Note Item
215292	ARRIVAL - Receipt of Purchase Order	165 - Remote control, ...	BR1 - Brazilian Site 1	*	+	1 pcs	1/300777	1

21.17 Post Invoice

Follow the IFS standard process to post the invoice.

21.18 Delimitations

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

22 Incoming Nota Fiscal - New Presentation for Charges

22.1 Overview Legal Requirement

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

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

All inventory transactions created from procurement must be identified by the Nota Fiscal number and Nota Fiscal item. These references are used when submitting tax reporting to the tax authority at the end of tax period. These references might also be required in Tax Audits. The references are also widely used in the daily operations in Brazilian companies.

22.2 Other Business Objectives

1. Enabling the possibility of fair presentation of procurement related Charges on the Incoming Nota Fiscal Lines.
2. Enabling the recording of multiple line connected charges related to Purchase Order lines.
3. Enabling the direct cross reference between Incoming NF, Receipt Reference, and Supplier Invoice by using the Receipt Reference as the Incoming Nota Fiscal Number

22.3 Process Overview

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

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

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

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

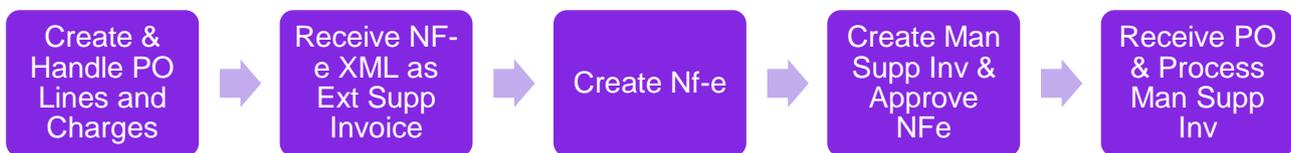
User can enter an Incoming Nota Fiscal based on the DANFe document received from the supplier together with the goods using **Incoming Nota Fiscal** page.

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

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

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

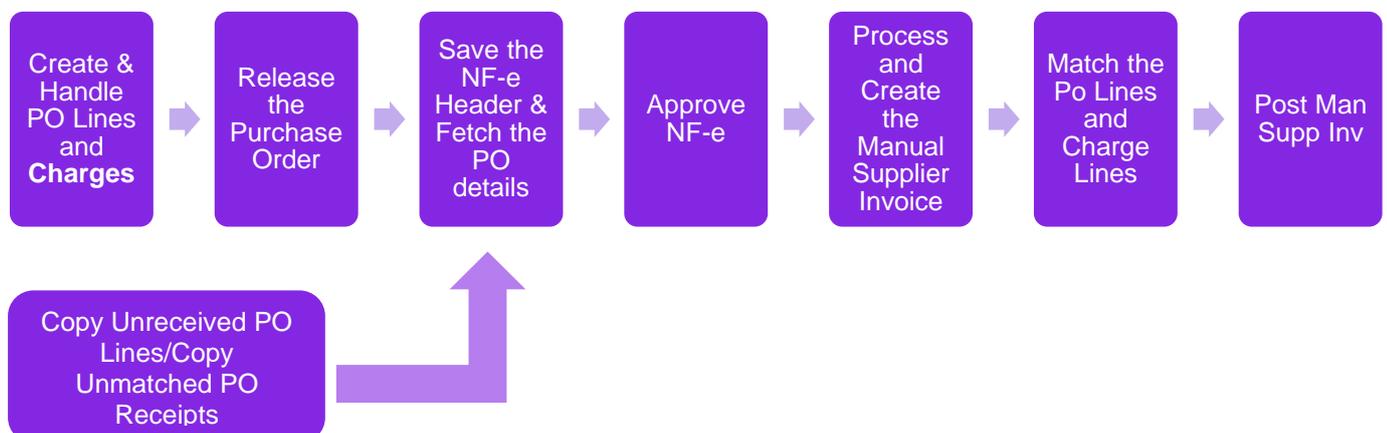
22.3.1 RECEIVE INCOMING NOTA FISCAL AUTOMATICALLY (NF-E) – USING EXTERNAL SUPPLIER INVOICE FLOW



22.3.2 ENTER INCOMING NOTA FISCAL MANUALLY (DANFE) – USING INCOMING NOTA FISCAL PAGE



22.4 Process Overview

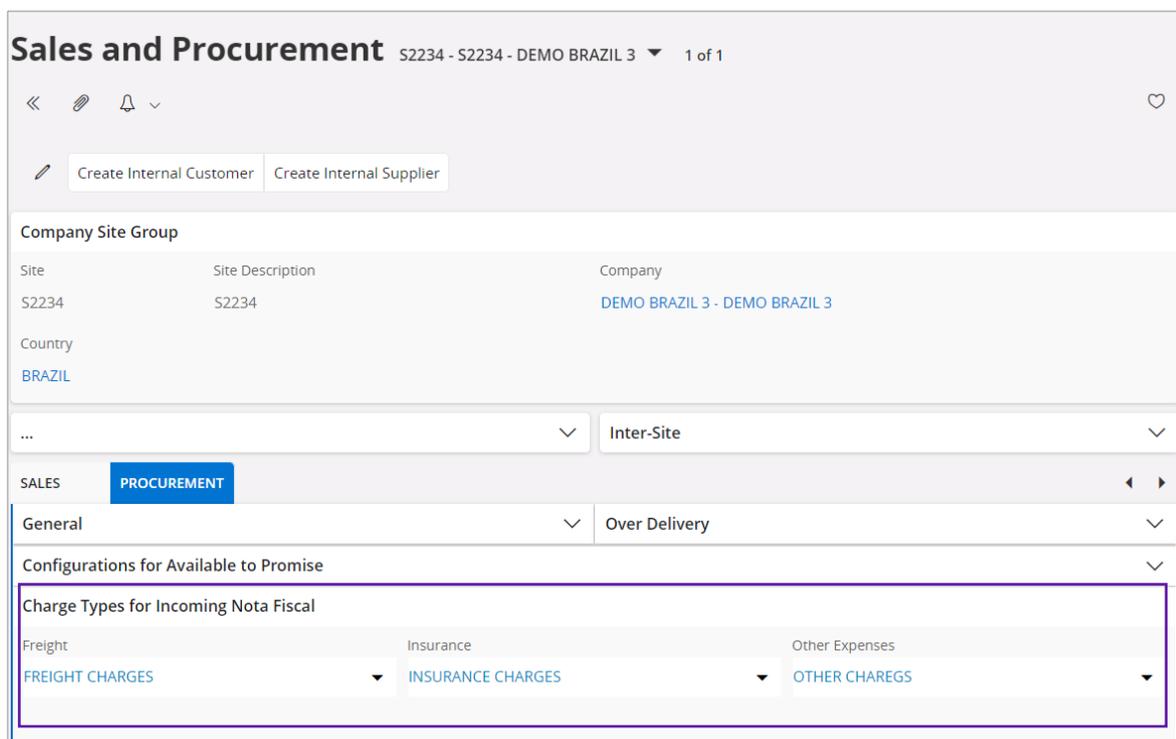


22.5 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. And the “Incoming Nota Fiscal” parameter under the **Localization Control Center** tab must be enabled on the *Company/Localization Control Center* tab.

22.6 Define Basic Data

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



The screenshot shows the 'Sales and Procurement' interface for site S2234 - DEMO BRAZIL 3. The 'PROCUREMENT' tab is active. Under the 'Configurations for Available to Promise' section, the 'Charge Types for Incoming Nota Fiscal' are configured as follows:

Freight	Insurance	Other Expenses
FREIGHT CHARGES	INSURANCE CHARGES	OTHER CHAREGS

22.7 Enter Incoming Nota Fiscal Manually (DANFe) – Using Incoming Nota Fiscal Page / External Supplier Invoice Flow

IFS Cloud standard External Supplier Invoice flow or the manually entering Incoming Nota Fiscal flow could be used in this scenario.

Please refer the steps described above in the Incoming Nota Fiscal Chapter to create and approve the Incoming Nota Fiscal.

22.7.1 CREATE AND HANDLE PURCHASE ORDER

Follow the IFS standard Core process to enter a purchase order for inventory purchase parts in the **Procurement/Order/Purchase Order** page. Release and confirm the Purchase Order with the multiple line connected Charges.

Purchase Order 91000687 - PUGULK SUPP 1 - S2234

Planned

Order No: 91000687 | Supplier: PUGULK SUPP 1 - PUGULK SUPP 1 | Site: S2234 - S2234

Order Code: 1 - NORMAL | Receipt Date: 1/9/24, 12:00 AM | Not Shared

Order Amounts

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

(1)	Sequence No	Charge Type	Charge Type Description	Charge Price/Base	Charge (%)	Charge Price Incl Tax/Base	Statistical Charge Diff/Base	Charge C
<input checked="" type="checkbox"/>	3	FREIGHT CHARGES	Freight Charges	20.00		20.00	0.00	BRL
<input type="checkbox"/>	1	FREIGHT CHARGES	Freight Charges	10.00		10.00	0.00	BRL
<input type="checkbox"/>	2	INSURANCE CHARGES	Insurance Charges	5.00		5.00	0.00	BRL

Make sure that the multiple purchase order charges are connected to relevant Purchase Order Lines and Release Numbers using the **“Connect to Line No”** and **“Connect to Rel No”** columns available under the “Charges” tab.

Purchase Order 91000687 - PUGULK SUPP 1 - S2234

Planned

Order No: 91000687 | Supplier: PUGULK SUPP 1 - PUGULK SUPP 1 | Site: S2234 - S2234

Order Code: 1 - NORMAL | Receipt Date: 1/9/24, 12:00 AM | Not Shared

Order Amounts

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

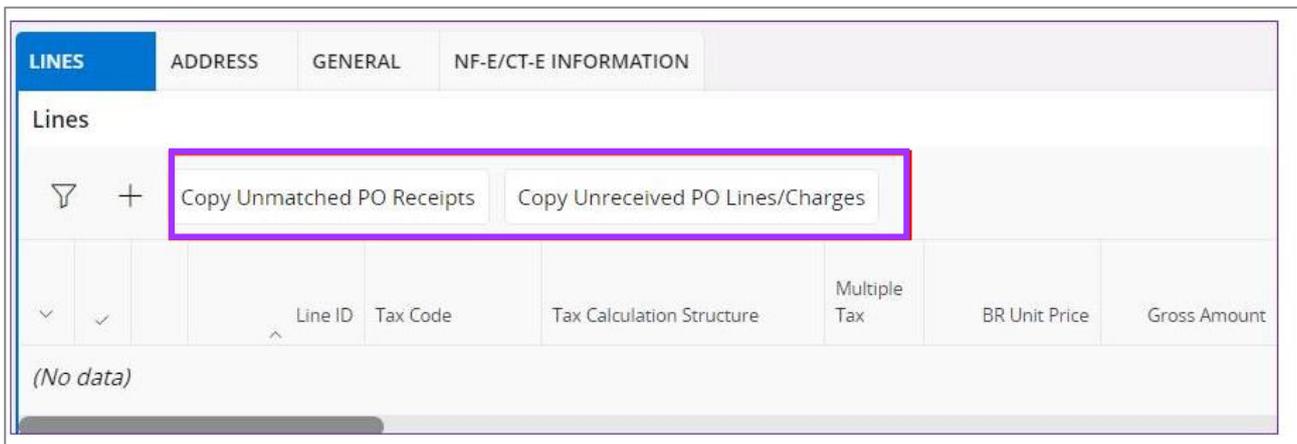
✓	Distribute Charge By	Connect to Line No	Connect to Rel No	Invoicing Supplier	Charged Qty	Price UoM	Invoiced C
<input type="checkbox"/>		2	1	PU PUGULK SUPP 1 - PU	1	*	
<input type="checkbox"/>		1	1	PU PUGULK SUPP 1 - PU	1	*	
<input type="checkbox"/>		1	1	PU PUGULK SUPP 1 - PU	1	*	

22.7.2 RECEIVE INCOMING GOODS AND CREATE THE INCOMING NOTA FISCAL (MANUALLY OR AUTOMATICALLY)

Use IFS Core External Supplier Invoice flow to load the incoming NF-e XML and create the NFe using “Create Nota Fiscal” command or create an Incoming Nota Fiscal manually using the DANFe document received.

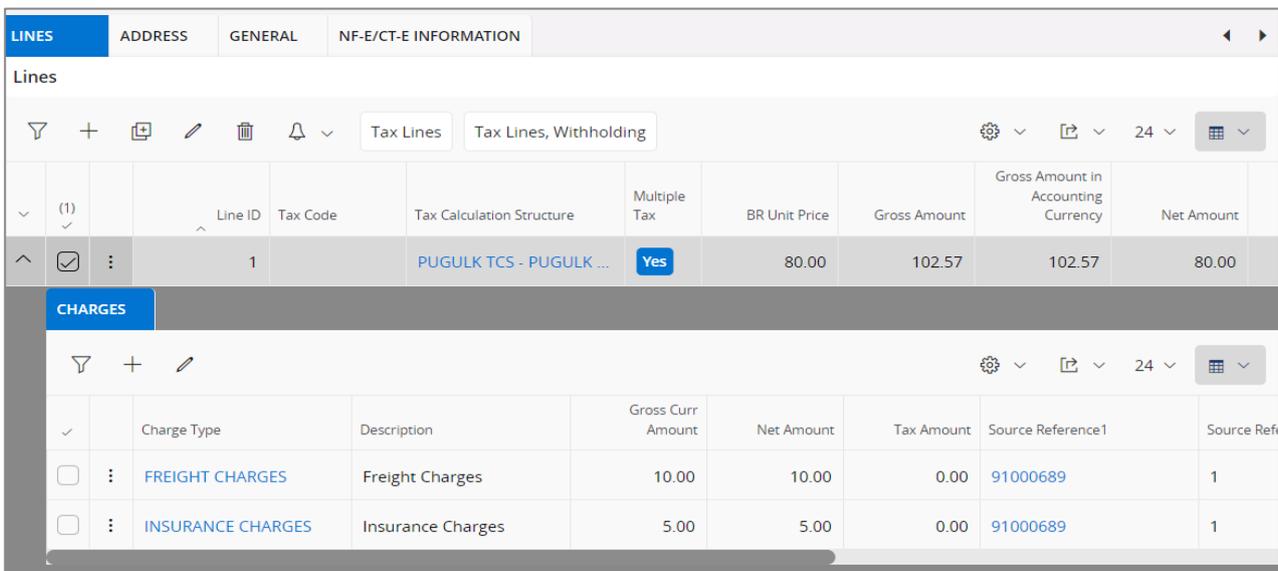
22.7.3 FETCH THE PO DETAILS USING THE TWO OPTIONS AVAILABLE IN THE INCOMING NOTA FISCAL LINES

- ❖ **Copy Unmatched PO Receipts** option can be used when the user needs to register the prior receipts of the goods before creating the Incoming Nota Fiscal.
- ❖ **Copy Unreceived PO Lines/ Charges** option will be used when the user needs to record the receipts of the goods after creating and approving the Incoming Nota Fiscal.



22.7.4 INCOMING NOTA FISCAL LINES WILL BE CREATED WITH LINE CONNECTED CHARGES REFLECTED IN A NESTED TABLE AS FOLLOWS.

Purchase part line connected charges for a local (Brazilian) Supplier – **Incoming Nota Fiscal**



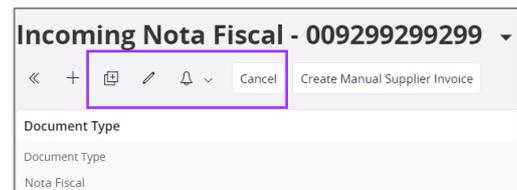
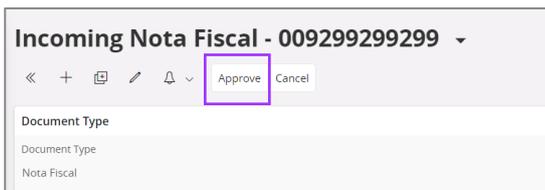
The screenshot displays the 'LINES' interface with a table showing a line with connected charges. The main table has columns: Line ID, Tax Code, Tax Calculation Structure, Multiple Tax, BR Unit Price, Gross Amount, Gross Amount in Accounting Currency, and Net Amount. A single line is shown with Line ID 1, Tax Code, Tax Calculation Structure 'PUGULK TCS - PUGULK ...', Multiple Tax 'Yes', BR Unit Price 80.00, Gross Amount 102.57, Gross Amount in Accounting Currency 102.57, and Net Amount 80.00. Below this, a 'CHARGES' table is shown with columns: Charge Type, Description, Gross Curr Amount, Net Amount, Tax Amount, Source Reference1, and Source Refe. Two charges are listed: 'FREIGHT CHARGES' with a Gross Curr Amount of 10.00 and Net Amount of 10.00, and 'INSURANCE CHARGES' with a Gross Curr Amount of 5.00 and Net Amount of 5.00. Both charges have a Tax Amount of 0.00 and Source Reference1 of 91000689.

Purchase part line connected charges for a Foreign Supplier – **Import Nota Fiscal**

Charge Type	Description	Gross Amount	Net Amount	Tax Amount	Gross Amount in Accounting Currency
AFRMM	AFRMM	20.00	20.00	0.00	80.00
DEMURRAGE	Demurrage	5.00	5.00	0.00	20.00
WHARFAGE	Wharfage	10.00	10.00	0.00	40.00
SISCOMEX	SISCOMEX	5.00	5.00	0.00	20.00
INTERNATIONAL FREIGHT	International Freight	10.00	10.00	0.00	40.00

22.7.5 APPROVE THE INCOMING NOTA FISCAL & CREATE THE MANUAL SUPPLIER INVOICE

Approve the Incoming Nota Fiscal and Create the Manual Supplier Invoice.



22.7.6 MATCH THE PO LINES AND CHARGE LINES SEPARATELY AND POST THE MANUAL SUPPLIER INVOICE

User can separately match both purchase order lines and purchase charge lines and post the relevant Supplier Invoice with multiple charges.

22.8 Delimitations

External tax engine “AVALARA” is used to calculate the taxes for the procurement flows. For Procurement it covers the tax determination via integration to Brazilian external tax system (Avalara). Also line connected charges are supported. In the procurement flow Gross price is used when tax calculation is done via AVALARA.

The tax amount relevant to purchase part is proportionately calculated and shown in the Part Lines, and this results in generating incorrect postings (Missing Tax Amounts) in the Manual Supplier Invoice level. User needs to manually match the gross amount in the invoice lines and create manual postings for the missing tax amount.

Please consider the following example.

Purchase Order 91001425 - PUGULK SUPP 1 - S2234 Released

Order No: 91001425 | Supplier: PUGULK SUPP 1 - PUGULK SUPP 1 | Site: S2234 - S2234

Order Code: 1 - NORMAL | Receipt Date: 2/27/24, 12:00 AM | Not Shared

Order Amounts

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr
165.60 BRL	165.60 BRL	32.40 BRL
Total Gross Amount/Curr	Charges Exist	
180.00 BRL		

- Tax amounts have been distributed proportionately for part lines.

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

	Price Freeze	Net Amount/Base	Tax Amount/Base	Gross Amount/Base	Net Amount/Curr	Tax Amount/Curr	Gross Amount/Curr	Tax Liability	Taxable	Tax Ca
(1)	No	65.60	14.40	80.00	65.60	14.40	80.00	TAX	Yes	

- Tax amount is missing (32.4-14.4) in the Manual Supplier Invoice line level.

Manual Supplier Invoice SI - 00901000003453 Preliminary

PO Reference: 91001425 | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: PUGULK SUPP 1 - PUGULK SUPP 1 | Invoice Type: SUPPINV | Series ID: SI | Invoice No: 00901000003453

Currency: BRL | Currency Rate: 1 | Invoice Date: 2/27/2024 | Arrival Date: 2/27/2024 | Pay Term Base Date: 2/27/2024

Payment Terms: 0 - Due Immediately | Due Date: 2/27/2024 | Plan Pay Date: 2/27/2024 | Payment Reference: | Voucher Type Reference: | Voucher No Reference: | Authorizer ID: * | Notes: No | Advance Invoice: No | Period Allocation: No | Pre-posting: No

Received Attachments: No | On Hold Installment: No | Posting Proposal: No | Utility Bills: No | Gross Amount: 180.00 | Net Amount: 165.60

Tax Amount: 14.40

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amo...	Cost Amount
180.00	165.60	14.40	0.00	165.60

Refer the below workaround for the missing tax amount in the Manual Supplier Invoice and Posting lines.

- When creating the Incoming Nota Fiscal,
 - Tax amount is taken from the tax dialog, instead of the PO line
 - Net amount will now have the net amount of part line + net amounts of all charge lines connected to part line

Incoming Nota Fiscal - 009000056575 Initiated

Document Type
 Document Type
 Nota Fiscal

Sender **Receiver**

...

Amounts		
Gross Amount	Net Amount	Tax Amount
130.00	106.60	23.40

Charge Amounts		
Freight	Insurance	Other Expenses
50.00	0.00	0.00

- When creating the Manual Supplier Invoice from Incoming Nota Fiscal,
 - Only part line will be created.
 - Part line will have amounts from part line and connected charge lines

LINES ADDRESS GENERAL NF-E/CT-E INFORMATION

Lines

24

(1)	Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	BR Unit Price	Gross Amount	Gross Amount in Accounting Currency	Net Amount
<input checked="" type="checkbox"/>	1			Yes	65.60	130.00	130.00	106.60

CHARGES

24

	Charge Type	Description	Gross Amount	Net Amount	Tax Amount	Gross Amount in Accounting Currency
<input type="checkbox"/>	FREIGHT CHARGES	Freight Charges	50.00	50.00	0.00	50.00

Manual Supplier Invoice

SI - 00901000056575 1 of 1 Preliminary

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

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amo...	Cost Amount
130.00	106.60	23.40	0.00	106.60

Lines

Multiple Tax Lines	Tax (%)	Tax Method Tax Received	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Cc
<input checked="" type="checkbox"/>			130.00	106.60	23.40	23.40	70.20	0.00	

- When matching receipts,
 - User needs to manually adjust **Invoiced Gross Amt/Inv Curr** to correct value

Post from Purchase Order

Supplier	Invoice No	Currency	Net Amount
PS PUGULK SUPP 1 - PUGULK SUPP 1	00901000056575	BRL	106.60

Non-deductible Tax Amount	Matched Amount	Remaining Non Deductible Tax Amount	Remaining Amount
0.00	0.00	0.00	106.60

Update Purchase Prices for Matched Parts/External ...

Matching Lines

Match	Match Source	Receipt Qty	Invoiced Price/Inv Curr	Invoiced Price incl Tax/Inv Curr	Invoiced Net Amt/Invoice Curr	Invoiced Gross Amt/Inv Curr	Tax Amt/Curr	Charge Type	Net Inv Price/Curr	PO Price/Inv Cu
<input checked="" type="checkbox"/>	Receipt	1	65.60	80.00	65.60	80.00	14.40		65.60	65.60

Post from Purchase Order

Supplier	Invoice No	Currency	Net Amount
PS PUGULK SUPP 1 - PUGULK SUPP 1	00901000056575	BRL	106.60

Non-deductible Tax Amount	Matched Amount	Remaining Non Deductible Tax Amount	Remaining Amount
0.00	106.60	0.00	0.00

Update Purchase Prices for Matched Parts/External ...

Matching Lines

Match	Match Source	Receipt Qty	Invoiced Price/Inv Curr	Invoiced Price incl Tax/Inv Curr	Invoiced Net Amt/Invoice Curr	Invoiced Gross Amt/Inv Curr	Tax Amt/Curr	Charge Type	Net Inv Price/Curr	PO Price/Inv Cu
<input checked="" type="checkbox"/>	Receipt	1	106.60	130.00	106.60	130.00	14.40		106.60	65.60

Following postings will be created based on the adjusted Gross amount.

Supplier Invoice Vouchers												
I 2024000041												
Voucher Type	Voucher No	Date	Year	Period								
I	2024000041	2/28/2024	2024	2								
Voucher Postings												
✓	Account	Cost Cent	Proj Activity Seq No	Transaction Code	Process Code	Invoic... Quan...	Curre... Code	Currency Rate	Convers... Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transaction Currency
<input type="checkbox"/>	: 2455 - Delivered, not invoiced			M18		1	BRL	1	1	106.60		106.60
<input type="checkbox"/>	: 4992 - Negative price difference purchasing			M19		0	BRL	1	1	26.60		26.60
<input type="checkbox"/>	: 2455 - Delivered, not invoiced			M18		1	BRL	1	1		26.60	-26.60
<input type="checkbox"/>	: 2440 - Accounts payable - trade			IP1			BRL	1	1		130.00	-130.00
<input type="checkbox"/>	: 2641 - Charged input VAT			IP3			BRL	1	1	0.00		0.00
<input type="checkbox"/>	: 2641 - Charged input VAT			IP3			BRL	1	1	23.40		23.40
<input type="checkbox"/>	: 2641 - Charged input VAT			IP3			BRL	1	1	0.00		0.00

23 Incoming Nota Fiscal – Customer Returns for credit

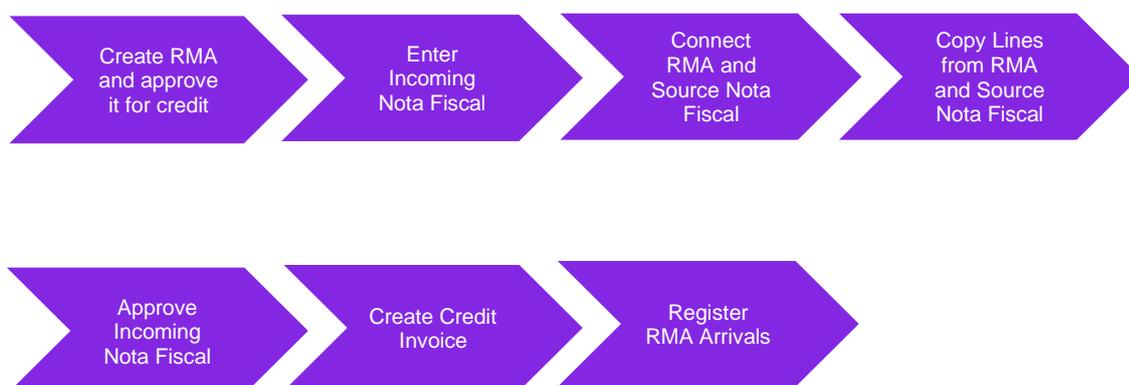
23.1 Overview Legal Requirement

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

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

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

23.2 Process Overview



23.3 Prerequisites

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

23.4 Prepare RMA for items to return from Customer

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

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

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

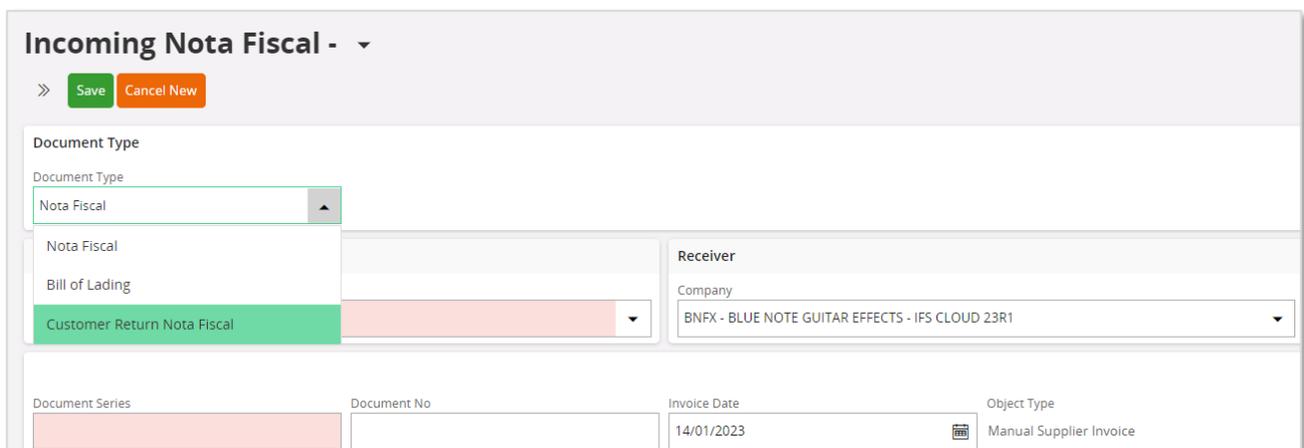
Once the Return Material Authorization is created, release it and approve it for credit.

23.5 Receive Incoming Nota Fiscal

23.5.1 CREATE INCOMING CUSTOMER RETURN NOTA FISCAL MANUALLY

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

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



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

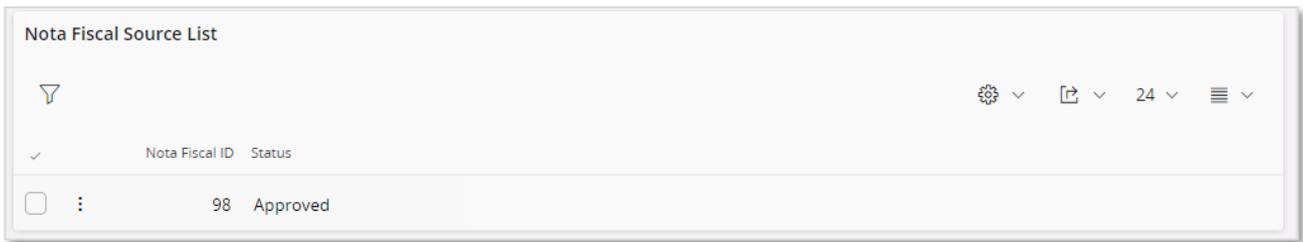
Document Type			
Document Type Customer Return Nota Fiscal			
Sender		Receiver	
Customer RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGACAO - SEM VALOR FISCAL		Company BNFX - BLUE NOTE GUITAR EFFECTS - IFS CLOUD 23R1	
Document Series	Document No	Invoice Date	Object Type
1	123435	12/01/2023	Customer Credit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

23.5.2 COPY RMA AND OUTGOING NOTA FISCAL SOURCE ITEMS

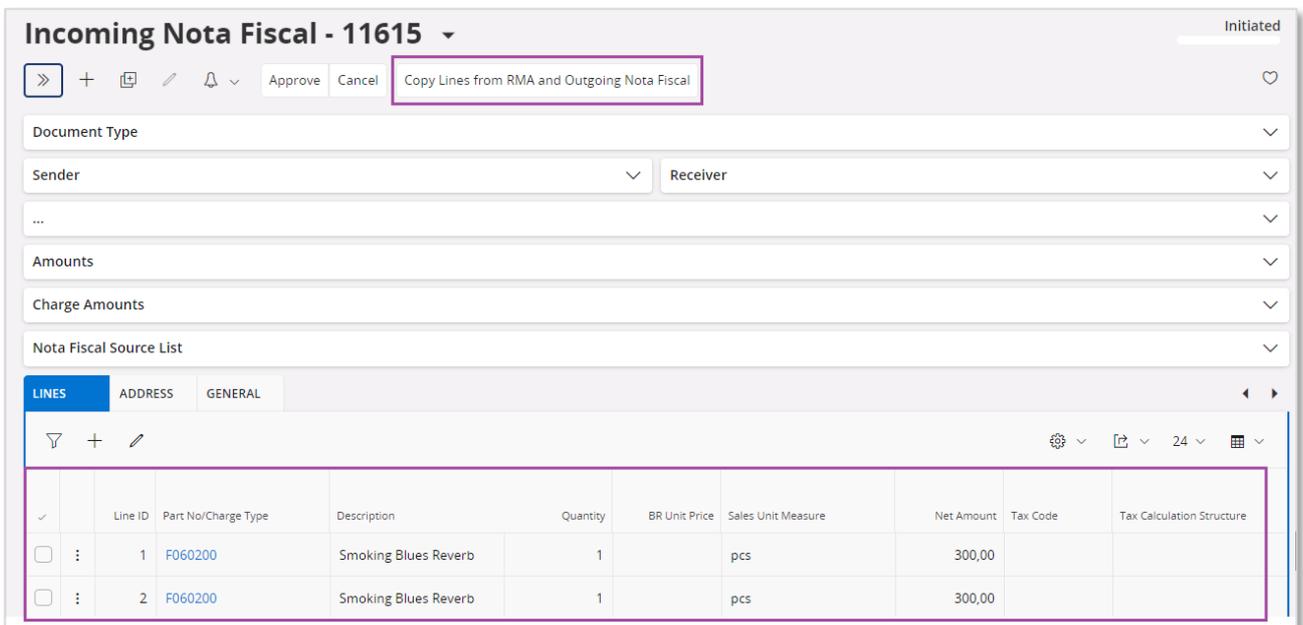
Once the Nota Fiscal header is saved, enter the Return Material Authorization previously created and approved for credit in the field **Source Reference1**:

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

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



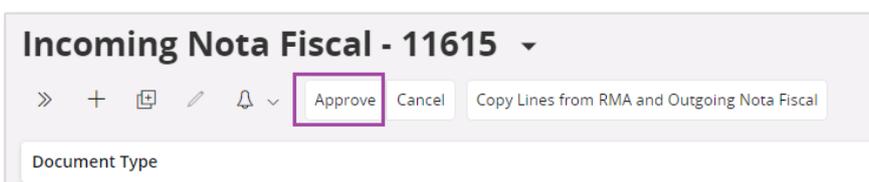
Select command button **Copy Lines from RMA and Outgoing Nota Fiscal** in the page header. The items of Source Nota Fiscal informed, for which RMA lines are created and approved for credit, are fetched into Incoming Nota Fiscal:



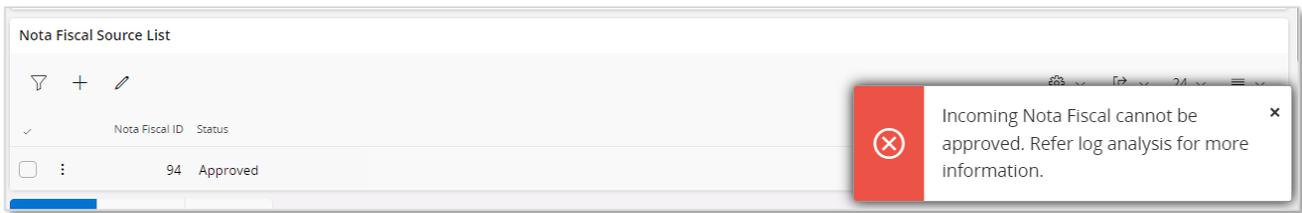
The Tax lines in the Incoming Nota Fiscal are copied from Return Material Authorization Tax Lines.

23.5.3 APPROVE INCOMING NOTA FISCAL

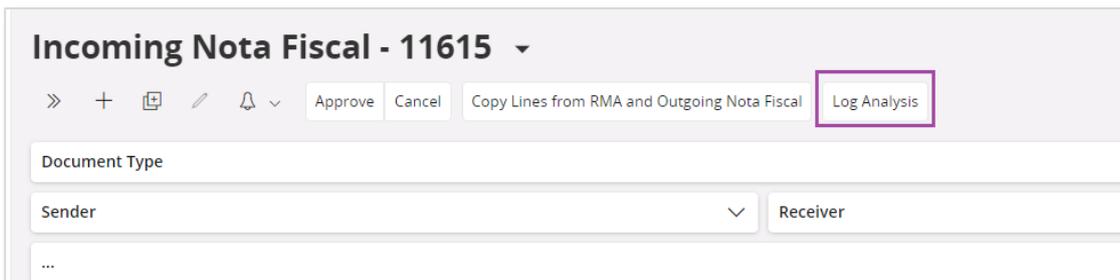
Select command button **Approve** in the page header:



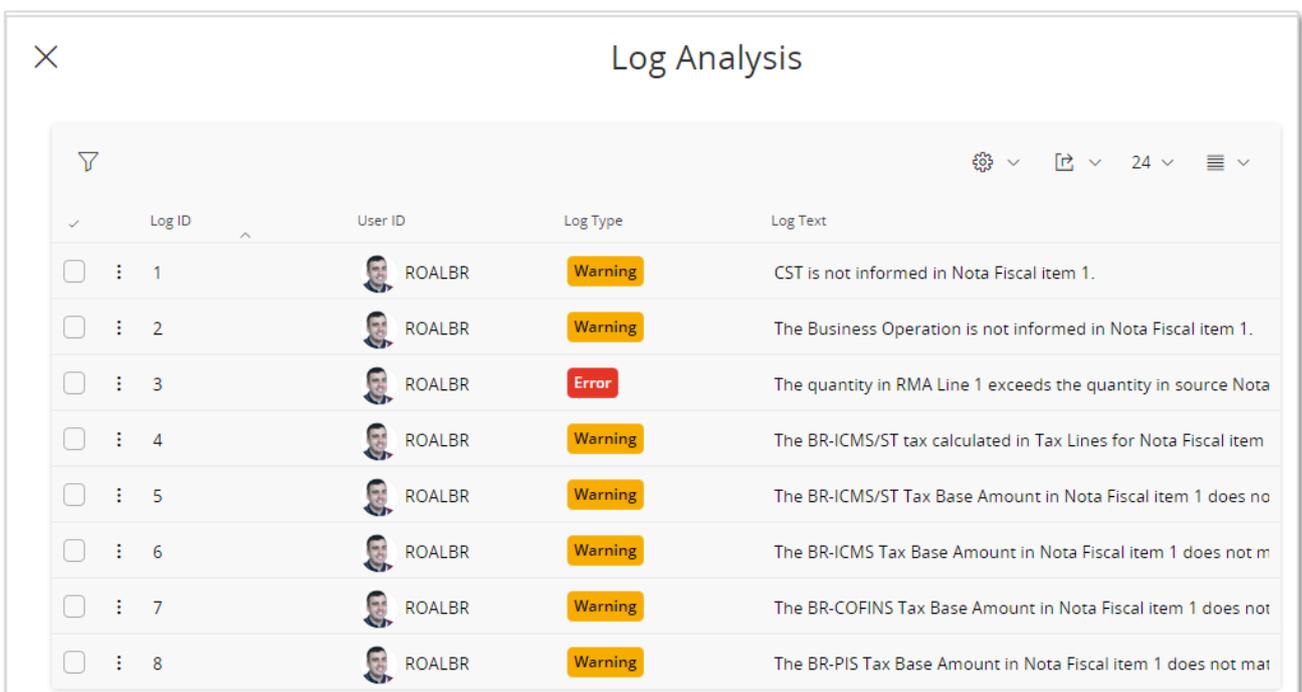
The application performs the reconciliation checks. If some error is found during approval process, the error message popup, informing that Log Analysis can be verified for further details:



Select command button **Log Analysis** in the page header:



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



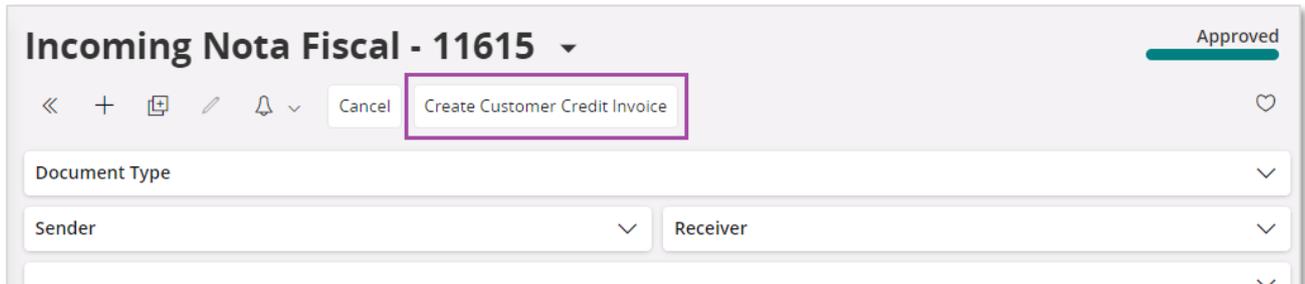
There two Log Types can be listed in this panel:

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

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

23.6 Create Customer Credit Invoice from Incoming Nota Fiscal

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



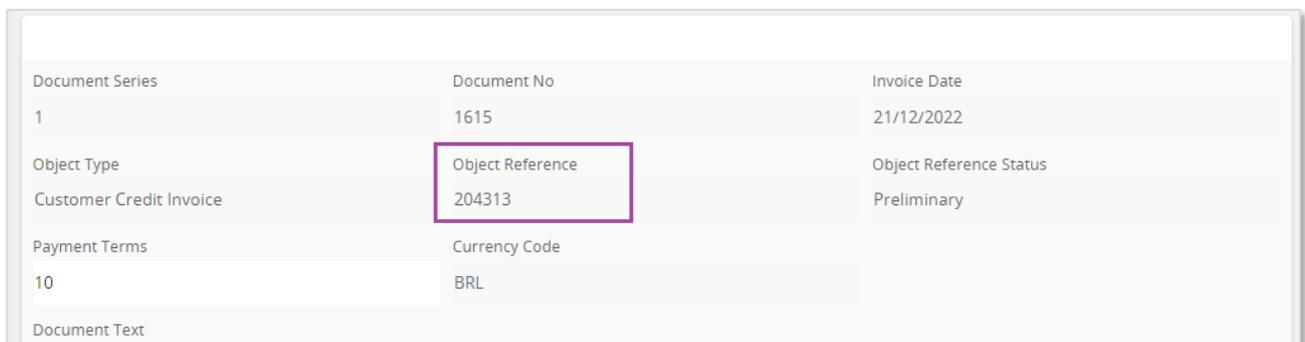
Incoming Nota Fiscal - 11615 Approved

« + 📄 ✍️ 🔔 ▼ Cancel Create Customer Credit Invoice ♡

Document Type ▼

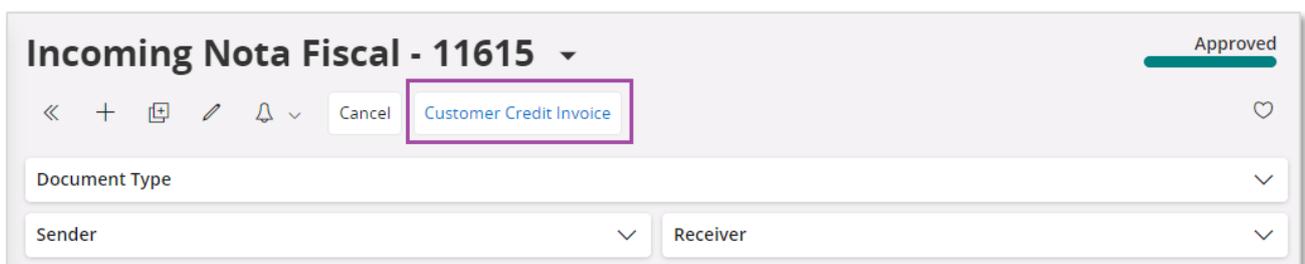
Sender ▼ Receiver ▼

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



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

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



Incoming Nota Fiscal - 11615 Approved

« + 📄 ✍️ 🔔 ▼ Cancel Customer Credit Invoice ♡

Document Type ▼

Sender ▼ Receiver ▼

Customer Invoice RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGACAO - SEM VALOR FISCAL - 204964 - CUSTORDCRE - P11210 1 of 1 Preliminary

Share Credit/Correction Invoice Posting Installation Plan and Discounts Notes

Customer No RCA CUST	Customer Address Name NF-E EMITIDA EM AMBIENTE D...	Series ID PR	Invoice No 204964	Official Document No	Company BNFX - BLUE NOTE GUITAR EFF...	Site SP01
Invoice Created 19/01/2024	Order Created 19/01/2024					

Amounts

LINES GENERAL NF-E INFORMATION HISTORY

Invoice Type CUSTORDCRE - Customer Order Invoice, Credit	Invoice Address SP01	Price Adjustment No	Advance/Prepayment Invoice No	Use Price Incl Tax No
Invoice Date 19/01/2024	Printed Date	Notes No	Correction Exist No	Correction Invoice No
Our Reference Alain Prost	Customer Reference	Correction Reason ID	Correction Reason	
Branch SP01	Customer Branch	Jinsui Status Non Jinsui		

Payment Delivery

References Invoice Text

Order No P11210	Shipment ID	RMA No 200035	Invoice Text ID	Invoice Text
--------------------	-------------	------------------	-----------------	--------------

Select command group Share and then click the Print Invoice option to post and authorize the Customer Credit Invoice:

Customer Invoice RCA CUST - NF-E EMITIDA EM AMBIENTE DE HOMOLOGACAO - SEM VALOR FISCAL - 97990002 - CUSTORDCRE - P11210 1 of 1 Posted Auth

Share Posting Installation Plan and Discounts Notes

Customer No RCA CUST	Customer Address Name NF-E EMITIDA EM AMBIENTE D...	Series ID CR	Invoice No 979900002	Official Document No	Company BNFX - BLUE NOTE GUITAR EFF...	Site SP01
Invoice Created 19/01/2024	Order Created 19/01/2024					

Amounts

23.7 Return Material Authorization Arrivals

The RMA arrivals are registered using IFS Cloud generic functionality.

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

Register Arrivals

Receive Receive Parts against Order Deliveries Source Details

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

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

Receive

Received By

ROALBR

Receipt Reference

1/1615

Actual Delivery Date

13/01/2023 00:00

Actual Arrival Date

13/01/2023 20:55

Print ▼

Split Receipt

24

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

OK
Cancel

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

Inventory Transactions History

24

✓	Transaction ID	Transaction Code	Part	Site	Configuration ID	Fiscal Note Number	Fiscal Note Item	Direction	Quantity
<input type="checkbox"/>	520949	OERETURN - Receipt of Re	F060200 - Smoking Blu...	SP01 - CROSSROADS	*	1615	1	+	1 pcs
<input type="checkbox"/>	520948	OERETURN - Receipt of Re	F060200 - Smoking Blu...	SP01 - CROSSROADS	*	1615	2	+	1 pcs

The Return Material Authorization status changes to Return “Completed”.

24 Incoming Nota Fiscal – Bill of Lading

24.1 Overview Legal Requirement

Bill of Lading is a legal document connected to product transportation in Brazil. It's emitted by a carrier to the customer, declaring the amount of the transportation service (freight value) and its taxes (ICMS, PIS, COFINS and IRPJ).

The customer might pay for a Bill of Lading for the transportation when receiving deliveries or at products receipts. For receipts, the Bill of Lading refers to one or more receipt fiscal notes. Bill of Lading Document can be in two forms.

CT-e (Conhecimento de Transporte Eletrônico) – CT-e is the electronic invoice for transport within Brazil. CT-e is an XML document that contains the cargo value including taxes.

DACTE (Documento Auxiliar do Conhecimento de Transporte Eletrônico) - DACTE (CT-e auxiliary document) is the printed form of the CT-e. The DACTE is not a CT-e substitute. It is only an auxiliary document to assist in the consultation of CT-e. The DACTE is carried with the vehicle during transport.

24.2 Process Overview

Bill of Lading could be received to IFS Cloud in two ways,

- a. Receive Bill of Lading Automatically (CT-e) – Using External Supplier Invoice Flow

IFS Cloud core *External Supplier Invoice* flow is used to upload the received Bill of Lading XML file (CT-e). Once uploaded by using the IFS Cloud core functionalities, Bill of Lading could be created automatically.

- b. Enter Bill of Lading Manually – Using **Incoming Nota Fiscal** Page

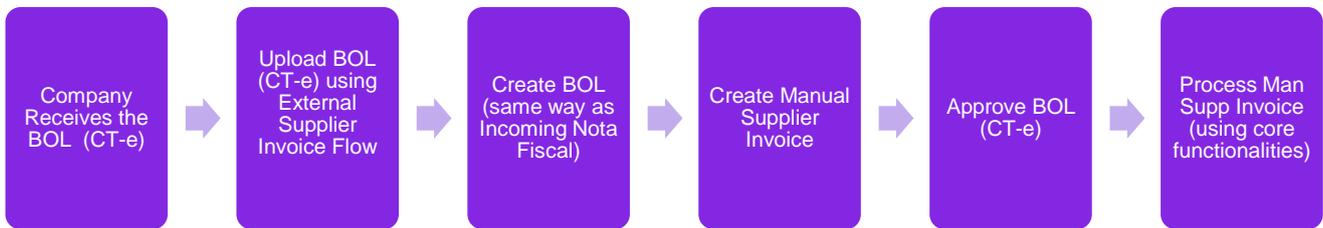
User can enter a Bill of Lading based on the DACTe document received from the carrier (transport supplier) using **Incoming Nota Fiscal** page.

Once the Bill of Lading is created, user can create Manual Supplier Invoice & Approve the Bill of Lading.

Finally, user can match the charge lines and process Manual Supplier Invoice.

Note: User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

24.2.1 RECEIVE BILL OF LADING AUTOMATICALLY (CT-E) – USING EXTERNAL SUPPLIER INVOICE FLOW



Note: User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

24.2.2 ENTER BILL OF LADING MANUALLY (DACTE) – USING INCOMING NOTA FISCAL PAGE



Note: User need to process the receipt transaction along with the distribution of the Bill of Lading charges at any point before doing the matching PO receipts transaction, using standard IFS functionalities.

24.1 Prerequisites

- The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the “Incoming Nota Fiscal” parameter must be enabled.
- The “Address Specific Tax Registration Numbers” parameter must be enabled
Read the chapter “Address Specific Tax Registration Numbers” and setup Supplier (Carrier) and Company CNPJ accordingly.
- Purchase Charge type related for Freight should be in place in Application Base Setup/Enterprise/Site/Site/Sales and Procurement/Procurement tab.

Sales and Procurement SARB - SARK BRAZIL SITE - SARKBRAZIL 1 of 2

Create Internal Customer Create Internal Supplier

Company Site Group

Site	Site Description	Company
SARB	SARK BRAZIL SITE	SARKBRAZIL - SARK BRAZIL COM

SALES **PROCUREMENT**

General

Configurations for Available to Promise

Charge Types for Incoming Nota Fiscal

Freight	INSURANCE
FREIGHT	INSURANCE

- Media Code “E-INVOICE” and Default Load Type “SUPPEXT” must be set up on the Supplier in page **Application Base Setup/Enterprise/Supplier/Supplier/Invoice**, tab **Message Defaults**. This set-up is defined per Company ID.

Application Base Setup > Enterprise > Supplier > Supplier > Invoice

Invoice BRSUP1 - Brazilian Supplier 1 1 of 1

Supplier: BRSUP1 Name: Brazilian Supplier 1 Association No:

Company: EABR1 - Brazilian Company 1

GENERAL PROPERTIES TAX INFORMATION PO MATCHING **MESSAGE DEFAULTS**

Media Code	Automatic Approval	Default Load Type	Exclude Posting Information	Exclude Invoice Lines	Recalculate Due Date	Approval User
<input type="checkbox"/> E-INVOICE	No	SUPPEXT	No	No	No	EA ERARSE

- The core functionality *External Supplier Invoice Tax Codes* must be defined and make sure that the correct Tax Type Category relates to each tax code. In this page the Brazilian tax types categories have been added. Enter “*” for both Supply and Delivery Country.

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Tax Codes

External Supplier Invoice Tax Codes

Incoming Tax (%)	Supplier	Supply Country	Delivery Country	Tax Type Category	Tax Code	Tax (%)
15	BRSUP1 - Brazilian Supplier 1	*	*	IPI	IPI15 - IPI 15%	15
17	BRSUP1 - Brazilian Supplier 1	*	*	ICMS	ICMS17 - ICMS 17%	17

- Go to **Financials/Supplier Invoice/External Invoice/External Supplier Invoice Parameters** & enable "Used for Incoming Nfe".

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Parameters

External Supplier Invoice Parameters

(1)	Load Type	Invoice Type	Default	Changeable	Deletable	Check When Loaded	Create When Checked	Allow Partial Create	Create Posting Proposal if Postings Exist	Create Image	Enforce Project Unique Procurement	Use Code String Completion	Base For Transaction Date	Tax Recalculation Method	Do Not Recalculate Amounts	Validate Payment Address ID	Used for Incom... Nfe
☑	SUPPEXT	SUPPEXT	Yes	Yes	Yes	No	No	No	No	No	No	No	System Date	None	No	No	Yes

- Enable/Disable the "Manually Process Incoming Nota Fiscal" toggle in Application Base Setup/Enterprise/Company/Company/Invoice/NF-E COMPLIANCE tab.

Application Base Setup > Enterprise > Company > Company > Invoice

Invoice SARKBRAZIL - SARK BRAZIL COMPANY

Company: SARKBRAZIL, Name: SARK BRAZIL COMPANY

GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | **NF-E COMPLIANCE**

Nota Fiscal Management

Manually Process Incoming Nota Fiscal: | Manually Process Outgoing Nota Fiscal:

24.2 Receive Bill of Lading Automatically (CT-e) – Using External Supplier Invoice Flow

IFS Cloud standard External Supplier Invoice flow is used in this scenario to upload the received Bill of Lading XML file (CT-e). Once uploading the CTe XML in External Supplier Invoice flow, Bill of Lading could be created automatically.

Please see the details in the process described step by step in below chapters.

24.2.1 RECEIVE CTE XML FILE AND CREATE THE BILL OF LADING

Use IFS Core External Supplier Invoice flow to load the CT-e XML and create the Bill of Lading using **Create Nota Fiscal** command.

Note

This activity is used to read an external input file, unpack the file data and call a dedicated interface (API) that will continue with the further processing of data.

Bill of Lading Document Identification

`<mod>57</mod>`

If the mod value is "57", it is identified as a Bill of Lading document.

Company Supplier Identification

`<emit>`

`<CNPJ>40730441000163</CNPJ>`

```
<xNome>SARKBRAZILFREIGHT</xNome>
</emit>
```

Freight Carrier (Supplier) will be identified using the CNPJ value of <emit>.

```
<dest>
<CNPJ>45504618000127</CNPJ>
<xNome>SARKBRAZIL</xNome>
</dest>
```

Company will be identified using the CNPJ value of <dest>. Here the CNPJ linked to “Site” will be identified.

Service Start & End Location Identification

```
<cMunIni>1200401</cMunIni>
```

First two numbers in <cMunIni> represent the Numeric State code of the Service Start State and last 5 numbers represent the Numeric City code of the Service Start City.

```
<cMunFim>3550308</cMunFim>
```

First two numbers in <cMunFim> represent the Numeric State code of the Service End State and last 5 numbers represent the Numeric City code of the Service End City.

Gross Amount & Taxes Identification

```
<vPrest>
  <vTPrest>12.05</vTPrest>
  <vRec>12.05</vRec>
  <Comp>
    <xNome>Frete Valor</xNome>
    <vComp>12.05</vComp>
  </Comp>
</vPrest>
<imp>
  <ICMS>
    <ICMS00>
      <CST>00</CST>
      <vBC>12.05</vBC>
      <pICMS>17.00</pICMS>
      <vICMS>2.05</vICMS>
    </ICMS00>
  </ICMS>
  <vTotTrib>2.05</vTotTrib>
</imp>
```

<vTPrest> represents the Gross Amount of the Bill of Lading and Tax details can be found inside <imp> tag.

Create Bill of Lading using External Supplier Invoice

- Go to *Financials/Supplier Invoice/External Invoice/External Supplier Invoice Load Information* and select the command **Create Nota Fiscal**.

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Load Information

External Supplier Invoice Load Information

Invoice Information | Check Invoices | Create Invoices | **Create Nota Fiscal** | Remove Invoices

(1)	Load ID	Load Date	User ID	Load Type	Load Status	ID
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Checked	

View Bill of Lading using command View Incoming Nota Fiscal

Financials > Supplier Invoice > External Invoice > External Supplier Invoice Load Information

External Supplier Invoice Load Information

Invoice Information | **View Incoming Nota Fiscal** | Remove Invoices

(1)	Load ID	Load Date	User ID	Load Type	Load Status	Load File ID
<input checked="" type="checkbox"/>	237	7/26/2022	SR SARKLK	SUPPEXT	Created	

Document Type
Document Type: Bill of Lading

Sender
Supplier: SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

Receiver
Company: SARKBRAZIL - SARK BRAZIL COMPANY

Bill of Lading Series: 001 | Bill of Lading No: 000060315 | Invoice Date: 10/21/2021 | Object Type: Manual Supplier Invoice

Object Reference: 001000060315 | Object Reference Status: Preliminary | Payment Terms: 0 | Currency Code: BRL

Bill of Lading Text: O valor aproximado dos tributos e de R\$ 24,84

Business Transaction ID: SARB | Site: SARB

Amounts

Gross Amount	Net Amount	Tax Amount
12.05	10.00	2.05

LINES | ADDRESS

Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	Gross Curr Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Part No/Charge Type	Description	Charge Line
1	ICMS-17		No	12.05	10.00	2.05	2.05	1.03	FREIGHT	Freight Charges	Yes

Address details can be found in Address tab.

LINES			
ADDRESS			
Sender			
Sender Document Address ID	Sender Delivery Address ID	Sender CNPJ	Sender State Registration
HO	HO	40.730.441/0001-63	
Service Start State	Service Start City		
Acre	Rio Branco		
Receiver			
Receiver Document Address ID	Receiver Delivery Address ID	Receiver CNPJ	Receiver State Registration
HO	HO	45.504.618/0001-27	12345678991234
Service End State	Service End City		
São Paulo	São Paulo		

24.3 Enter Bill of Lading Manually (DACTe) – Using Incoming Nota Fiscal Page

Create Bill of Lading manually using **Financials/Financial e-Reporting/Incoming Nota Fiscal** page. For this purpose, you can use DACTE document received.

Select the Document Type as Bill of Lading.

Incoming Nota Fiscal - 1 of 2

<< Save Cancel New

Document Type

Document Type

Nota Fiscal

Nota Fiscal

Bill of Lading

Customer Return Nota Fiscal

Then fill all the relevant data in the DACTe.

Document Type

Document Type
Bill of Lading

Sender

Supplier
SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

Receiver

Company
SARKBRAZIL - SARK BRAZIL COMPANY

Bill of Lading Series
001

Bill of Lading No
000060315

Invoice Date
10/21/2021

Object Type
Manual Supplier Invoice

Object Reference
001000060315

Object Reference Status
Preliminary

Payment Terms
0

Currency Code
BRL

Bill of Lading Text
 O valor aproximado dos tributos e de R\$ 24,84

Business Transaction ID

Site
SARB

Amounts

Gross Amount
12.05

Net Amount
10.00

Tax Amount
2.05

LINES

ADDRESS

	Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	Gross Curr Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Part No/Charge Type	Description	Charge Line
<input type="checkbox"/>	1	ICMS-17		No	12.05	10.00	2.05	2.05	1.03	FREIGHT	Freight Charges	Yes

24.4 Create Manual Supplier Invoice, Approve and Process Manual Supplier Invoice

Once creating the Bill of Lading automatically or manually, user can create Manual Supplier Invoice and approve the Bill of Lading Document. Finally, user can process the Manual Supplier Invoice using standard IFS functionality.

Create Manual Supplier Invoice

Incoming Nota Fiscal - 109231313131

1 of 24+

<< + 📄 ✎ 🔔 ▼

Create Manual Supplier Invoice

Cancel

Document Type

Document Type
Bill of Lading

Sender

Supplier
SARKBRAZILSUP - SARK BRAZIL SUPPLIER

Approve Bill of Lading

Incoming Nota Fiscal - 122213131231 3 of 24+

⏪ + 📄 ✎ 🔔 ⌵ **Approve** Cancel [Manual Supplier Invoice](#)

Document Type

Document Type
Bill of Lading

Sender

Supplier
SARKBRAZILFREIGHT - SARK BRAZIL FREIGHT SUPPLIER

Process Manual Supplier Invoice

Bill of Lading Document contains only freight charges and taxes related to freight for a specific delivery attached to one or more Incoming Nota Fiscals. Therefore, distribution of Bill of lading freight charges must be done at the arrival of the delivery. This can be performed using standard IFS functionalities like Register Arrivals or Incoming Dispatch Advice etc.

To process the Manual Supplier Invoice related to Bill of Lading, the arrival transaction of the goods related to delivery and the distribution of the charges must be performed. Once it is completed, user can match the Manual Supplier Invoice with correct charge lines and can be Authorized it for payment. *(Follow standard Manual Supplier Invoice process)*

25 Importation - Tax Determination and Incoming Nota Fiscal for tax authority approval

25.1 Overview Legal Requirement

In Brazil, it's a legal requirement to issue a Nota Fiscal for the business transactions related to sales, procurement, transfer of goods and other non-billable operations. The Nota Fiscal must be authorized by the Brazilian Tax Authority prior to shipment of goods and the printed version of Nota Fiscal (DANFE – Auxiliary Document for e-Nota Fiscal) is used to support the transportation of goods to the recipient's locations.

In the Importation scenario, the Brazilian buying Company must apply correct taxes and issue an Incoming Nota Fiscal that should be approved by the Brazilian Tax Authority as this will not be done by the Foreign Supplier. The requirement therefore would be to prepare the Incoming Nota Fiscal with support for tax calculations and communication to the Tax Authority by the Brazilian buyer Company.

25.2 Process Overview



25.3 Business Objectives

The primary objective is the creation of Incoming Nota Fiscal for Incoming Dispatch Advise to support the import process.

Other Business Objectives would be to support for customs clearance related taxes and fees in Incoming Nota Fiscal and NF-e communication via Avalara from Incoming Nota Fiscal.

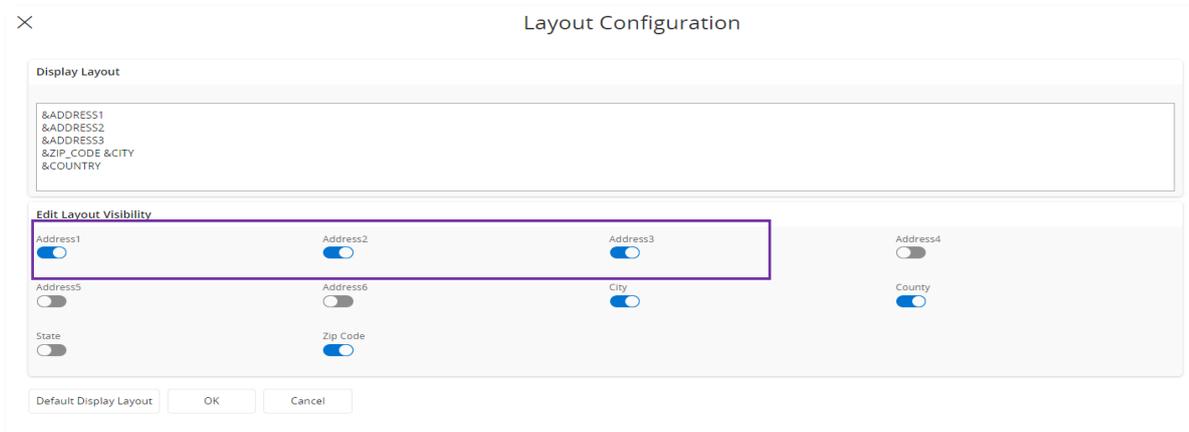
25.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. And the "Incoming Nota Fiscal" parameter under the **Localization Control Center tab** must be enabled on the *Company/Localization Control Center* tab.

The company should have a foreign supplier, and to represent the authorities a state supplier and a federal supplier under the scenario that company decides to pay taxes instead of a broker.

25.5 Define Basic Data

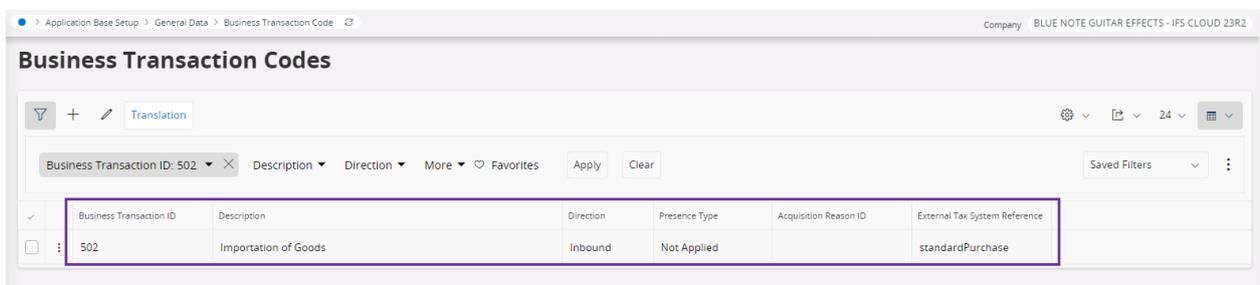
25.5.1 THE ADDRESS PRESENTATION



The Address Presentation for the foreign supplier's country should be set up for 3 addresses on the **Application Base Setup/Enterprise/Basic Data/Address Presentation** page for the supplier's country.

25.5.2 BUSINESS TRANSACTION CODE

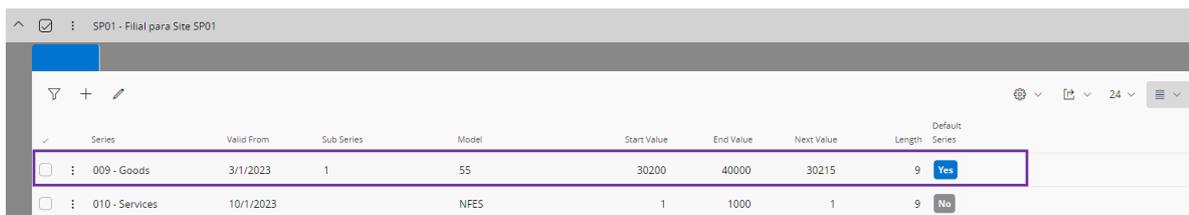
Navigate to **Business Transaction Codes** page available in **Application Base Setup/General Data/Business Transaction Code**. Enter "502" as the Business Transaction ID for Importation of Goods.



Business Transaction ID	Description	Direction	Presence Type	Acquisition Reason ID	External Tax System Reference
502	Importation of Goods	Inbound	Not Applied		standardPurchase

25.5.3 GENERATION OF OFFICIAL INVOICE NUMBER

Open the "Branches" tab in **Application Base Setup/Enterprise/Company/Company/Invoice/Official Invoice Number Components** page and enter the company Branch IDs that need Nota Fiscal numbers to be generated.



Series	Valid From	Sub Series	Model	Start Value	End Value	Next Value	Length	Default Series
009 - Goods	3/1/2023	1	55	30200	40000	30215	9	Yes
010 - Services	10/1/2023		NFES	1	1000	1	9	No

25.5.4 INTEGRATION TO BRAZILIAN EXTERNAL TAX SYSTEM – NF-E COMMUNICATION

Select “Avalara” as the NF-e Communication Method in page **Application Base Setup/Enterprise/Company/Company/Invoice** and tab **NF-E COMPLIANCE**.

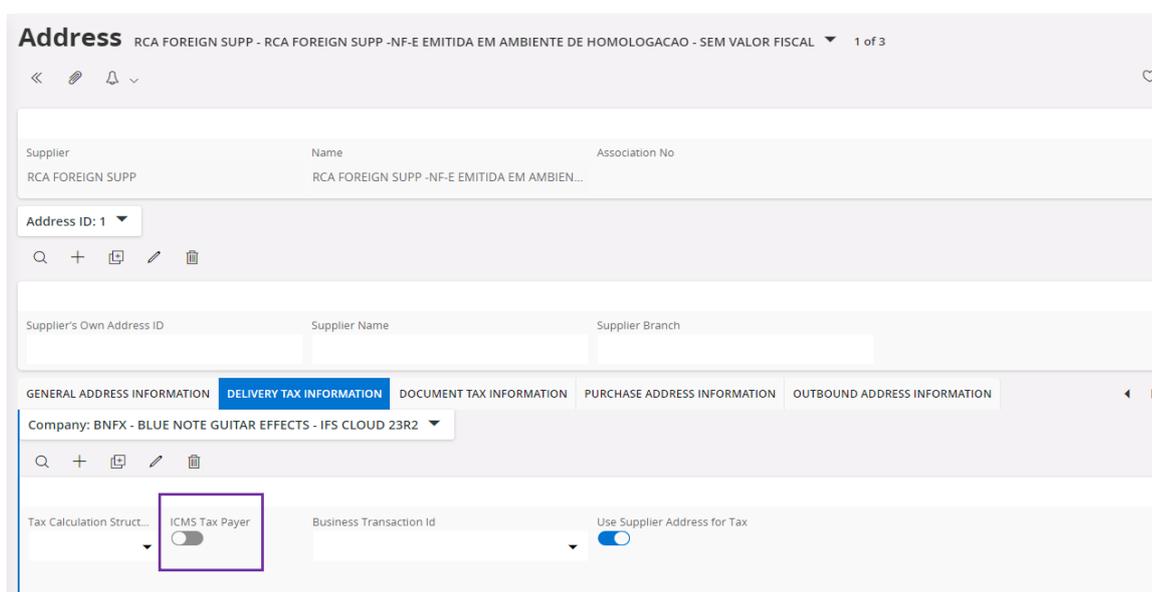


The screenshot shows the 'NF-E COMPLIANCE' tab with the following settings:

- Manually Process Incoming Nota Fiscal:
- Manually Process Outgoing Nota Fiscal:
- Nfe Communication Method: Avalara

25.5.5 ICMS TAX PAYER

ICMS Tax Payer functionality of the Foreign Supplier should be disabled in the **Financials/Supplier Invoice/Supplier/Address/Delivery Tax Information** page.

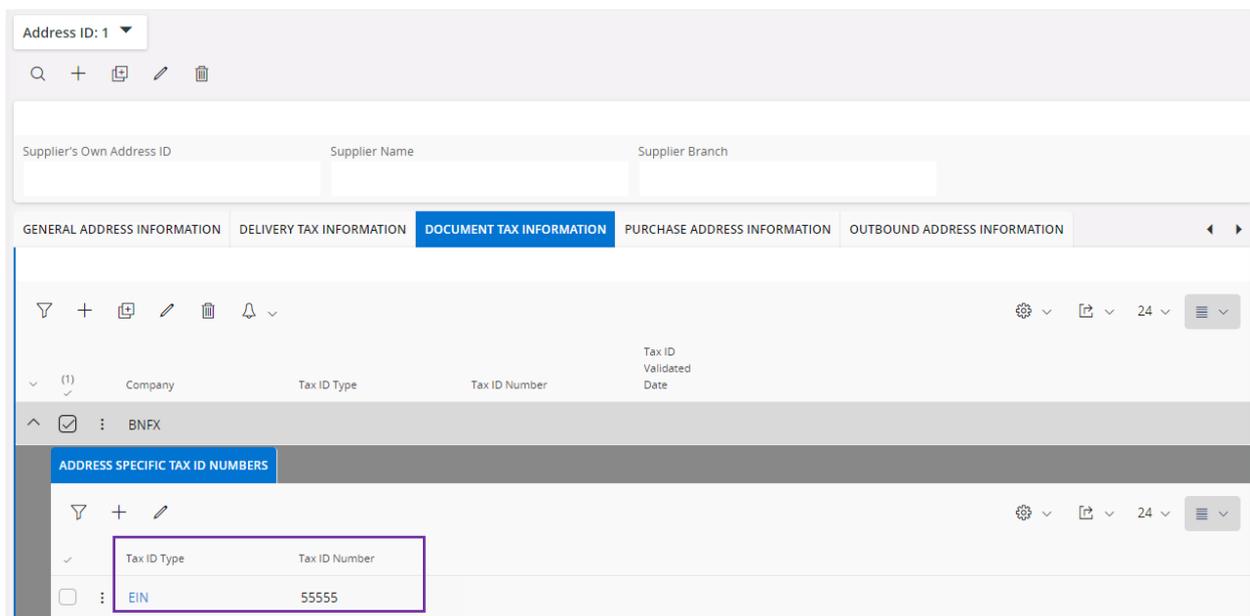


The screenshot shows the 'DELIVERY TAX INFORMATION' tab with the following settings:

- Company: BNFX - BLUE NOTE GUITAR EFFECTS - IFS CLOUD 23R2
- Tax Calculation Struct...: ICMS Tax Payer
- Business Transaction Id: [Dropdown]
- Use Supplier Address for Tax:

25.5.6 FOREIGN TAX ID

Enter address specific tax ID numbers for foreign supplier on tab **Document Tax Information** in the **Application Base Setup/Enterprise/Supplier/Supplier/Address** page, in the nested list below your Brazilian company.



25.5.7 DEFINE IMPORT SPECIFIC CHARGES

The following Import Specific Charges should be set up in the **Procurement/ Part/ Purchase Charge Type** page.

- International Freight
- International Insurance
- International Expenses
- AFRMM
- Wharfage
- SISCOMEX
- Demurrage

For the above charges, the relevant Charge Category should be selected from the dropdown "Brazilian Charge Category".

Purchase Charge Type AFRMM - AFRMM - PBS 2 1 of 7

Charge Type: AFRMM | Description: AFRMM | Charge Group: MN-FREIGHT | Charge Group Description: FREIGHT | Site: PBS 2 | Price UoM: *

GENERAL | DESCRIPTIONS

Details

Distribute Charge By: | Invoicing Supplier: **PB** PUGULK BROKER SUPP - Pugulk Bro...

Charge Price: 0.00 BRL | Charge Price Incl Tax: 0.00 BRL

Charge (%): | Unit Charge:

Distribute on Receipt: | HSN/SAC Code:

Brazilian Charge Category: AFRMM

Tax

Tax Code: | Taxable:

Use Price Incl Tax:

Indicators

Intrastat Exempt: | Print Charge Amount:

25.6 Create Purchase Order

Follow the IFS standard Core process to enter a purchase order for inventory purchase parts in the **Procurement/Order/Purchase Order** page. Enter the Business Transaction ID as “502-Importation of Goods” when saving the Purchase Order.

Brazilian Specific Attributes

Business Transaction Id: 502 - Importation of Goods

Invoicing

Invoicing Supplier: **PF** PUGULK FOREIGN SUPP | Payment Terms: 0 - Due Immediately | Tax Liability: TAX | Pre-posting: | Consolidated: **No**

Payment Schedules Ex...: **No** | Use Price Incl Tax:

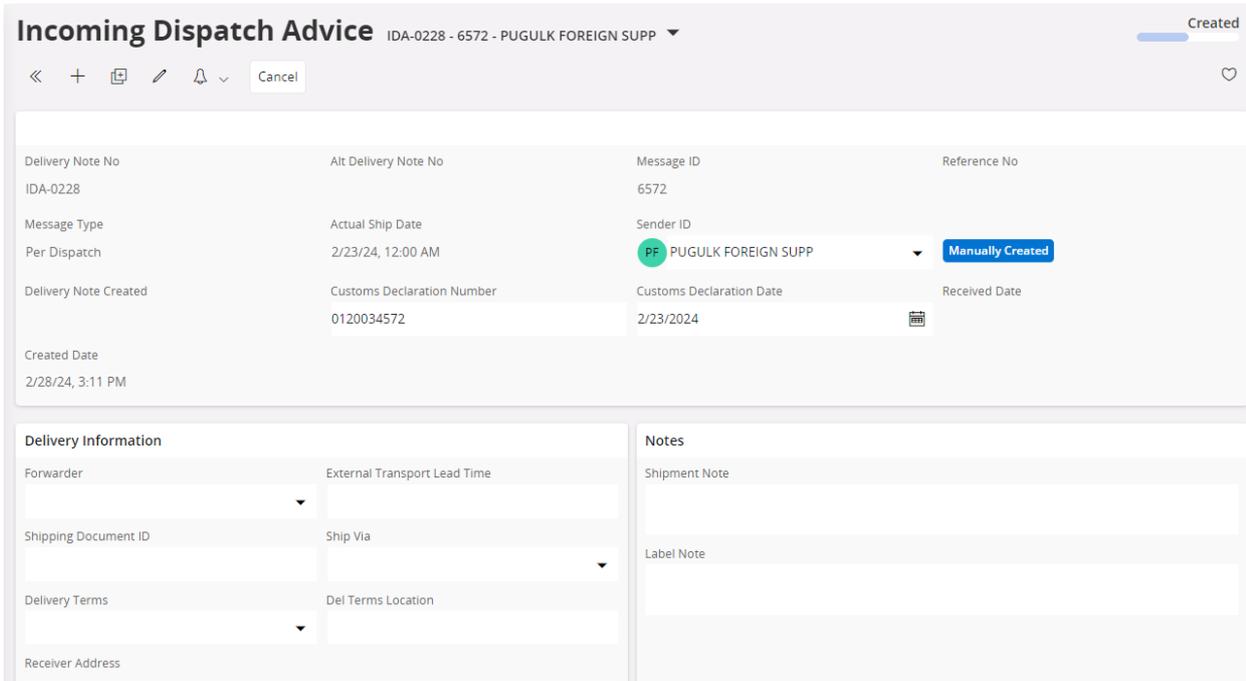
Note:

Since AVALARA Brazilian integration is supported for the tax calculation for Purchase Order, Brazilian specific taxes will be calculated in the PO level automatically.

Upon the calculation of taxes, release and confirm the Purchase Order.

25.7 Create the Incoming Dispatch Advice

Follow the IFS standard Core process to enter an Incoming Dispatch Advice on **Procurement/Receipt/Dispatch Advice/Incoming Dispatch Advice** page. Manually enter the details of Delivery Note No, Sender ID, Ship Date, Customs Declaration No and date. Then save the dispatch advice.



Incoming Dispatch Advice IDA-0228 - 6572 - PUGULK FOREIGN SUPP

Created

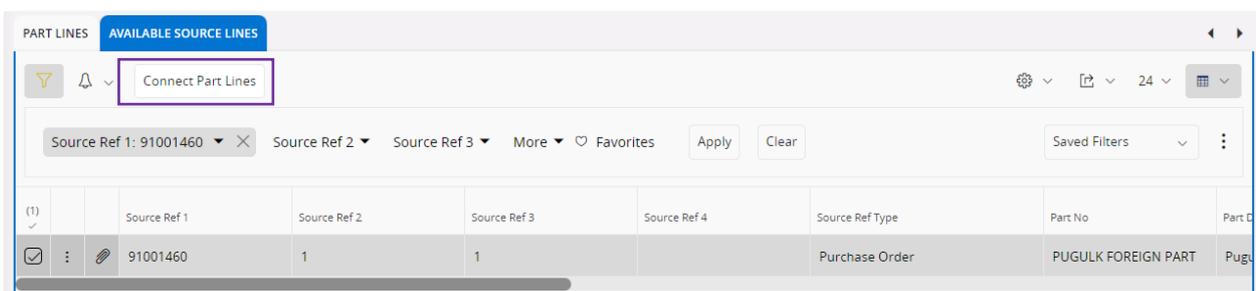
Delivery Note No: IDA-0228
 Alt Delivery Note No:
 Message ID: 6572
 Reference No:
 Message Type: Per Dispatch
 Actual Ship Date: 2/23/24, 12:00 AM
 Sender ID: PF PUGULK FOREIGN SUPP (Manually Created)
 Delivery Note Created:
 Customs Declaration Number: 0120034572
 Customs Declaration Date: 2/23/2024
 Received Date:
 Created Date: 2/28/24, 3:11 PM

Delivery Information

Forwarder:
 External Transport Lead Time:
 Shipping Document ID:
 Ship Via:
 Delivery Terms:
 Del Terms Location:
 Receiver Address:
 Notes:
 Shipment Note:
 Label Note:

25.7.1 CONNECT PURCHASE ORDER PART LINES TO INCOMING DISPATCH ADVICE

Once Incoming Dispatch Advice is saved, connect the previously created Purchase order/s to the Incoming Dispatch Advice from “Available Source Lines” tab.



PART LINES AVAILABLE SOURCE LINES

Connect Part Lines

Source Ref 1: 91001460 X Source Ref 2 Source Ref 3 More Favorites Apply Clear Saved Filters

(1)	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Source Ref Type	Part No	Part D
☑	91001460	1	1		Purchase Order	PUGULK FOREIGN PART	Pugl

When Part Lines are connected to the Incoming Dispatch Advice, the PO Part Lines will be available in “Part Lines” tab.

25.7.2 CONNECT CHARGES TO PURCHASE ORDER PART LINES

Charges can be entered from selecting the PO Part Lines in the “Part Lines” tab in the Incoming Dispatch Advice.

PART LINES AVAILABLE SOURCE LINES

Charges Receive Cancel Source Details Disconnect Part Lines

(1) ✓	Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Source Ref Type	Part No	Description
☑	91001460	1	1		Purchase Order	PUGULK FOREIGN PART	Pugulk For

The Importation Specific Charges can then be entered in “Charges for Incoming Dispatch Advice” dialog. The charges need to be connected to relevant Purchase Order/s and Purchase Order Lines.

Charges for Incoming Dispatch Advice

✓	Sequence No	Charge Type	Charge Type Description	Charge Currency	Distribute Charge By	Connect to Purchase Order No	Connect to Line No	Connect to Rel No	Transfe... to Orders	Invoicing Supplier	Charge Price/Charge Curr	Charge Price Incl Tax/Charge Curr	Distrib on Re
☐	1	AFRMM	AFRMM	BRL		91001460	1	1	No	PU PUGULK BROKER ...	40	40	No
☐	2	DEMURRAGE	Demurrage	BRL		91001460	1	1	No	PU PUGULK BROKER ...	40	40	No
☐	3	WHARFAGE	Wharfage	BRL		91001460	1	1	No	PU PUGULK BROKER ...	40	40	No
☐	4	SISCOMEX	SISCOMEX	BRL		91001460	1	1	No	PU PUGULK BROKER ...	40	40	No
☐	5	INTERNATIONAL FREIG...	International Freight	USD		91001460	1	1	No	PU PUGULK BROKER ...	10	10	No
☐	6	INTERNATIONAL INSU...	International Insurance	USD		91001460	1	1	No	PU PUGULK BROKER ...	10	10	No
☐	7	INTERNATIONAL EXPE...	International Expenses	USD		91001460	1	1	No	PU PUGULK BROKER ...	10	10	No

OK Cancel

The Invoicing Supplier for the Import Specific charges will be a Brazilian Supplier other than the Foreign Supplier.

Once that’s done, the Charges can be connected to the Purchase Order Part Lines from the command **Transfer Charges to Purchase Order**.

Charges for Incoming Dispatch Advice

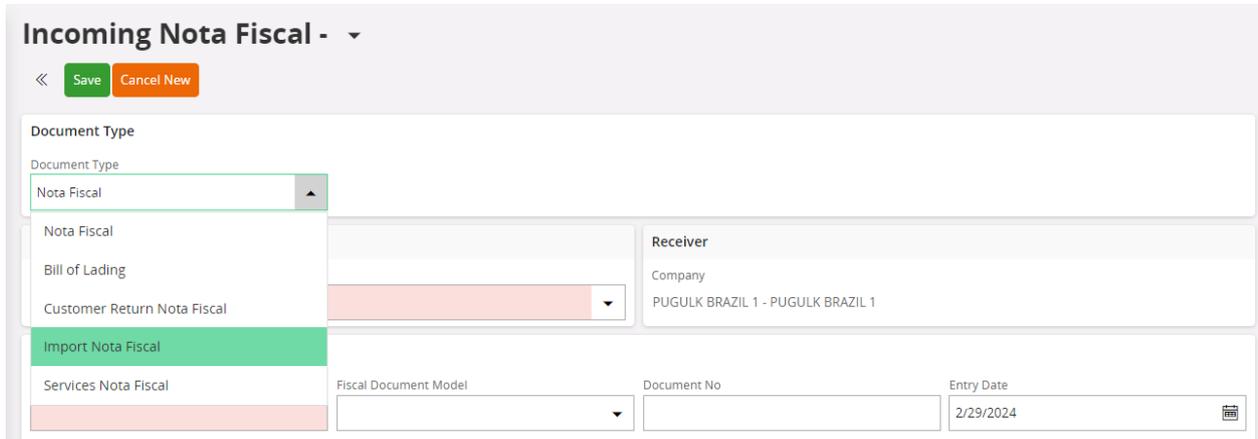
Transfer charges to purchase order

(7) ✓	Sequence No	Charge Type	Charge Type Description	Charge Currency	Distribute Charge By	Connect to Purchase Order No	Connect to Line No	Connect to Rel No	Transferred to Orders	Invoicing Supplier	Charge Price/Charge Curr	Charge Price Incl Tax/Charge Curr	Distrib on Re
☑	1	AFRMM	AFRMM	BRL		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	40	40	No
☑	2	DEMURRAGE	Demurrage	BRL		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	40	40	No
☑	3	WHARFAGE	Wharfage	BRL		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	40	40	No
☑	4	SISCOMEX	SISCOMEX	BRL		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	40	40	No
☑	5	INTERNATIONAL FRE...	International Freight	USD		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	10	10	No
☑	6	INTERNATIONAL INSU...	International Insuran...	USD		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	10	10	No
☑	7	INTERNATIONAL EXP...	International Expenses	USD		91001423	1	1	No	PU PUGULK BROKER SUPP - ...	10	10	No

OK Cancel

25.8 Enter Incoming Nota Fiscal – Using Incoming Nota Fiscal Page

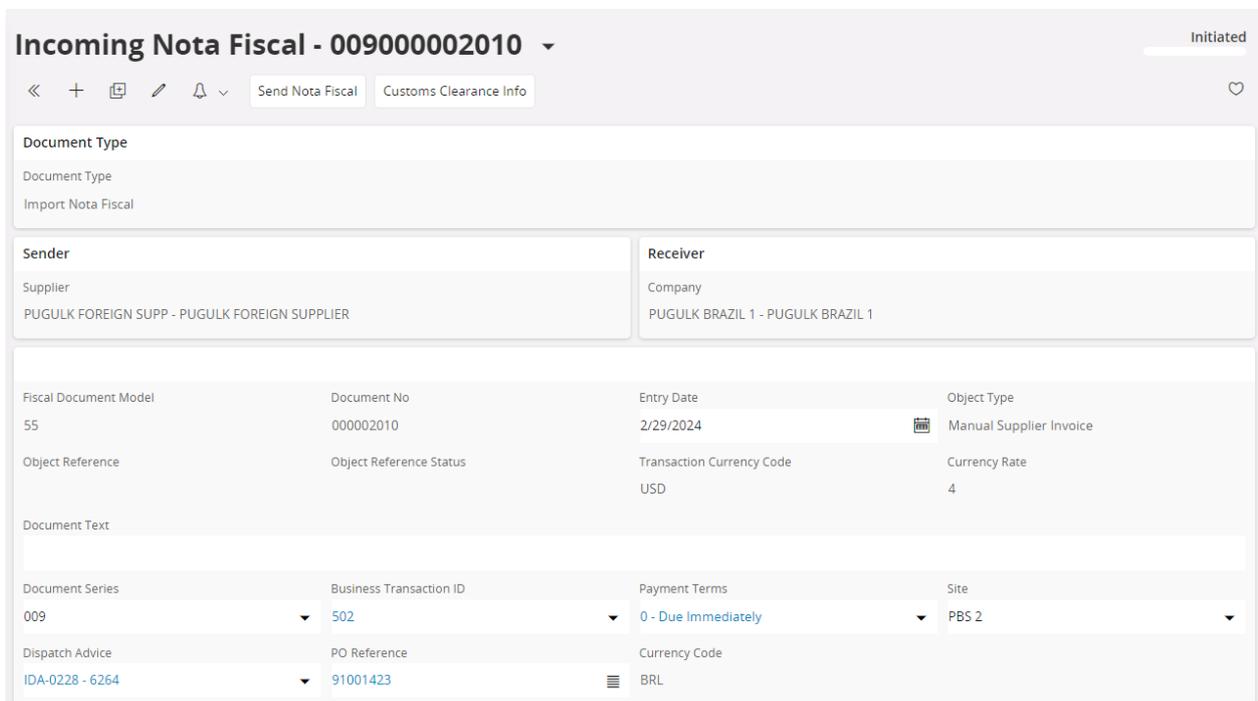
Create Incoming Nota Fiscal manually using **Financials/Financial e-Reporting/Incoming Nota Fiscal** page. Select the “Document Type” as Import Nota Fiscal.



The screenshot shows the 'Incoming Nota Fiscal' form. At the top, there are 'Save' and 'Cancel New' buttons. Below is the 'Document Type' section with a dropdown menu open, showing options: 'Nota Fiscal', 'Bill of Lading', 'Customer Return Nota Fiscal', 'Import Nota Fiscal' (highlighted in green), and 'Services Nota Fiscal'. To the right, the 'Receiver' section shows 'Company' as 'PUGULK BRAZIL 1 - PUGULK BRAZIL 1'. At the bottom, there are fields for 'Fiscal Document Model', 'Document No', and 'Entry Date' (2/29/2024).

Select the Site and the default series for the selected Branch will be picked. The Nota Fiscal Document Number in “Document No” field will be automatically generated.

Then enter the previously created Incoming Dispatch Advice No in the field **Dispatch Advice**. This will get the connected Purchase Orders in the Incoming Dispatch Advice to the **Incoming Nota Fiscal** page. Save the header level.



The screenshot shows the 'Incoming Nota Fiscal' form with the header information filled out. The title is 'Incoming Nota Fiscal - 009000002010'. Below the title, there are buttons for 'Send Nota Fiscal' and 'Customs Clearance Info'. The 'Document Type' is 'Import Nota Fiscal'. The 'Sender' section shows 'Supplier' as 'PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER'. The 'Receiver' section shows 'Company' as 'PUGULK BRAZIL 1 - PUGULK BRAZIL 1'. The main header information is as follows:

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002010	2/29/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4
Document Series	Business Transaction ID	Payment Terms	Site
009	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0228 - 6264	91001423	BRL	

Upon saving the Nota Fiscal the two command buttons **Send Nota Fiscal** and **Customs Clearance Info** will be visible on the Nota Fiscal Header.

Incoming Nota Fiscal - 009000002010 Initiated

Send Nota Fiscal | Customs Clearance Info

Document Type
Document Type
Import Nota Fiscal

Sender
Supplier
PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER

Receiver
Company
PUGULK BRAZIL 1 - PUGULK BRAZIL 1

Once the Incoming Nota Fiscal is saved, the lines can be received using the “Copy Unreceived PO Lines”.

LINES ADDRESS GENERAL NF-E/CT-E INFORMATION

Lines

Copy Unmatched PO Receipts | Copy Unreceived PO Lines/Charges

Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	BR Unit Price	Gross Amount	Gross Amount in Accounting Currency	Net Amount	Net Amount in Accounting Currency	Tax Amount
(No data)									

The PO lines and the Charges will be received accordingly, and the Charges will be presented in a nested table connected to the lines.

LINES ADDRESS GENERAL NF-E/CT-E INFORMATION

Lines

Tax Lines

Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	BR Unit Price	Gross Amount	Gross Amount in Accounting Currency	Net Amount	Net Amount in Accounting Currency	Tax Amount
1			Yes	100.00	100.00	400.00	100.00	400.00	0.00

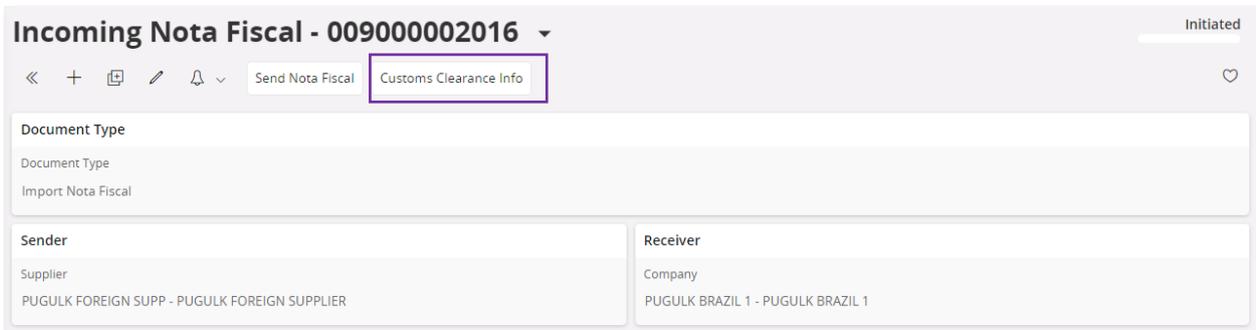
CHARGES

Charge Type	Description	Gross Amount	Net Amount	Tax Amount	Gross Amount in Accounting Currency	Net Amount in Accounting Currency	Tax Amount in Accounting Currency	Source Reference 1
AFRMM	AFRMM	10.00	10.00	0.00	40.00	40.00	0.00	91001460
DEMURRAGE	Demurrage	10.00	10.00	0.00	40.00	40.00	0.00	91001460
WHARFAGE	Wharfage	10.00	10.00	0.00	40.00	40.00	0.00	91001460
SISCOMEX	SISCOMEX	10.00	10.00	0.00	40.00	40.00	0.00	91001460
INTERNATIONAL FREIGHT	International Freight	10.00	10.00	0.00	40.00	40.00	0.00	91001460
INTERNATIONAL INSURANCE	International Insuran...	10.00	10.00	0.00	40.00	40.00	0.00	91001460
INTERNATIONAL EXPENSES	International Expenses	10.00	10.00	0.00	40.00	40.00	0.00	91001460

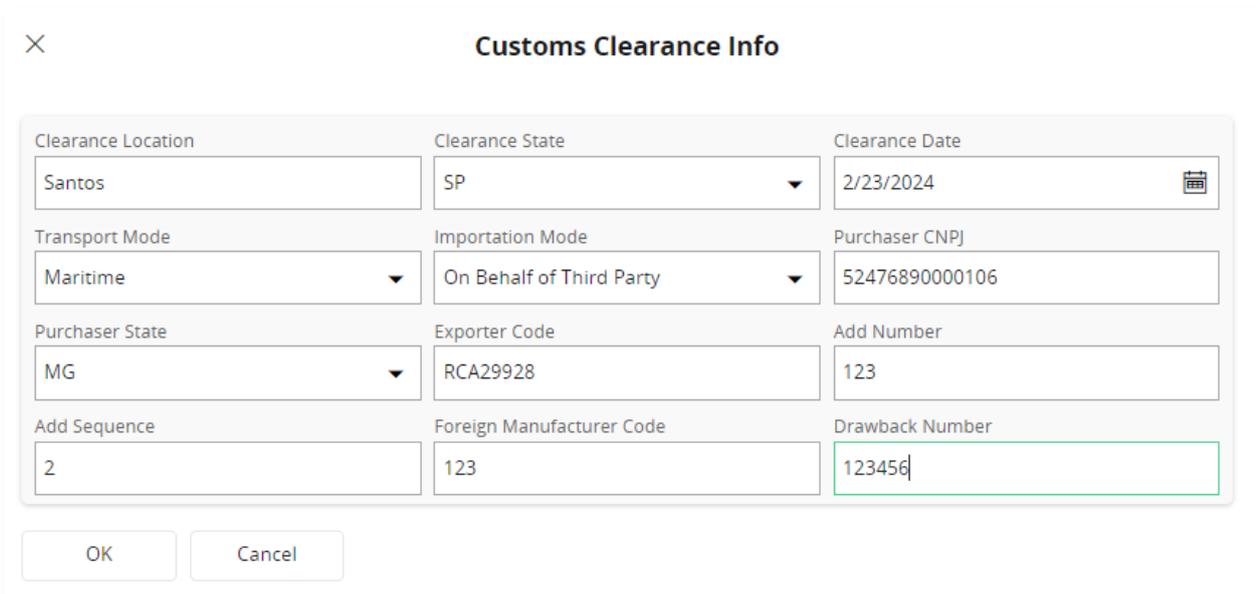
Once the lines are entered according to the Purchase Order/s, the relevant Customs Clearance Info for each line item need to be included. This can be edited either through the command **Customs Clearance Info** in the page header or through the separate columns in the line item.

25.8.1 ENTER CUSTOMS CLEARANCE INFO FROM THE PAGE HEADER COMMAND BUTTON

If the details are the same for all the connected Purchase Orders, the command button **Customs Clearance Info** in the *Incoming Nota Fiscal* page header can be used.

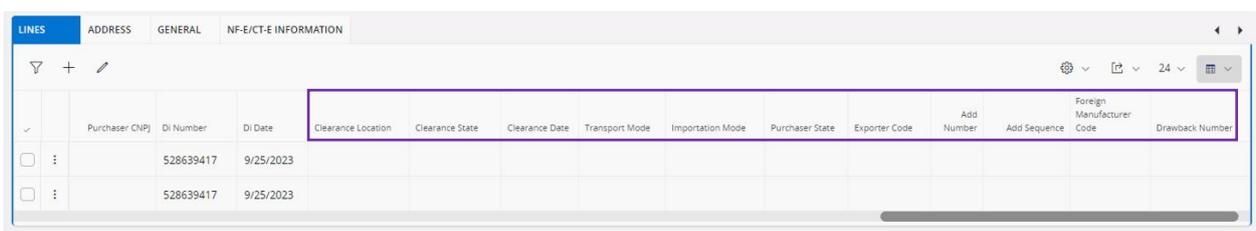


This will open the dialog box “Customs Clearance Info”, where you can enter the specific details relevant to the Purchase. Fill the details and save.



25.8.2 ENTER CUSTOMS CLEARANCE INFO IN THE LINE ITEMS

If needed to enter the Customs Clearance Info separately for each line item, it can be entered from line by line as required.



	Purchaser CNPJ	DI Number	DI Date	Clearance Location	Clearance State	Clearance Date	Transport Mode	Importation Mode	Purchaser State	Exporter Code	Add Number	Add Sequence	Foreign Manufacturer Code	Drawback Number
<input type="checkbox"/>		528639417	9/25/2023											
<input type="checkbox"/>		528639417	9/25/2023											

Once saved, the details will appear in the line items, these are mandatory fields that needs to be filled before sending the Nota Fiscal to get it approved.

LINES														
ADDRESS GENERAL NF-E/CT-E INFORMATION														
Lines														
Di Number	Di Date	Clearance Location	Clearance State	Clearance Date	Transport Mode	Importation Mode	Purchaser CNPJ	Purchaser State	Exporter Code	Add Number	Add Sequence	Foreign Manufacturer Code	Drawbad Number	
0120034572	2/23/2024	Santos	SP	2/23/2024	Maritime	On Behalf of Third Party	5247689000106	MG	RCA29928	123	2	123	123456	

Use the command **Send Nota Fiscal** to generate the NF-e JSON file and send it to the third-party system integrator to communicate with the Brazilian Tax Authority for approval. Refer the appendix for more details on the request JSON file sent to AVALARA.

Incoming Nota Fiscal - 009000002016

Initiated

Send Nota Fiscal Customs Clearance Info

Document Type
Import Nota Fiscal

Sender Supplier PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER	Receiver Company PUGULK BRAZIL 1 - PUGULK BRAZIL 1
--	---

25.9 Incoming Nota Fiscal – Approved

Once the request file sent by the Brazilian Company gets approved, the Incoming Nota Fiscal will come to the “Approved” state. Refer the appendix for more details on the request JSON file sent to AVALARA.

Incoming Nota Fiscal - 009000002016 ▾
Approved

Send Cancel Request Create Supplier Invoices

Document Type

Document Type
Import Nota Fiscal

Sender

Supplier
PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER

Receiver

Company
PUGULK BRAZIL 1 - PUGULK BRAZIL 1

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002016	2/29/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4

Document Text

Document Series	Business Transaction ID	Payment Terms	Site
009 ▾	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0228 - 6572	91001460	BRL	

SEFAZ Status Code “100” indicates the response file is approved and this will be mentioned in the Response file received from AVALARA.

LINES ADDRESS GENERAL **NF-E/CT-E INFORMATION**
◀ ▶

Nota Fiscal Response

Issue Date	NF-e/CT-e Key	NF-e/CT-e Protocol No	NF-e/CT-e Approval Date
2/29/2024	35240204106230000190550090000020161000...	135240000902210	2/29/2024
NF-e/CT-e Status Code	Return Message		
100	Autorizado o uso da NF-e		

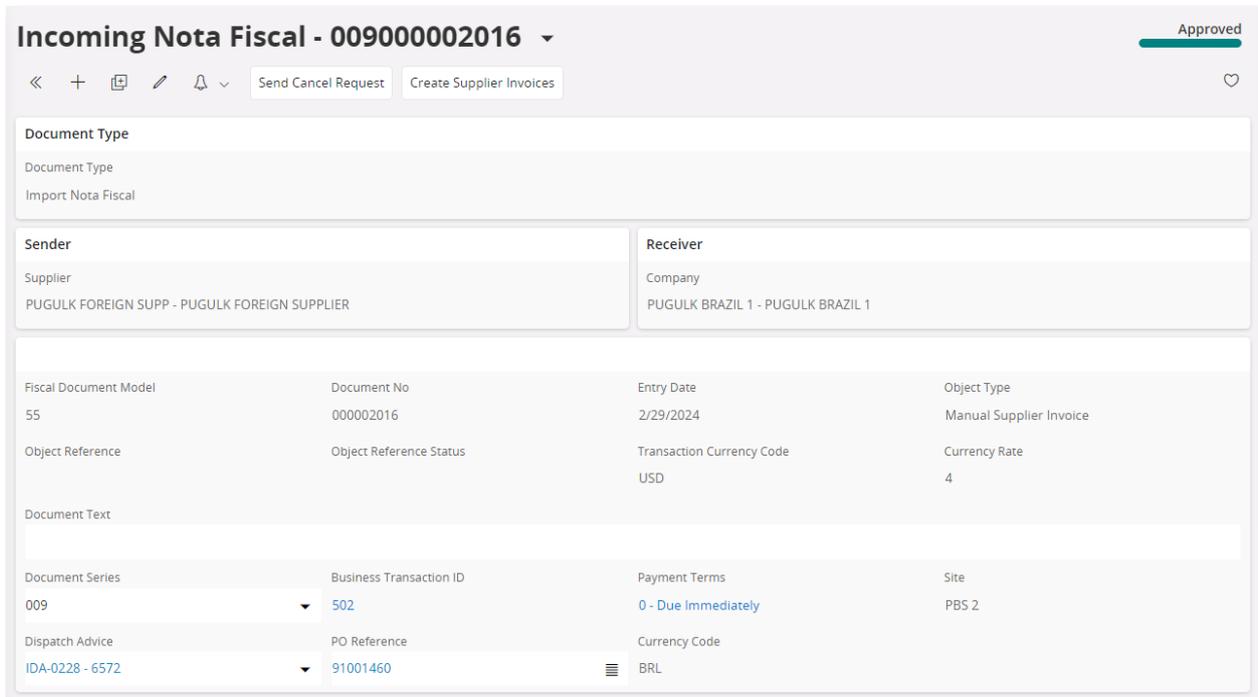
```

{
  "key": "35240204106230000190550090000020161000826564",
  "subscriptionId": "0aa49b97-6be1-46b4-b271-f4efaa221f60",
  "state": "SP",
  "protocol": "135240000902210",
  "status": {
    "code": "100",
    "desc": "Autorizado o uso da NF-e",
    "protocol": "135240000902210",
    "authorizationDateTime": "2024-02-29T00:42:34-03:00",
    "accessKey": "35240204106230000190550090000020161000826564",
    "serial": "9",
    "number": "2016"
  }
}
```

Refer the Response file details received from AVALARA below.

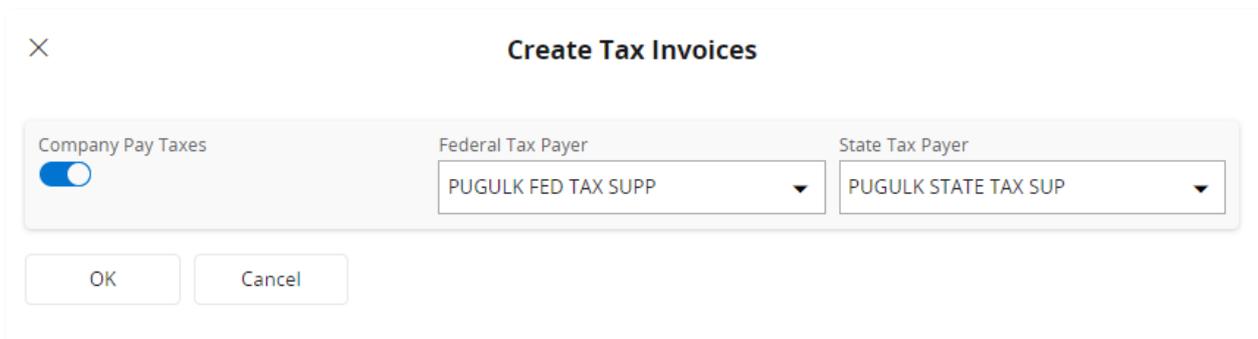
25.9.1 CREATING THE SUPPLIER INVOICES

Once the Incoming Nota Fiscal is Approved, the command Button **Create Supplier Invoices** will be enabled in the Nota Fiscal header. This can be used to Create the Manual Supplier Invoice for the Foreign Supplier and the Tax only Manual Supplier Invoices.



The screenshot shows the 'Incoming Nota Fiscal - 009000002016' header. The status is 'Approved'. The 'Create Supplier Invoices' button is visible in the top right corner. Below the header, the 'Document Type' is 'Import Nota Fiscal'. The 'Sender' is 'PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER' and the 'Receiver' is 'PUGULK BRAZIL 1 - PUGULK BRAZIL 1'. The 'Fiscal Document Model' is '55', 'Document No' is '000002016', 'Entry Date' is '2/29/2024', and 'Object Type' is 'Manual Supplier Invoice'. The 'Object Reference' is 'Object Reference Status', 'Transaction Currency Code' is 'USD', and 'Currency Rate' is '4'. The 'Document Text' is empty. The 'Document Series' is '009', 'Business Transaction ID' is '502', 'Payment Terms' is '0 - Due Immediately', and 'Site' is 'PBS 2'. The 'Dispatch Advice' is 'IDA-0228 - 6572', 'PO Reference' is '91001460', and 'Currency Code' is 'BRL'.

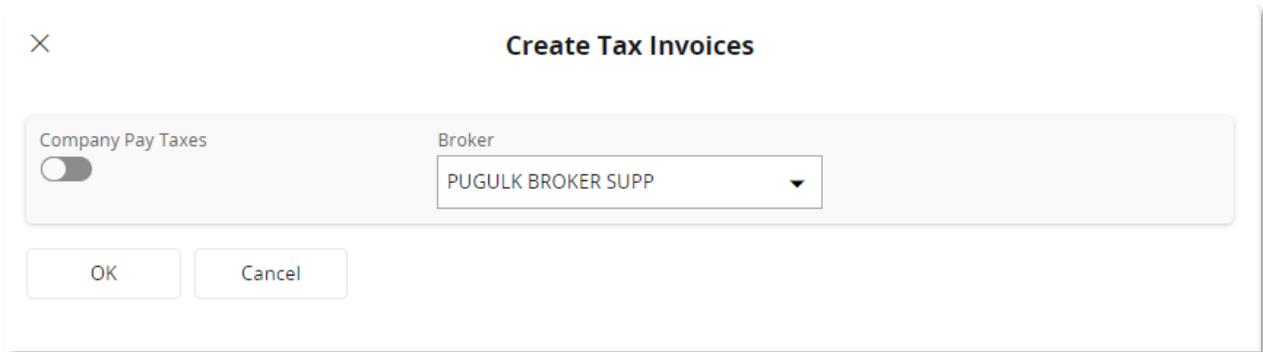
This will open the “Create Tax Invoice” dialog box. Here, the Brazilian company can enable/disable the “Company Pay Taxes” toggle button as per their requirement i.e., If the company decides to pay taxes instead of a broker, they can enable the “Company Pay Taxes” toggle button.



The screenshot shows the 'Create Tax Invoices' dialog box. The 'Company Pay Taxes' toggle is turned on. The 'Federal Tax Payer' is 'PUGULK FED TAX SUPP' and the 'State Tax Payer' is 'PUGULK STATE TAX SUP'. There are 'OK' and 'Cancel' buttons at the bottom.

Then, the Federal Tax Payer and the State Tax Payer needs to be correctly entered accordingly.

If the company decides a broker should pay taxes, they can disable the “Company Pay Taxes” toggle button.

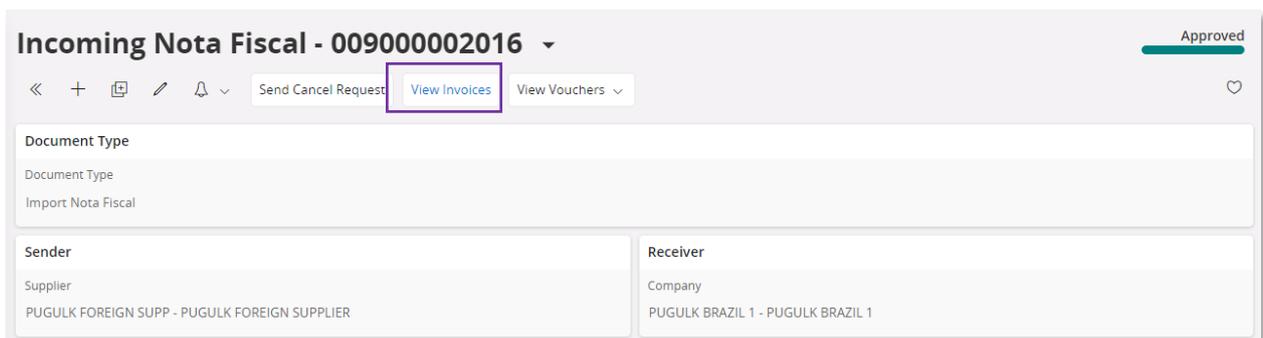


The dialog box titled "Create Tax Invoices" features a close button (X) in the top left corner. It contains two main sections: "Company Pay Taxes" with a toggle switch currently turned off, and "Broker" with a dropdown menu showing "PUGULK BROKER SUPP". At the bottom, there are two buttons: "OK" and "Cancel".

Once the Suppliers are entered accordingly in the 'Create Tax Invoices' dialog box, the Tax Invoices will be created accordingly.

25.9.2 POSTING THE SUPPLIER INVOICES – FOREIGN SUPPLIER INVOICE

The **View Invoices** command in the Incoming Nota Fiscal header can be used to View the created Supplier Invoices.



The screenshot shows the header of an "Incoming Nota Fiscal" document with ID "009000002016". The status is "Approved". The header includes a navigation bar with icons for back, add, print, edit, and notifications, along with buttons for "Send Cancel Request", "View Invoices" (highlighted with a red box), and "View Vouchers". Below the navigation bar, the "Document Type" is "Import Nota Fiscal". The "Sender" section lists the "Supplier" as "PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER". The "Receiver" section lists the "Company" as "PUGULK BRAZIL 1 - PUGULK BRAZIL 1".

The Manual Supplier Invoice for the Foreign Supplier will be created in the Transaction Currency terms and accordingly to the Purchase Price of the relevant Part for Supplier.

Use the IFS standard core process to Post the Foreign Supplier Invoice.

Manual Supplier Invoice

SI - 00955000002016 1 of 3 Posted

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installment Plan And Discounts](#)
[View Vouchers](#)
[Purchasing](#)

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Referen...	Project ID	Supplier		
91001460					PF PUGULK FOREIGN SUPP - Pugulk Foreign ...		
Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	Arrival Date	
SUPPINV	SI	00955000002016	USD	4	2/29/2024	2/29/2024	
Pay Term Base Date	Payment Terms	Due Date	Plan Pay Date	Payment Reference	Voucher Type Referen...	Voucher No Reference	
2/29/2024	0 - Due Immediately	2/29/2024	2/29/2024		I	2024000012	
Authorizer ID	Notes	Advance Invoice	Period Allocation	Pre-posting	Received Attachments	On Hold Installment	Posting Proposal
*	No	No	No	No	No	No	No
Utility Bills	Gross Amount	Net Amount	Tax Amount				
No	100.00	100.00	0.00				

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax A...	Cost Amount
100.00	100.00	0.00	0.00	100.00

25.9.3 POSTING THE SUPPLIER INVOICES – TAX INVOICES

The IFS standard core process is used to Post the Tax Only Invoices created in the Importation process.

Note: If the User has selected that the Company is paying taxes,

The taxes from Incoming Nota Fiscal's Tax Lines having Tax Type Categories "IPI", "PIS", "II", "IOF" and "COFINS" set on its Tax Codes must be posted in the Manual Supplier Invoice which Supplier is the "Federal Tax Authority".

Supplier Invoice Vouchers

I 2024000013

Voucher Type	Voucher No	Date	Year	Period
I	2024000013	2/29/2024	2024	2

Voucher Postings

✓	Voucher Company	Account	Cost Cent	Code C	Code D	Code E	Code F	Proj Activity Seq No	Transact... Code	Process Code	Invol... Quan...	Curre... Code	Currency Rate	Convers... Factor	Tax Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency
<input type="checkbox"/>	PUGULK BRAZIL 1	2493 - Oth. Acc Payable - Brazilian Federal ...							IP1			BRL	1	1			132.80
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	COFINS 0%	61.76	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	II	57.60	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	IOF	0.00	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	IPI 0%	0.00	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	PIS 0%	13.44	

The taxes from Incoming Nota Fiscal's Tax Lines having Tax Type Categories "ICMS", and "ICMS-ST" set on its Tax Codes must be posted in the Manual Supplier Invoice which Supplier is the "State Tax Authority".

Supplier Invoice Vouchers

I 2024000014

Voucher Type	Voucher No	Date	Year	Period
I	2024000014	2/29/2024	2024	2

Voucher Postings

✓	Voucher Company	Account	Cost Cent	Code C	Code D	Code E	Code F	Proj Activity Seq No	Transact... Code	Process Code	Invol... Quan...	Curre... Code	Currency Rate	Convers... Factor	Tax Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency
<input type="checkbox"/>	PUGULK BRAZIL 1	2492 - Oth. Acc Payable - Brazilian State Tax							IP1			BRL	1	1			178.42
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	ICMS 0%	178.42	

Note: If the User has not selected the Company Pay Taxes,

The Tax Only Manual Supplier Invoice is created for the Broker Supplier in the dialog. All taxes from Incoming Nota Fiscal's Tax Lines are posted in this single Manual Supplier Invoice.

Supplier Invoice Vouchers

I 2024000006

Voucher Type	Voucher No	Date	Year	Period
I	2024000006	2/22/2024	2024	2

Voucher Postings

✓	Voucher Company	Account	Cost Cent	Code C	Code D	Code E	Code F	Proj Activity Seq No	Transact... Code	Process Code	Invol... Quan...	Curre... Code	Currency Rate	Convers... Factor	Tax Code	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency
<input type="checkbox"/>	PUGULK BRAZIL 1	2494 - Other. Acc Payable - Brazilian Broker							IP1			BRL	1	1			490.12
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	COFINS 0%	96.50	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	ICMS 0%	282.62	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	II	90.00	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	IOF	0.00	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	IPI 0%	0.00	
<input type="checkbox"/>	PUGULK BRAZIL 1	2641 - Charged input VAT							IP3			BRL	1	1	PIS 0%	21.00	

25.9.4 POSTING THE SUPPLIER INVOICES – THE SUPPLIER INVOICE FOR CHARGES

The Supplier Invoice for Line Connected Charges can be created from **Financials/ Supplier Invoice/ New Manual Supplier Invoice** page.

New Manual Supplier Invoice

Header Information — Line Information — Posting Information

Company	Voucher Date	Accounting Year	Accounting Period	User Group	Voucher Type	Voucher No
PUGULK BRAZIL 1	2/29/2024	2024	2	AC	I	

PO Reference	Receipt Reference	Sub Contract Reference	Invoice Advice Reference	Project ID	Supplier
91001460					PB PUGULK BROKER SUPP - Pugulk Broker Supplier

Invoice Type	Series ID	Invoice No	Currency	Currency Rate	Invoice Date	Arrival Date	Pay Term Base Date
SUPPINV	SI	001-91001460	BRL	1	2/29/2024	2/29/2024	2/29/2024

Payment Terms	Due Date	Plan Pay Date	Payment Reference	Automatic Payment Authorization	Authorizer ID
0 - Due Immediately	2/29/2024	2/29/2024		No	*

Advance Invoice Gross Amount Net Amount Tax Amount

Use the **Copy Unmatched PO Receipts** command to receive the lines for the 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
PUGULK BRAZIL 1	PUGULK BROKER SUPP	SI	001-91001460	BRL			

Line Information				
Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
0.00	0.00	0.00	0.00	0.00

Lines

Line ID	Delivery Type	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Method Tax (%)	Tax Received	Part No/Charge Type	Gross Amount	Net Amount	Tax Amount
(No data)											

Then the line connected charges will be copied to Invoice Lines accordingly.

25.10 Incoming Nota Fiscal – Cancelled

The general rule stated by Brazilian government says that companies are allowed to Cancel Authorized Nota Fiscals up until 24 hours from the issue date and time. There are some scenarios that still allow cancellation even after 24 hours (can be connected to penalty fee or audit).

The **Send Cancel Request** command will send the request to cancel the referenced Nota Fiscal number.

Incoming Nota Fiscal - 009000002019 ▾

Approved

⏪ + 📄 ✎ 🔔 ▾

Send Cancel Request

Create Supplier Invoices

❤

Document Type

Document Type
Import Nota Fiscal

Sender

Supplier
PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER

Receiver

Company
PUGULK BRAZIL 1 - PUGULK BRAZIL 1

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002019	2/29/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4

Document Text

Document Series	Business Transaction ID	Payment Terms	Site
009 ▾	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0229 - 6755 ▾	91001478	BRL	

Once the Incoming Nota Fiscal cancellation request gets accepted by the Brazilian Tax Authority, cancelled response message will be received, and the Incoming Nota Fiscal will be set to the “Cancelled” state. Refer the appendix for more details on the request JSON file sent to AVALARA.

Incoming Nota Fiscal - 009000002019 Cancelled

Document Type
Import Nota Fiscal

Sender Supplier PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER	Receiver Company PUGULK BRAZIL 1 - PUGULK BRAZIL 1
--	---

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002019	2/29/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4

Document Text

Document Series	Business Transaction ID	Payment Terms	Site
009	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0229 - 6755	91001478	BRL	

SEFAZ Status Code "101" indicates the response file is cancelled and this will be mentioned in the Response file received from AVALARA

LINES ADDRESS GENERAL **NF-E/CT-E INFORMATION**

Nota Fiscal Response

Issue Date	NF-e/CT-e Key	NF-e/CT-e Protocol No	NF-e/CT-e Approval Date
2/29/2024	35240204106230000190550090000020191000...	135240000903070	2/29/2024
NF-e/CT-e Status Code	Return Message		
101	Cancelamento de NF-e homologado		

Refer the Response file details received from AVALARA below.

```

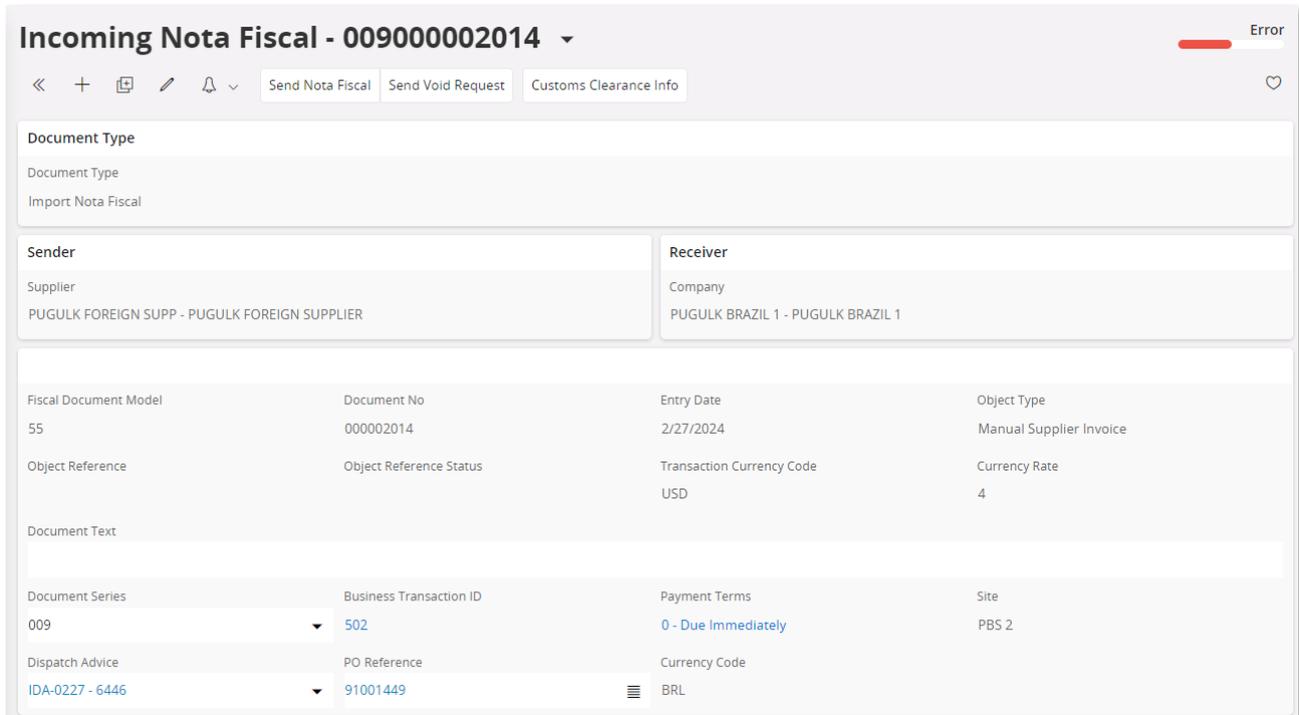
"key": "35240204106230000190550090000020191000000005",
"subscriptionId": "0aa49b97-6be1-46b4-b271-f4efaa221f60",
"status": {
  "code": "101",
  "desc": "Cancelamento de NF-e homologado",
  "protocol": "135240000903070",
  "accessKey": "35240204106230000190550090000020191000000005",
  "authorizationDateTime": "2024-02-29T07:21:57-03:00"
}

```

The handling of Supplier Invoices will not be applicable as the Cancellation Request process happens prior to the "Create Supplier Invoices". Therefore, no manual supplier Invoices will be created for the Cancelled NF.

25.11 Incoming Nota Fiscal – Error Response

Once the request file sent by the Brazilian Company is found with any errors, AVALARA will send an error response to the request. When the return message from the Tax Authority is “Error” the command **Send Void Request** will be available in the **Incoming Nota Fiscal** page.



Incoming Nota Fiscal - 009000002014 Error

Send Nota Fiscal | Send Void Request | Customs Clearance Info

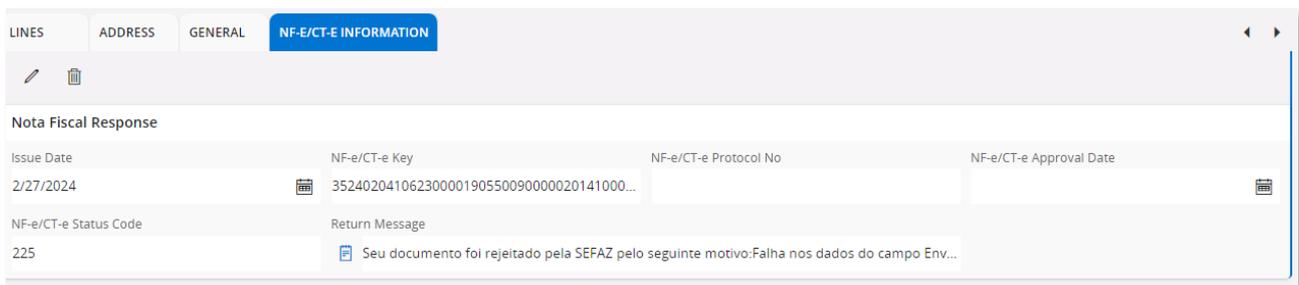
Document Type
Document Type
Import Nota Fiscal

Sender
Supplier
PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER

Receiver
Company
PUGULK BRAZIL 1 - PUGULK BRAZIL 1

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002014	2/27/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4
Document Text			
Document Series	Business Transaction ID	Payment Terms	Site
009	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0227 - 6446	91001449	BRL	

SEFAZ Status Code “225” indicates the response file has an error and this will be mentioned in the Response file received from AVALARA. Status code “225” is one of examples for Error responses that can be received.



LINES | ADDRESS | GENERAL | **NF-E/CT-E INFORMATION**

Nota Fiscal Response

Issue Date	NF-e/CT-e Key	NF-e/CT-e Protocol No	NF-e/CT-e Approval Date
2/27/2024	35240204106230000190550090000020141000...		
NF-e/CT-e Status Code	Return Message		
225	Seu documento foi rejeitado pela SEFAZ pelo seguinte motivo:Falha nos dados do campo Env...		

The company can fix the issue found in such Nota Fiscal and request authorization again.

If the error cannot be rectified the Nota Fiscal must be **Voided**. A void request must be sent and approved by the Tax Authority.

After receiving a void request approval from the tax authority, the NF-e status code will be updated to “Voided” state.

Incoming Nota Fiscal - 009000002014 Voided

Document Type
Import Nota Fiscal

Sender	Receiver
Supplier PUGULK FOREIGN SUPP - PUGULK FOREIGN SUPPLIER	Company PUGULK BRAZIL 1 - PUGULK BRAZIL 1

Fiscal Document Model	Document No	Entry Date	Object Type
55	000002014	2/27/2024	Manual Supplier Invoice
Object Reference	Object Reference Status	Transaction Currency Code	Currency Rate
		USD	4
Document Text			
Document Series	Business Transaction ID	Payment Terms	Site
009	502	0 - Due Immediately	PBS 2
Dispatch Advice	PO Reference	Currency Code	
IDA-0227 - 6446	91001449	BRL	

Status Code “102” indicates the response file is voided and this will be mentioned in the Response file received from AVALARA.

LINES ADDRESS GENERAL **NF-E/CT-E INFORMATION**

Nota Fiscal Response

Issue Date	NF-e/CT-e Key	NF-e/CT-e Protocol No	NF-e/CT-e Approval Date
2/27/2024	35240204106230000190550090000020141000...	135240000903217	2/29/2024
NF-e/CT-e Status Code	Return Message		
102	Inutilização de número homologado		

26 Incoming Nota Fiscal for Services

26.1 Overview Legal Requirement

In Brazil, it's a legal requirement to issue a Nota Fiscal to register a transfer of ownership or possession of a good or a commercial activity provided by a company to an individual or another company that is doing business in Brazil. The Nota Fiscal must be authorized by the Brazilian Tax Authority by the service provider, and the authorized Nota Fiscal will be issued to the recipient company.

In situations where the Nota Fiscal records monetary value transfer between the parties, the Nota Fiscal is also intended for the collection of taxes and non-use features tax evasion.

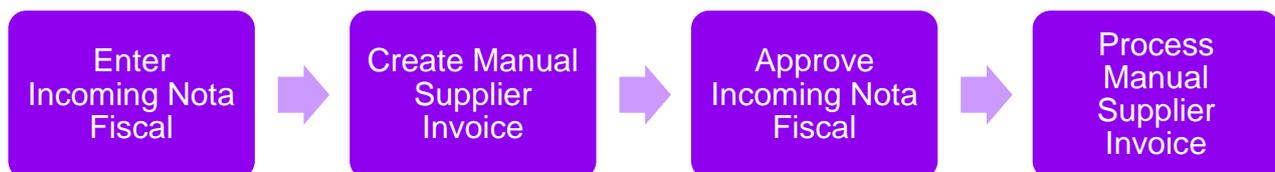
26.2 Business Objectives

The primary business objective here is to enable a new Incoming Nota Fiscal type for Services in the **Incoming Nota Fiscal** page to support for services related business activities in Brazil.

This also seeks to support for the Tax handling in Incoming Nota Fiscal for Services, specifically in relation with Tax Withholding.

26.3 Process Overview

In IFS Cloud, Service Incoming Nota Fiscal could be entered manually by using the **Incoming Nota Fiscal** Page. User can enter an Incoming Nota Fiscal based on the DANFe document received from the supplier.



Note: Receiving the Incoming Nota Fiscal Automatically (NF-e), using the External Supplier Invoice Flow is not supported for the Incoming NF for Services flow. Each city in Brazil has the freedom to develop its own layouts for the files. Since Brazil has over 5000 cities and there is no standardized, unified layout that can be applied to facilitate the automatic upload process, in this solution, only the *manual entry of Service NF* is supported.

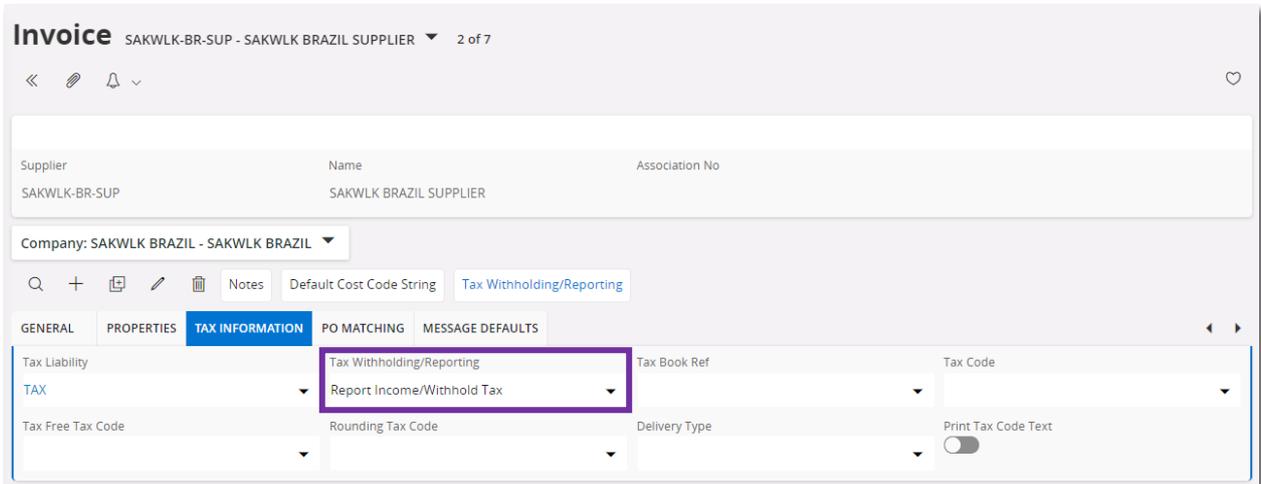
26.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the "Incoming Nota Fiscal" parameter must be enabled.

The supplier must be enabled for Tax Withholding in *Application Base Setup/Enterprise/Supplier/Invoice/Tax Information* tab.

26.5 Define Basic Data

The supplier must be enabled for Tax Withholding in *Application Base Setup/Enterprise/Supplier/Invoice/Tax Information/ Tax withholding Reporting* tab.



Invoice SAKWLK-BR-SUP - SAKWLK BRAZIL SUPPLIER 2 of 7

Supplier: SAKWLK-BR-SUP | Name: SAKWLK BRAZIL SUPPLIER | Association No:

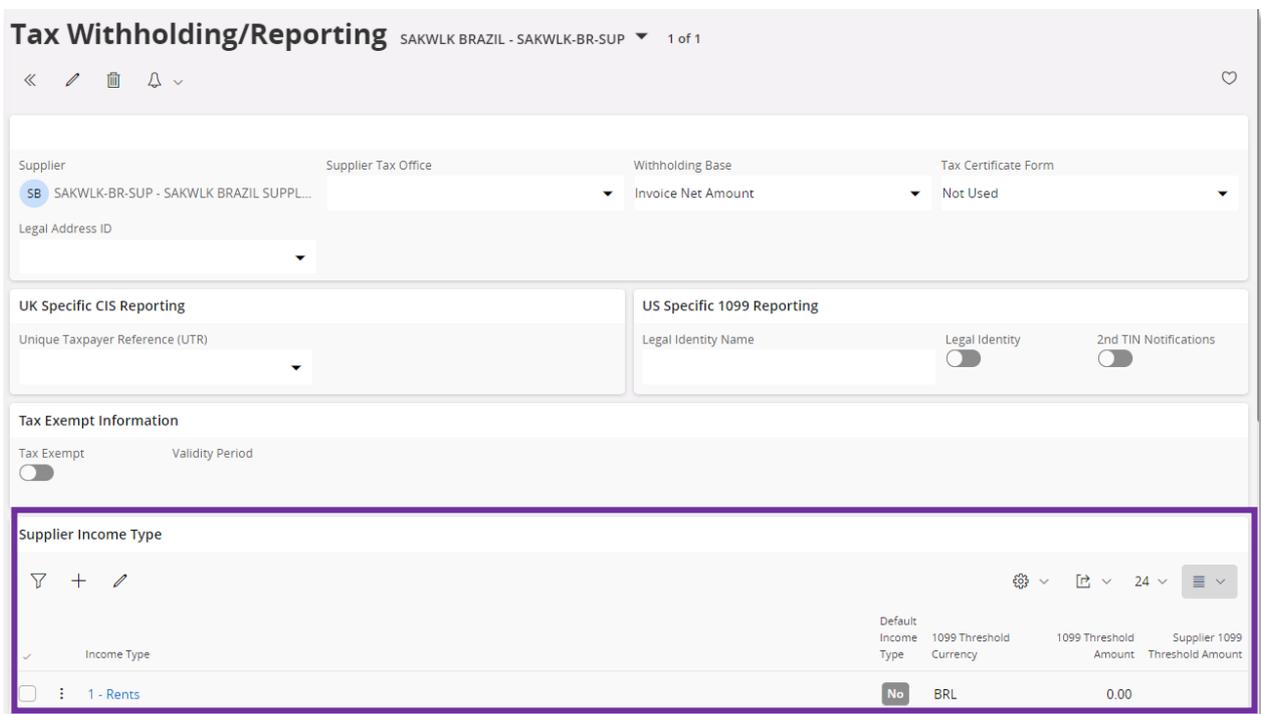
Company: SAKWLK BRAZIL - SAKWLK BRAZIL

Buttons: Notes, Default Cost Code String, Tax Withholding/Reporting

Tabs: GENERAL, PROPERTIES, **TAX INFORMATION**, PO MATCHING, MESSAGE DEFAULTS

Tax Liability: TAX | Tax Withholding/Reporting: Report Income/Withhold Tax | Tax Book Ref: | Tax Code: | Tax Free Tax Code: | Rounding Tax Code: | Delivery Type: | Print Tax Code Text:

Define a default income type for Tax Withholding from the **Tax Withholding/Reporting** command in the header.



Tax Withholding/Reporting SAKWLK BRAZIL - SAKWLK-BR-SUP 1 of 1

Supplier: SB SAKWLK-BR-SUP - SAKWLK BRAZIL SUPPL... | Supplier Tax Office: | Withholding Base: Invoice Net Amount | Tax Certificate Form: Not Used

Legal Address ID: | UK Specific CIS Reporting: Unique Taxpayer Reference (UTR): | US Specific 1099 Reporting: Legal Identity Name: | Legal Identity: | 2nd TIN Notifications:

Tax Exempt Information: Tax Exempt: | Validity Period: | Supplier Income Type:

Income Type	Default Income Type	1099 Threshold Currency	1099 Threshold Amount	Supplier 1099 Threshold Amount
1 - Rents	No	BRL	0.00	

Define Tax Codes related to Brazilian specific Tax Withholding, tax type categories in **Accounting Rules/ Tax/ Tax Codes** page.

✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amount Limit in Accounting Currency	Tax Reporting Category	Tax Type Category
<input type="checkbox"/>	COFINS/RF 10	COFINS/RF 10%	Tax Withhold	10	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	COFINS/RF
<input type="checkbox"/>	CSLL/RF 10	CSLL/RF 10%	Tax Withhold	10	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	CSLL/RF
<input type="checkbox"/>	ICMS/RF 5	ICMS/RF 5%	Tax Withhold	5	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	ICMS/RF
<input type="checkbox"/>	INSS/AR 15	INSS/AR 15%	Tax Withhold	15	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	INSS/AR
<input type="checkbox"/>	INSS/RF 12	INSS/RF 12%	Tax Withhold	12	100	10/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	INSS/RF
<input type="checkbox"/>	IRRF 10	IRRF 10%	Tax Withhold	10	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	IRRF
<input type="checkbox"/>	ISS/RF 7	ISS/RF 7%	Tax Withhold	7	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	ISS/RF
<input type="checkbox"/>	PIS/RF 3%	PIS/RF 3%	Tax Withhold	3	100	9/1/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	PIS/RF
<input type="checkbox"/>	W10	WHT 10%	Tax Withhold	10	100	11/23/2017	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	None
<input type="checkbox"/>	WHT12	WHT 12%	Tax Withhold	12	100	12/15/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	None
<input type="checkbox"/>	WHT15	WHT 15%	Tax Withhold	15	100	12/15/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price		None	None

26.6 Enter Incoming Nota Fiscal Manually – Using Nota Fiscal Page

Create Incoming Nota Fiscal manually using **Financials/Financial e-Reporting/Incoming Nota Fiscal** page. Select the Document Type as Services Nota Fiscal from the list. For this purpose, you can use Services NF document as the reference. Complete the Incoming NF header level information and save the header.

Incoming Nota Fiscal - ▾

Document Type
 Document Type
 Services Nota Fiscal

Nota Fiscal
 Bill of Lading
 Customer Return Nota Fiscal
 Import Nota Fiscal
Services Nota Fiscal

Receiver
 Company
 SAKWLK BRAZIL - SAKWLK BRAZIL

Fiscal Document Model
 Document No
 Invoice Date
 12/20/2023

Object Type
 Manual Supplier Invoice
 Object Reference
 Object Reference Status
 Currency Rate
 1

Document Text

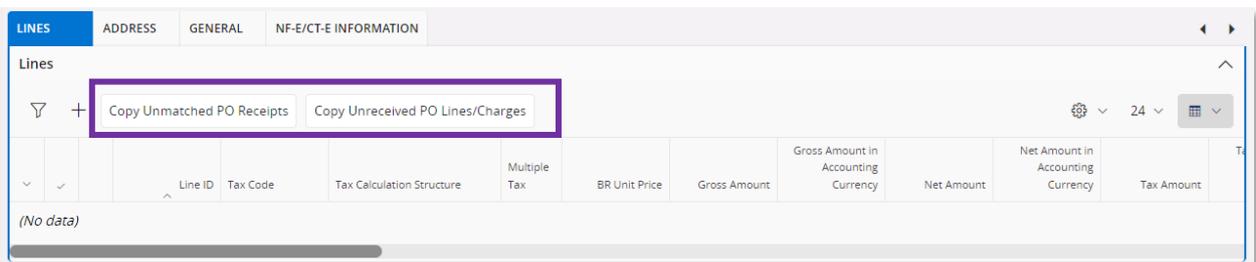
Business Transaction ID
 Payment Terms
 Site
 PO Reference

Currency Code

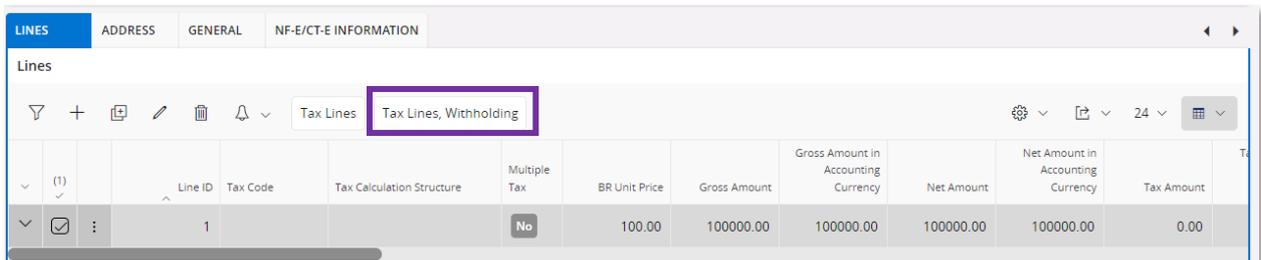
*Note: If there are connected POs make sure that the relevant Purchase Order number (or numbers) is entered in the field **PO Reference** in Incoming Nota Fiscal.*

Enter the Incoming Nota Fiscal lines information referring the Services NF Received and save the lines.

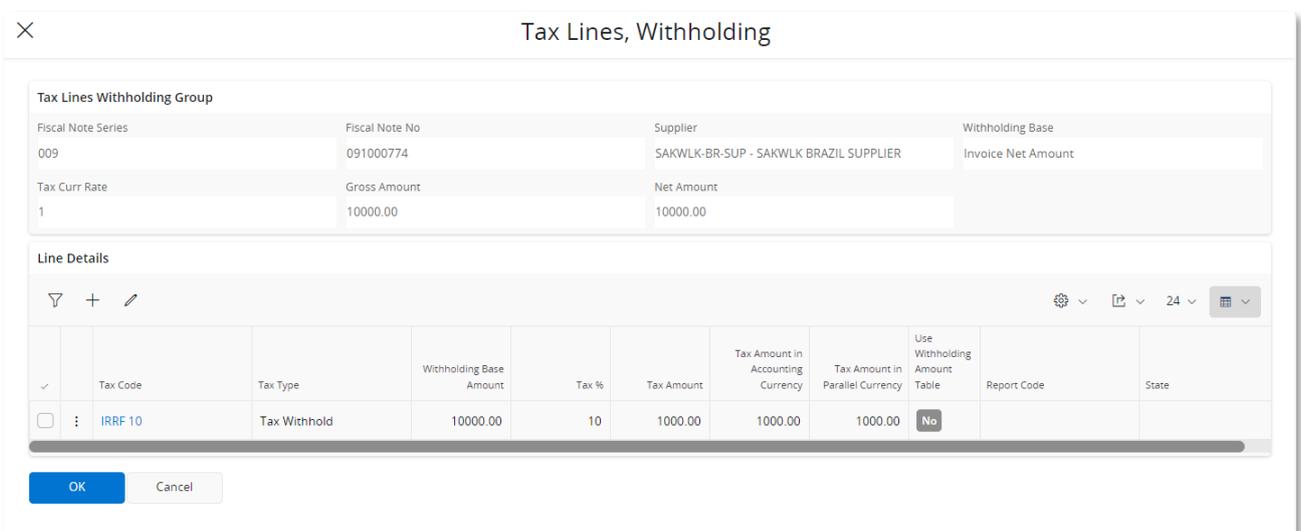
Note: If there is a connected PO reference in the NF header, the core application functionalities “Copy Unmatched PO receipts” and “Copy Unreceived PO Lines” can be used to create non-Inventory related Incoming Nota Fiscal lines.



Once the lines are saved, the newly introduced **Tax Lines, Withholding** command will be enabled.

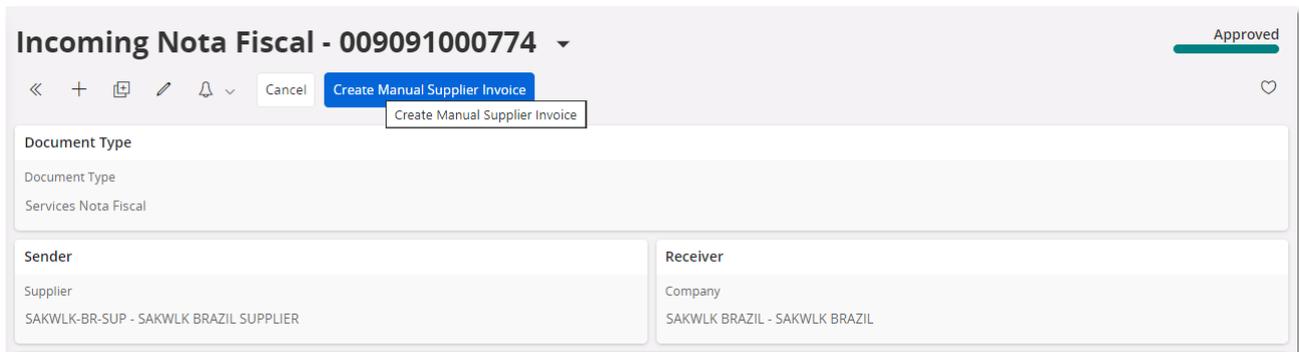


Enter the Tax Withholding Information by referring the Service NF document and save the line information.



Note: The default Tax Withholding Codes given for the supplier in Supplier/Invoice/Tax Information/ Tax withholding Reporting/ Default Tax Withholding Codes will not be copied to the “Tax Lines, Withholding” dialog. The user needs to manually enter the Tax Withholding Codes for each Nota Fiscal item.

Once done, Approve the Incoming NF and create Manual Supplier Invoice by using the command **Create Manual Supplier Invoice**.



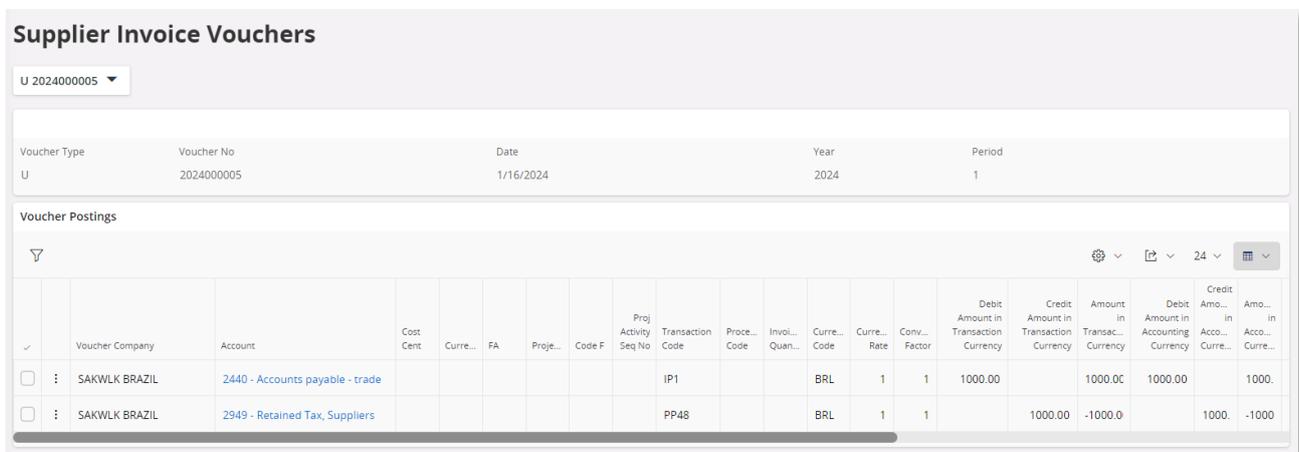
26.7 Post Invoice

Follow the IFS standard process to post the Supplier invoice.

26.8 Invoice Postings

A “U Voucher” in addition to the “I Voucher” will be created to record the Tax Withholding postings in Supplier Invoice.

Note: This is the IFS standard core process to post the Tax Withholding in Supplier invoice level.



Voucher Type	Voucher No	Date	Year	Period
U	2024000005	1/16/2024	2024	1

✓	Voucher Company	Account	Cost Cent	Curre...	FA	Proje...	Code F	Proj Activity Seq No	Transaction Code	Proce...	Invoi... Quan...	Curre... Code	Curre... Rate	Conv... Factor	Debit Amount in Transaction Currency	Credit Amount in Transaction Currency	Amount in Transac...	Debit Amount in Accounting Currency	Credit Amo... in Acco...	Amo... in Acco...
<input type="checkbox"/>	SAKWLK BRAZIL	2440 - Accounts payable - trade							IP1			BRL	1	1	1000.00		1000.00	1000.00		1000.
<input type="checkbox"/>	SAKWLK BRAZIL	2949 - Retained Tax, Suppliers							PP48			BRL	1	1		1000.00	-1000.00		1000.	-1000

27 Boleto – Bank Collection Bill

27.1 Overview Legal Requirement

Boleto is an accounts receivable document used to receive money from customers. This is not a legal requirement but is a widely used business requirement. This document is a copy of the customer invoice and can be paid in any institution or bank, until the due date.

There are enough key elements in the Boleto so the payer can easily identify all data needed to make the right compensation of the amounts.

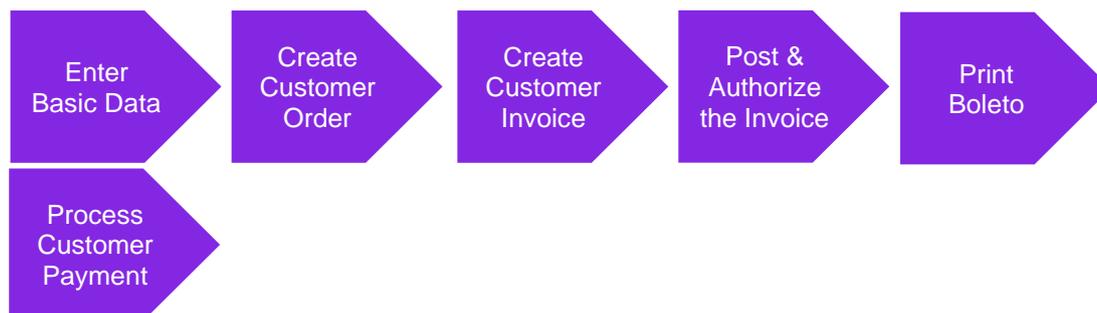
It is estimated that 50 million of Boletos are paid monthly in Brazil.

The system covers Boleto for following Brazilian banks: **Bradesco, Itaú, Santander, Banco do Brasil, and Caixa Econômica Federal.**

27.2 Solution Overview

- Boleto functionality should be enabled on company level and the Payment basic data for specific bank should be defined.
- Boleto could be printed soon after the Customer Invoice is set to the status “PostedAuth”.
- The amount is compensated in the company’s bank account just after the customer process the Boleto’s payment and can be identified manually or automatically by using a file integration (core process).
- Boleto’s layout - Each bank has a specific layout for the Boleto printout. This document describes the solution for bank Bradesco.

27.3 Process Overview



27.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. The ‘Boleto – Bank Collection Bill’ parameter under the **Localization Control Center tab** must be enabled on the *Company/Localization Control Center* tab. The **Customer Invoice Creation Method** field should be set to ‘Brazilian Boleto’ on the *Company/Invoice/General* tab.

27.5 Define Basic Data

Payment Format per Company:

Select the Customer Payment Format Id that will be used to print the Boletto. After selection, the Payment Format it will be available for use in the company.

Payment Formats per Company													
Payment Format ID	Format Description	Used in Company	Allowed Currencies	Payment Party Type	Input/Output Type	Repeatable Output	Format Instruction	Incoming File Template	Outgoing File Template	Payment Advice as a Single Print Job	Generate Payment Advice	Allow Negative Amount	
<input type="checkbox"/>	BR237CUST	Brazilian format for bank BRADE	Yes	BRL	Customer	FILE	Yes	On Plan or Spec Date	CUP_BR_23	CUST_GEN_	No	No	No

Payment Method:

Enter a new Payment Method and connect to Payment Format in **Financials/Payment Basic Data/Cash Book/Payment Methods** page.

Payment Methods					
Payment Method	Description	Format ID	Generate Trace Information	Cash Account In Any Currency	
<input type="checkbox"/>	BR237CUST	Brazilian format for bank BRADESCO, customer	BR237CUST - Brazilian format for bank BRADESCO, customer	Yes	No

Payment Institutes:

Define Payment Institute for bank in **Financials/Payment Basic Data/Cash Book/Payment Institutes** page. The field **Our Identity** should be filled with the number of the bank and respective control digit because it is important information to be printed in the Boletto.

Payment Institutes					
Payment Institute	Our Identity	Description	Use Value Date For Matching	Cash Box	
<input checked="" type="checkbox"/>	BANK	237-7	Bank	Yes	No

Payment Institute Offices:

Define a Payment Institute Office to be used in the Cash Account that will be used to print the Boletto in **Financials/Payment Basic Data/Cash Book/Payment Institute Offices**.

Payment Institute Offices						
Payment Institute	Office Code	Description	Address1	Address2	Address3	
<input type="checkbox"/>	BANK	1234	Bradesco Office			

Cash Account:

After creating Payment Institute and Payment Institute Office it is necessary to create the Cash Account that will be used to print the Boletto in **Financials/Payment Basic Data/Cash Book/Cash Account** page. The field **Short Name** can be used to define the unique identifier of the Cash Account in the system. Fill the **Office Code** column using LOV, the **Account Number** column should be filled with the account number and the control digit of the account, as the picture below:

Cash Accounts											
✓	:	Short Name	Description	Payment Institute	Office Code	Currency	Account Number	Account Reference	BIC/Swift Code	Default Flag	International Cash Account
<input type="checkbox"/>	:	BANK	Bank	BANK	1234	BRL	123456-7			Yes	No

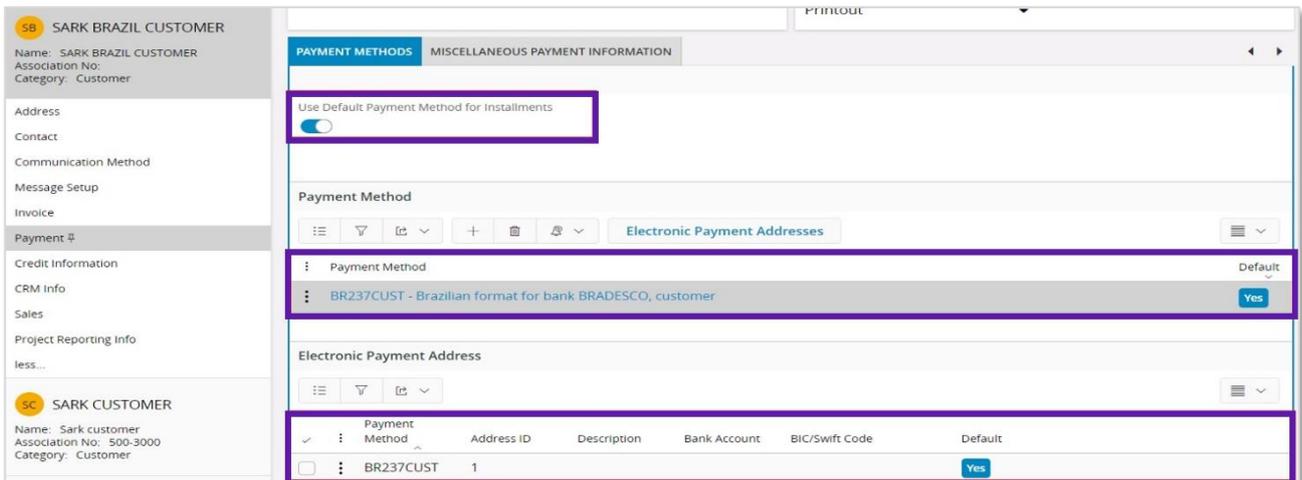
Format Specific Info per Institute:

Make sure that all Boletto definitions are filled in **Financials/Payment Basic Data/Cash Book/Payment Institutes/Payment Methods per Institute/Format Specific Information per Institute**. Enter record in **Format Specific Info per Institute** page using cash account defined previously. This definition can be found in the Bank's documentation related to the layout of the Boletto. Start value mentioned here is the "Our Number" in Boletto layout.

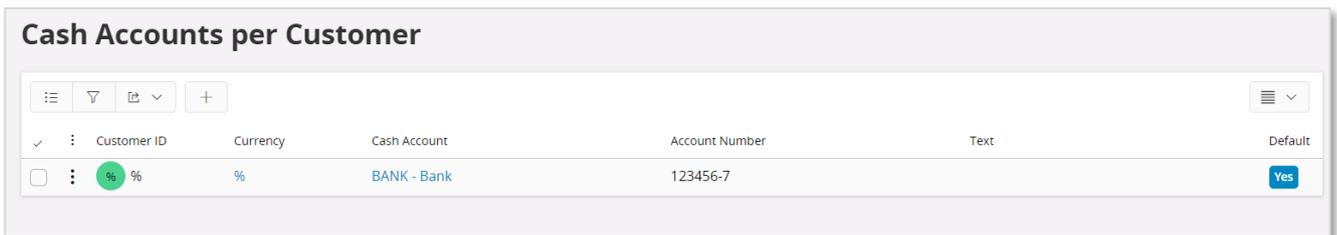
Format Specific Information per Institute - BANK - BR237CUST							
Format ID	License No	Security Type No	Instruction 1	Instruction 2	Control File Seq No	File Seq No	
BR237CUST	190	1			<input checked="" type="checkbox"/>	12	
Accepted	Document Type 1	Document Type 2	Cash Account	Digit Calc. Method	Start Value	End Value	Next Value
N	Real	DT2	BANK	M1	000001	999999	000059

Customer Master Data:

Attach Payment Method to the customer on **Customer/Payment** tab. Make sure that the option **Use Default Method for Installments** is enabled. Further add a line to "Electronic Payment Address" as shown in the screenshot below.



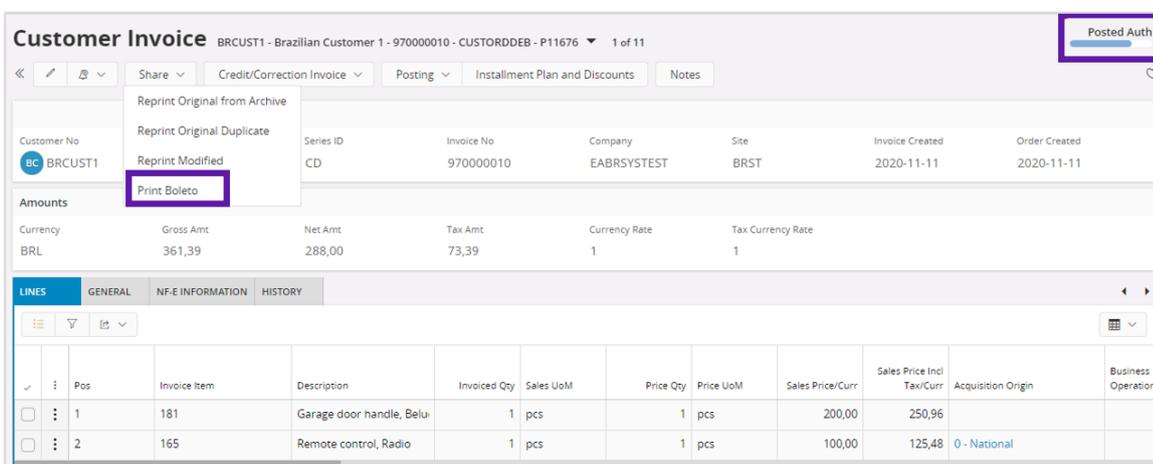
Cash Account per Customer:
 Define Cash Account per customer in **Financials/Payment Basic Data/Cash Book/Cash Accounts/Cash Account per Customer** page. Make sure that the Cash Account that will be responsible for the Boleto's printout is enabled as **Default**.



27.6 Boleto Printout

27.6.1 PRINT BOLETO FROM CUSTOMER INVOICE

When Customer Invoice is in the "PostedAuth" state the "Print Boleto" button is enabled and user can print the Boleto.



Bank						Payer Receipt					
Payer Name: SARK BRAZIL CUSTOMER											
Beneficiary SARK BRAZIL COMPANY			CNPJ / CPF 78.733.562/0001-31			Guarantor			Due Date 16-NOV-20		
Address of Company Caljunto Nova 1024 Bairro 08190-145 São Paulo SP											
Portofolio / Our Number 190/00000000060-5		Portofolio 190	Currency Real		Quantity		Amount		Office / Payee Code 1234/123456-7		
Doc Date 16-NOV-20		Document No 333000001027-1		Currency Document DT2		Accepted N	Processing Date 24-NOV-20		Installment Amount 87.33		
Authentication mechanics											
Bank						[237-7] 23791.23413 90000.000001 60012.345603 7 84410000008733					
Paying Place Can be paid in any Bank Agency.									Due Date 16-NOV-20		
Beneficiary SARK BRAZIL COMPANY			CNPJ / CPF 78.733.562/0001-31			Office / Payee Code 1234/123456-7			Address of Company Caljunto Nova 1024 Bairro 08190-145 São Paulo SP		
Doc Date 16-NOV-20		Document No 333000001027-1		Currency Document DT2		Accepted N	Processing Date 24-NOV-20		Portofolio / Our Number 190/00000000060-5		
Bank Use		Portofolio 190	Currency Real		Quantity		Amount		(*) Document Amount 87.33		
Intruccion (All information in this boleto are the sole responsibility of the Beneficiary).									(-) Discounts / Reductions		
									(+*) Interest and Fine		
									(*) Total Amount		
Payer Name: SARK BRAZIL CUSTOMER			CNPJ / CPF: 58.265.036/0001-87			Address: Rua Alhandra 70 08190-145 São Paulo SP BRAZIL			Guarantor: CNPJ:		
									Code of Payment:		
						Authentication mechanics / COMPENSATION FORM					

27.6.2 BOLETOS MANAGEMENT

The **Boletos Management** page was created to facilitate the use of the Boleto printing functionality, allowing to manage Boleto related data, even if it is already printed and to cancel or print again if necessary. The path is *Financials/Accounts Receivable/Boleto - Bank Collection Bill/ Boletos Management*.

Boletos Management											
✓	:		Customer	Customer Name	Series ID	Invoice No	Official Invoice No	Installment ID	Payment Date	Due Date	Currency
<input type="checkbox"/>	:		SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - SARK B	CD	970000010	333000001008	1	10/5/2020	10/5/2020	BRL
<input type="checkbox"/>	:		SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - SARK B	CD	970000011	333000001010	1	10/13/2020	10/13/2020	BRL
<input type="checkbox"/>	:		SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - SARK B	CD	970000012	333000001011	1	10/13/2020	10/13/2020	BRL

In this page both the IFS Customer Invoice number as well as the Official Invoice number (represented by Nota Fiscal series concatenated with Nota Fiscal number) can be used when searching for Boletos.

27.6.3 BOLETOS HISTORY

Boletos History is a page that contains all the history actions performed on the *Boletos Manager* page. Once a Boletos document is printed, canceled or reprinted, it is possible to follow all the actions and have a complete history simply by analyzing this page.

Boletos History												
✓	:	History ID	User ID	Hist Date	Customer	Customer Name	Printed	Series ID	Invoice No	Official Invoice No	Installment ID	Currency
<input type="checkbox"/>	:	135	SARKLK	11/19/20, 3:55 PM	SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - S		CD	970000030	333000001029	1	BRL
<input type="checkbox"/>	:	134	SARKLK	11/18/20, 10:29 AM	SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - S		CD	970000027	333000001026	1	BRL
<input type="checkbox"/>	:	133	SARKLK	11/18/20, 10:29 AM	SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - S		CD	970000027	333000001026	1	BRL
<input type="checkbox"/>	:	132	SARKLK	11/16/20, 11:54 AM	SARK BRAZIL CUSTOMER	SARK BRAZIL CUSTOMER - S		CD	970000027	333000001026	1	BRL

27.7 Delimitations

Only five Brazilian banks are covered by this solution:

- Bradesco
- Itaú
- Santander
- Banco do Brasil
- Caixa Econômica Federal

28 Self-Billing Invoices in Brazil

28.1 Overview Legal Requirement

In Brazil, it's a legal requirement to receipt a Nota Fiscal for the business transactions related to procurement transactions and referred as Incoming Nota Fiscal. The Nota Fiscal must be authorized by the Brazilian Tax Authority prior to shipment of goods and the printed version of Nota Fiscal (DANFE – Auxiliary Document for e-Nota Fiscal) is used to support the transportation of goods to the recipient's locations.

The Nota Fiscal must be received by the goods recipient before the goods is received into inventory.

All inventory transactions created from procurement must be identified by the Nota Fiscal number and Nota Fiscal item. These references are used when submitting tax reporting to the tax authority at the end of tax period. These references might also be required in Tax Audits. The references are also widely used in the daily operations in Brazilian companies.

Note: The Primary business objective here is to enable the Supplier side Self-Billing functionalities in Brazilian localization to further support the above described, Incoming Nota Fiscal flow.

28.2 Other Business Objectives

1. Enabling the possibility of entering the Incoming Nota Fiscal prior to the goods arrival.
2. Enable direct cross reference between Incoming NF, Receipt Reference and Supplier Invoice by automatically filling the Receipt Ref as Incoming NF No.

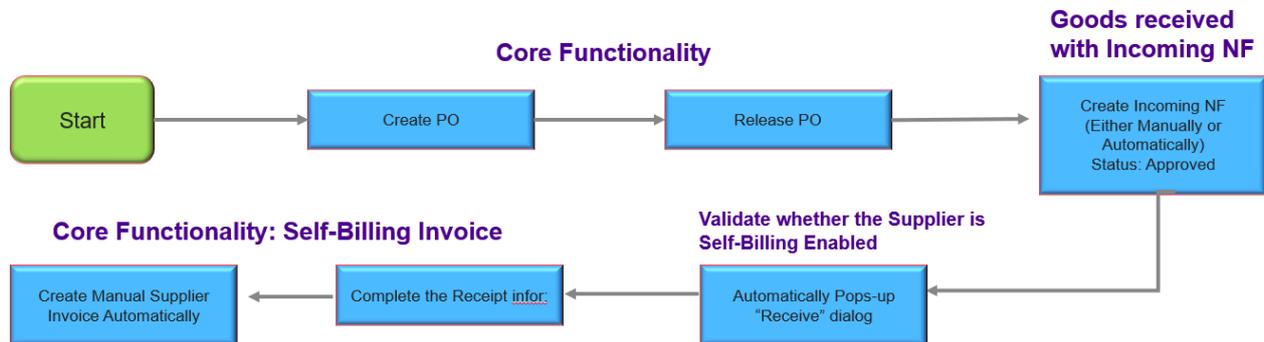
28.3 Process Overview

- a. Enable Supplier for Self-Billing invoicing (Core functionality)

Incoming Nota Fiscal could be received to IFS Cloud in two ways,

- b. Receive Incoming Nota Fiscal either,
 1. Automatically (NF-e) – Using External Supplier Invoice Flow or,
 2. Enter Incoming Nota Fiscal Manually – Using **Incoming Nota Fiscal** Page
- c. Once the Incoming Nota Fiscal is created, application is validate whether the Supplier is Self-Billing enabled and, from the Incoming Nota Fiscal page user can receive the Goods by using the newly introduced option “Receipt Goods”.
- d. Finally, user can create the inventory transactions related to the goods receipt and process Manual Supplier Invoice.

28.4 Process Overview

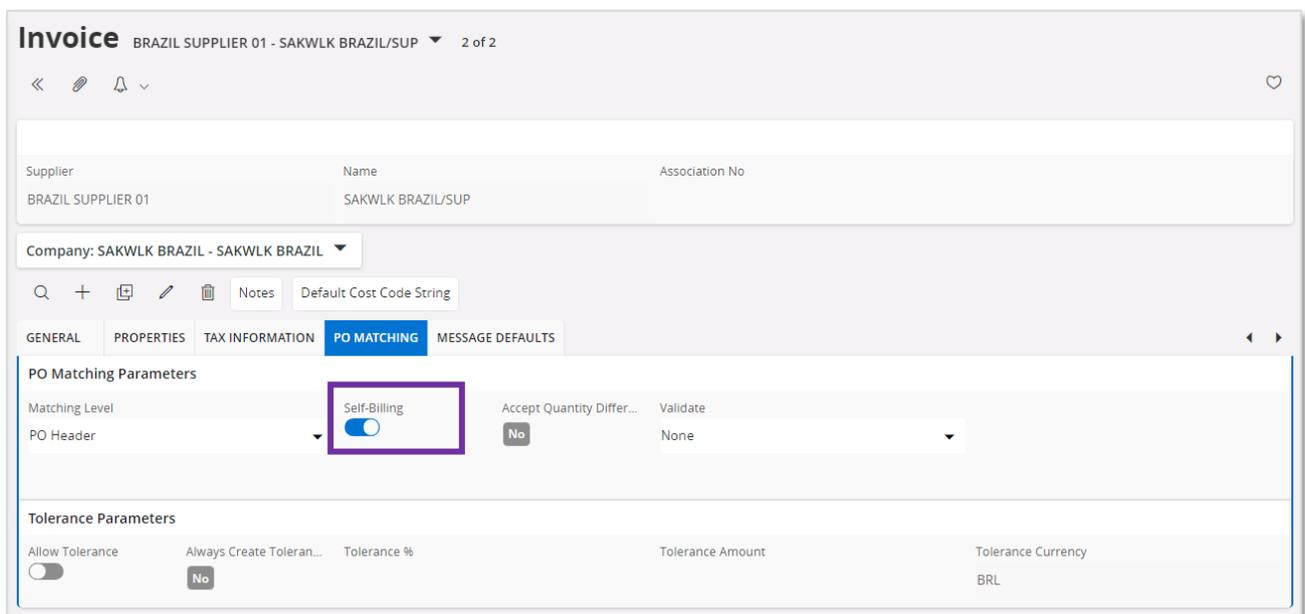


28.5 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. And the "Incoming Nota Fiscal" parameter under the **Localization Control Center** tab must be enabled on the *Company/Localization Control Center* tab. The **Supplier should be enabled for Self-Billing Invoicing**.

28.6 Define basic data

The **Supplier should be enabled for Self-Billing Invoicing**.



The screenshot shows the 'Invoice' configuration screen for 'BRAZIL SUPPLIER 01 - SAKWLK BRAZIL/SUP'. The 'PO MATCHING' tab is selected, and the 'Self-Billing' toggle is turned on. The 'Matching Level' is set to 'Self-Billing'. The 'Accept Quantity Differ...' is set to 'No' and 'Validate' is set to 'None'. The 'Tolerance Parameters' section shows 'Allow Tolerance' turned off, 'Always Create Toleran...' set to 'No', and 'Tolerance Currency' set to 'BRL'.

28.7 Self-Billing: Receive Incoming Nota Fiscal and Supplier Invoice Flow

IFS Cloud standard External Supplier Invoice flow or the manually entering Incoming Nota Fiscal flow could be used in this scenario to facilitate Self billing supplier invoices.

Please refer the details in the process described step by step in related above chapters to how to create Incoming Nota Fiscal in Brazilian context.

28.7.1 CREATE AND HANDLE PURCHASE ORDER

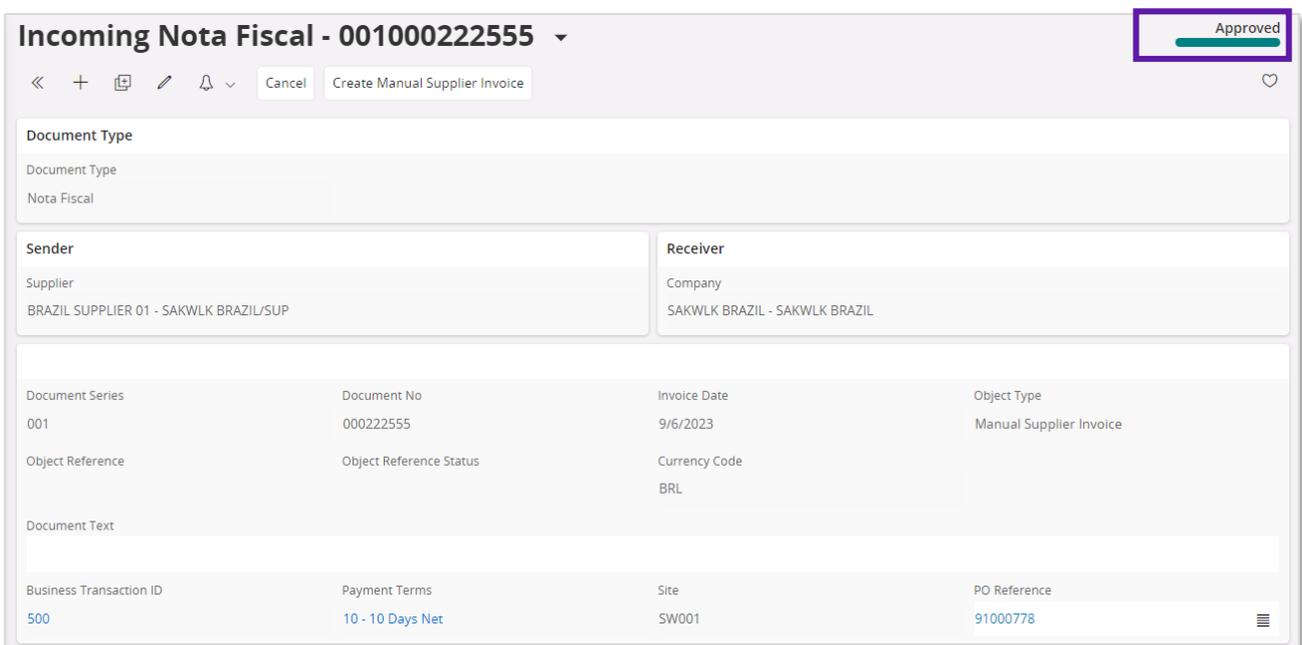
Follow the IFS standard Core process to enter a purchase order for inventory purchase parts in the **Procurement/Order/Purchase Order** page. Release and confirm purchase order.

28.7.2 Receive Incoming Goods and create the Incoming Nota Fiscal (Manually or Automatically)

Use IFS Core External Supplier Invoice flow to load the incoming NF-e XML and create the NFe using **Create Nota Fiscal** command or create an Incoming Nota Fiscal manually.

28.7.3 APPROVE INCOMING NOTA FISCAL

The step of Approve incoming nota fiscal will validate whether the supplier is enabled for self-Billing.



Incoming Nota Fiscal - 001000222555 Approved

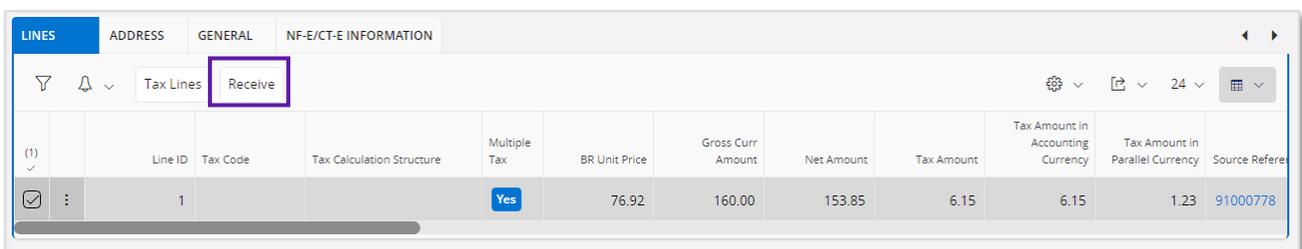
Document Type: Nota Fiscal

Sender: BRAZIL SUPPLIER 01 - SAKWLK BRAZIL/SUP

Receiver: SAKWLK BRAZIL - SAKWLK BRAZIL

Document Series	Document No	Invoice Date	Object Type
001	000222555	9/6/2023	Manual Supplier Invoice
Object Reference	Object Reference Status	Currency Code	
		BRL	
Business Transaction ID	Payment Terms	Site	PO Reference
500	10 - 10 Days Net	SW001	91000778

Further, upon approving the Nota Fiscal, “Receipt” button on the face of the **incoming Nota Fiscal** page will be enabled.



Line ID	Tax Code	Tax Calculation Structure	Multiple Tax	BR Unit Price	Gross Curr Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Source Reference
1			Yes	76.92	160.00	153.85	6.15	6.15	1.23	91000778

28.7.4 RECEIPT DIALOG

User could click the “Receive” button and application will pop up the core “Receive” Dialog facilitating user to enter receipts from this step.

In this step, Incoming Nota Fiscal No will be automatically fetched as the Receipt Reference which will enable direct cross reference between Incoming NF and the Receipt Reference by automatically filling the Receipt Ref as Incoming NF No.

× **Receive**

Received By SAKWLK	Receipt Reference 001000222555	Actual Delivery Date 9/6/23, 12:00 AM	Actual Arrival Date 9/6/23, 12:26 AM
-----------------------	-----------------------------------	--	---

Packing Details

Handling Unit Type ID

Customs Information

Customs Declaration Number

Customs Declaration Date

Print

Print Barcodes

Print Arrival Report

Print Serviceability Tag

Source Ref 1	Source Ref 2	Source Ref 3	Source Ref 4	Site	Part No	Part Description	Input UoM Group	Condition Code	Packing Instruction ID	Alt Handling Unit Label II
91000778	1	1		SW001	SP0001	Brazil Sales Par	No			

OK
Cancel

28.7.5 CREATE MANUAL SUPPLIER INVOICE AUTOMATICALLY

Once the “Receipt” dialog is completed with all required information and click the OK button, Manual Supplier Invoice will be automatically created. (Core Self-Billing functionality).

Sort by ▾

SB BRAZIL SUPPLIER 01 - SAK...

AS 001000222555

Posted

Manual Supplier Invoice

AS - 001000222555 ▾ 1 of 1

Posted

[New Manual Supplier Invoice](#)
[More Information](#)
[Pre Posting](#)
[Installation Plan And Discounts](#)
[View Vouchers](#)
[Purchasing ▾](#)
[Copy and Cancel ▾](#)
[Use Invoice Template](#)

PO Reference 91000778	Receipt Reference AS	Sub Contract Reference 001000222555	Invoice Advice Referen... BRL	Project ID 1	Supplier SB BRAZIL SUPPLIER 01 - SAKWLK BRAZIL/SUP
Invoice Type AUTSUPPINV	Series ID AS	Invoice No 001000222555	Currency Rate 1	Currency Rate 1	Invoice Date 9/6/2023
Pay Term Base Date 9/6/2023	Payment Terms 10 - 10 Days Net	Due Date 9/16/2023	Plan Pay Date 9/16/2023	Payment Reference I	Voucher Type Reference 2023000018
Authorizer ID +	Notes No	Advance Invoice No	Period Allocation No	Pre-posting No	Received Attachments No
	On Hold Installment No				Posting Proposal No
Gross Amount 160.00	Net Amount 153.85	Tax Amount 6.15			

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax A...	Cost Amount
160.00	153.85	6.15	0.00	153.85

28.7.6 SAME CROSS REFERENCE FOR THREE IMPORTANT DOCUMENTS

Once completed, the same reference number should exist for all the three documents: Incoming Nota Fiscal, Receipt Reference and the Manual Supplier Invoice.

28.8 Delimitations

Supplier Self-Billing in Sub Contract Management is not supported in the Project Invoice – Initial Solution.

29 External Brazilian Reporting

29.1 Overview Legal Requirement

In Brazil the Legal Reporting are a mandatory official files that must be send Brazilian Federal Revenue Office. These files are related to taxes, accounting, inventory, services, etc.The official name for the legal reporting is “SPED Project”.

Public Digital Bookkeeping System (Sped). It is a technological solution that formalizes the digital files of taxes and accounting bookkeeping of business systems within a specific and standardized format.

Instituted by Decree No. 6,022, of January 22, 2007, the Public Digital Bookkeeping System (Sped) is part of the Federal Government's Growth Acceleration Program (PAC 2007-2010) and constitutes yet another advance in the computerization of relationship between the tax authorities and taxpayers.

Benefits:

- Reduction of costs with the waiver of issuance and storage of paper documents;
- Elimination of paper;
- Cost reduction with the rationalization and simplification of ancillary obligations;
- Standardization of the information that the taxpayer provides to the different federated units;
- Reduction of involuntary involvement in fraudulent practices;
- Reduction of time spent with the presence of tax auditors at the taxpayer's premises;
- Simplification and streamlining of procedures subject to control by the tax administration (foreign trade, special regimes and transit between states);
- Strengthening control and inspection through the exchange of information between tax administrations;
- Quick access to information;
- Increased auditor productivity by eliminating steps to collect files;
- Possibility of exchanging information between the taxpayers themselves based on a standard layout;
- Reduction of administrative costs;
- Improved quality of information.
- Possibility of crossing between accounting and tax data;
- Availability of authentic and valid copies of the bookkeeping for different and concomitant uses;
- Reduction of the "Brazil Cost";
- Improving the fight against tax evasion;
- Preserving the environment by reducing paper consumption.

Sped Project in Brazil:



On IFS Cloud we will provide some of these reports through integration with Avalara. The reports available are:

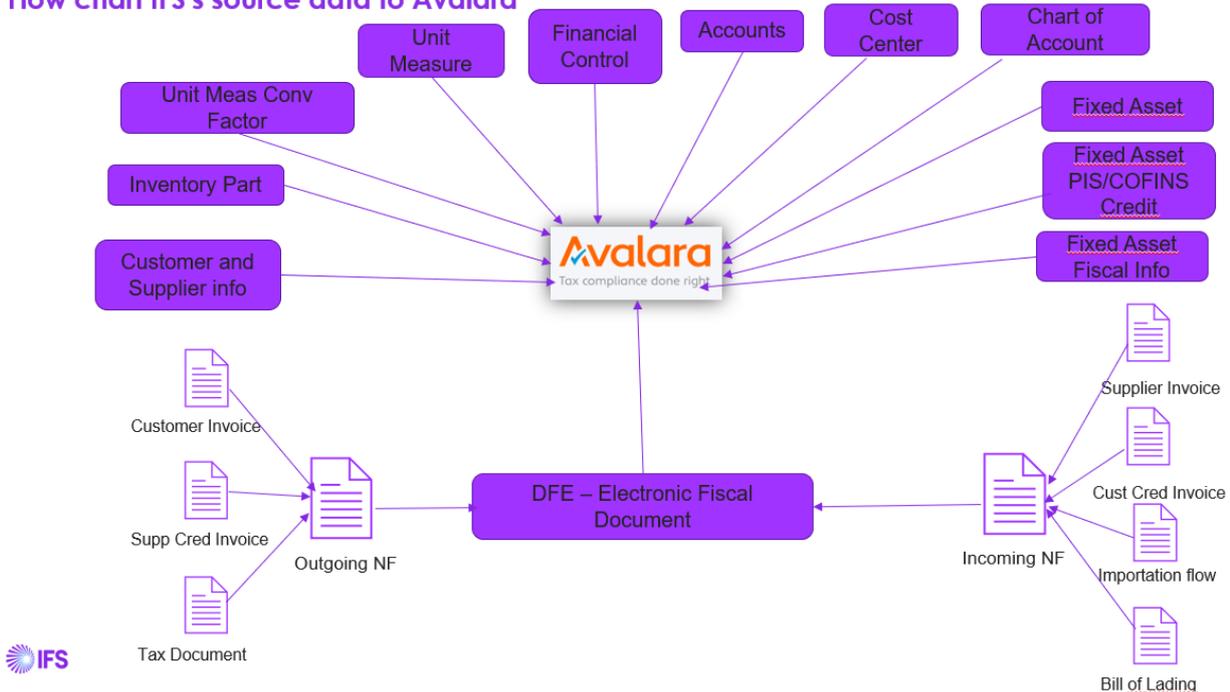
- NF-e – Electronic Nota Fiscal (chapters 19,20)
- CT-e – Bill of Lading (chapter 21)
- EFD ICMS / IPI
- EFD Contribuições
- EFD Reinf
- ECD
- ECF

29.2 Solution Overview

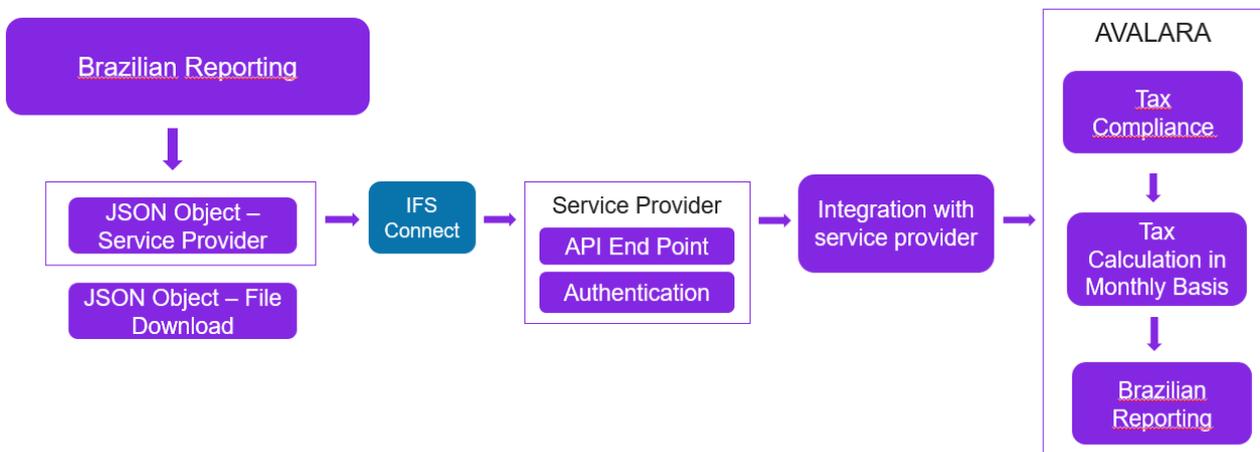
All tax/accounting reporting will be generated by the Avalara partner. Basic and transactional data will be sent from IFS to Avalara.

29.3 Process Overview

Flow chart IFS's source data to Avalara



Flow chart IFS Integration to Avalara



29.4 Prerequisites

The company must be set-up to use Brazilian localization, see the Company Set up chapter. The “Integration to Brazilian External Tax System” parameter under the **Localization Control Center tab** must be enabled on the *Company/Localization Control Center tab*.

29.5 Define basic data

To utilize the IFS integration for Avalara, some basic data set up is required with regards to the Company.

29.5.1 EXTERNAL TAX SYSTEM PARAMETERS

The Avalara Brazil connection information is defined in page **Application Base Setup/Enterprise/Tax/External Tax Systems/External Tax Report Information**.



External Tax Reporting Information AVALARA_BR_TAX_COMPL - Avalara Brazil - Tax Compliance

Service Provider ID: AVALARA_BR_TAX_COMPL
Name: Avalara Brazil - Tax Compliance

Service Provider Connection Information

Client ID: 0aa49b97-6be1-46b4-b271-f4efaa221f60
Client Secret:

Header Information

29.6 Brazilian Reporting

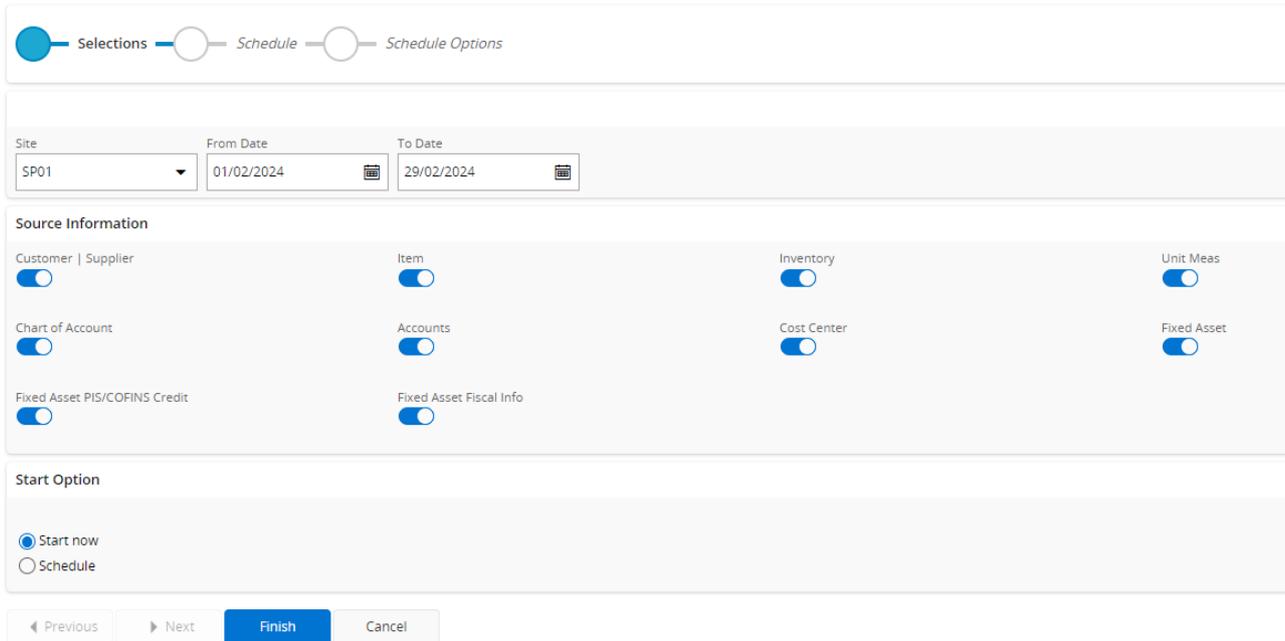
The Brazilian Report support master data and transaction data needed by Avalara

Master Data

- Chart of Account
- Account
- Cost Center for EFD PIS and Cofins
- Customer/Supplier
- Inventory and non-inventory part
- Unit meas/ Unit Meas Conv Factor
- Fixed Asset
- Transaction data needed by Avalara
 - Fiscal Document
 - Incoming Nota Fiscal
 - Outgoing Nota Fiscal
 - Bill of Lading
 - Importation Process(24R2)
 - Inventory Transactions
 - Fixed Asset Pis/Cofins Credit
 - Fixed Asset Fiscal Info

29.6.1 MASTER DATA

29.6.1.1 Go to Financials/Financial e-Reporting/Brazilian Reporting / External Reporting select the Command “New Reporting”.



Can choose to send a single endpoint or all at once. The format of execution can be online or scheduled (background).

After sending the endpoints, they will be available on the **external reporting** page. On this page, we will be able to view the status of the interface and if any correction is necessary and send it again. Possible status is: Created, SentRequest, Error, Partly Completed, Completed.

If an error occurs in one or more endpoints, it will be possible to adjust and send it again through resend reporting.

External Reporting																	
New Reporting																	
Reporting Id	Site	From Date	To Date	Customer Supplier	Item	Inventory	Unit Meas	Chart of Account	Accounts	Cost Center	Fixed Asset	Fixed Asset PIS/COFINS Credit	Fixed Asset Fiscal Info	Created Date	User ID	Schedule Id	Status
172	SP01	01/02/2024	29/02/2024	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	26/02/2024 21:32	MAPEBR		Created
171	SP01	01/01/2024	31/01/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:32	GUNABR		Completed
170	SP01	01/01/2024	31/01/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:21	GUNABR		Completed
169	SP01	01/01/2024	31/01/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:18	GUNABR		Completed
168	SP01	01/02/2024	29/02/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:18	GUNABR		Completed
167	SP01	01/02/2024	29/02/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:17	GUNABR		Completed
166	SP01	01/01/2024	31/01/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:15	GUNABR		Completed
165	SP01	01/01/2024	31/01/2024	No	No	No	No	No	No	No	No	No	Yes	26/02/2024 21:07	GUNABR		Completed
164	SP01	01/01/2024	26/02/2024	No	No	No	No	No	No	No	Yes	No	Yes	26/02/2024 21:06	GUNABR		Completed

29.6.2 FISCAL DOCUMENT

Go to *Financials/Financial e-Reporting/Brazilian Reporting / Fiscal Document Log*:

Fiscal Document Log										
✓		Fiscal Document ID	Fiscal Document Number	Fiscal Document Date	Fiscal Document Status	Fiscal Document Type	Site	Sent Date	Error Text	Status
<input type="checkbox"/>	:	324	001000009	27/02/2024	Approved	Nota Fiscal	SP01	27/02/2024 09:40	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	322	001000007	27/02/2024	Cancelled	Nota Fiscal	SP01	27/02/2024 05:16	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	321	000061006	26/02/2024	Approved	Nota Fiscal	SP01	27/02/2024 02:13		Pending
<input type="checkbox"/>	:	320	125586	27/02/2024	Approved	Nota Fiscal	SP01	27/02/2024 02:05		Pending
<input type="checkbox"/>	:	318	001000005	26/02/2024	Cancelled	Nota Fiscal	SP01	26/02/2024 12:27	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	317	001000004	26/02/2024	Cancelled	Nota Fiscal	SP01	26/02/2024 12:27	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	316	000061005	26/02/2024	Approved	Nota Fiscal	SP01	26/02/2024 12:28		Completed
<input type="checkbox"/>	:	315	001000003	26/02/2024	Approved	Nota Fiscal	SP01	26/02/2024 12:27	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	314	001000002	23/02/2024	Cancelled	Nota Fiscal	SP01	27/02/2024 05:09	"errors":{"localExecucaoService":{"Local Execucao Servico' possui u...	Error
<input type="checkbox"/>	:	313	313	23/02/2024	Approved	Nota Fiscal	SP01	23/02/2024 14:23		Completed

The fiscal document page is filled in for each incoming and outgoing nota fiscal whose status is:

- Incoming Nota Fiscal
 - Approved Status – Will be insert in Avalara System
 - Canceled Status – Will be delete in Avalara System
- Outgoing Nota Fiscal
 - Approved Status – Will be insert in Avalara System
 - Canceled, Voided, Declined Status – Will be change in Avalara System the nota fiscal Status

There are two method calls to integrate the tax document into the Avalara system. The first one is "POST" method which will validate endpoint structure errors and the second method is "GET" which will validate data errors.

The format of execution for both methods are background jobs.

After sending the endpoint, they will be available on the **fiscal document log** page.

On this page, we will be able to view the status of the interface and if any correction is necessary and resend it again. Possible status are: Created, SentRequest, Error, Pending and Completed. The Completed Status is available just after to send GET method.

29.6.3 CIAP BASIC DATA FOR ICMS AND PIS/COFINS CREDIT

29.6.3.1 Overview Legal Requirement

CIAP (Credit Control of Fixed Assets) is a record used within the scope of the Public Digital Bookkeeping System (SPED) in Brazil. SPED is a Brazilian government project that aims to modernize and unify companies' tax and accounting bookkeeping activities.

CIAP is part of Block G of SPED Fiscal, which deals with the Control of ICMS Credit for Permanent Assets. It is used to control and demonstrate ICMS credits related to the company's permanent assets, such as machinery, equipment and other assets used in production activities.

The idea behind CIAP is to allow companies to credit the ICMS paid on the acquisition of permanent assets over time, considering the depreciation of these assets. This way, the company can recover part of the tax paid in previous stages of the production chain. Therefore, the taxpayer who purchases item to compose the asset can use this physical report to perform the calculation of the credit of ICMS to be monthly appropriated referring to the acquisition of good of the fixed asset.

It is important that companies comply with SPED obligations, including correct CIAP basic data, to avoid tax problems and ensure transparency in accounting and tax operations.

Another point that we will also consider are the credits determined based on the acquisition value of goods incorporated into the fixed assets of the legal entity, acquired for use in the production of goods intended for sale, or in the provision of services that, depending on their nature, NCM, destination or date of acquisition, tax legislation allows the right to PIS/COFINS credit based on its acquisition value.

29.6.3.2 Fixed Asset Acquisition Process Overview



29.6.3.3 Fixed Asset Sale Process Overview



29.6.3.4 Fixed Asset Scrapping Process Overview

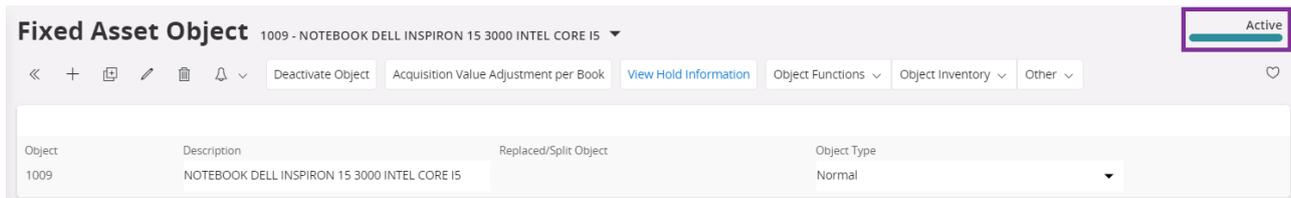


29.6.3.5 Prerequisites

- The company must be set-up to use Brazilian localization, see the Company Set-Up chapter and the “Integration to Brazilian External Tax System”, “Incoming Nota Fiscal” and “Outgoing Nota Fiscal” parameters must be enabled.

29.6.3.6 Define basic data

A Fixed Asset must be registered, and the IFS Cloud core functionalities must be executed until it reaches Active status.

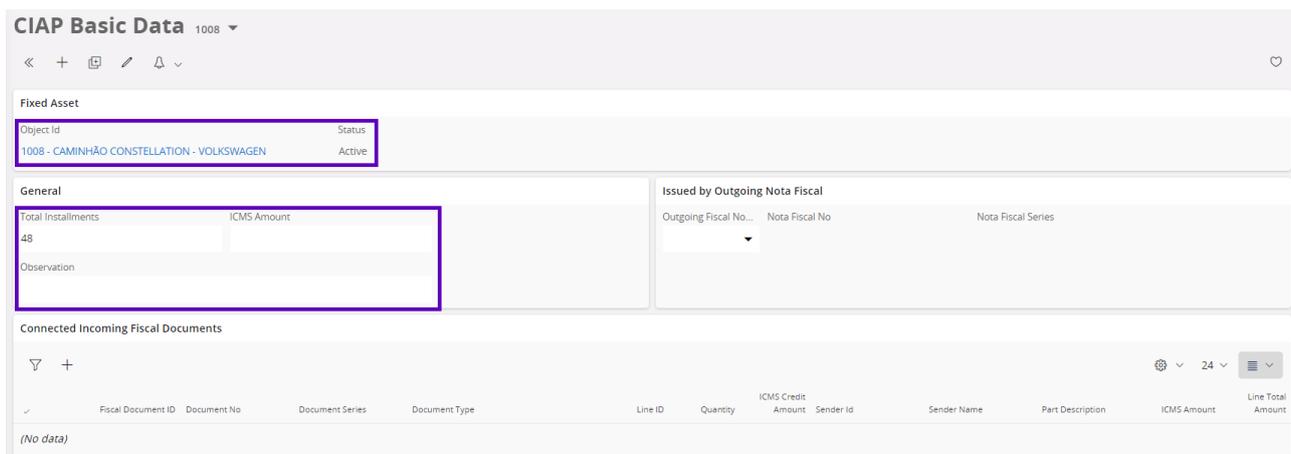


The screenshot shows the 'Fixed Asset Object' configuration page for object 1009. The object description is 'NOTEBOOK DELL INSPIRON 15 3000 INTEL CORE I5'. The status is 'Active', highlighted with a red box. Below the header, there are several buttons: 'Deactivate Object', 'Acquisition Value Adjustment per Book', 'View Hold Information', 'Object Functions', 'Object Inventory', and 'Other'. A table below shows the object details:

Object	Description	Replaced/Split Object	Object Type
1009	NOTEBOOK DELL INSPIRON 15 3000 INTEL CORE I5		Normal

29.6.3.7 CIAP Basic Data

It is necessary to fill below fields on the **Financials/Financial e-Reporting/Brazilian Reporting/CIAP Basic Data** page:



The screenshot shows the 'CIAP Basic Data' configuration page for object 1008. The object description is 'CAMINHÃO CONSTELLATION - VOLKSWAGEN'. The status is 'Active'. The page is divided into several sections:

- Fixed Asset:** Object Id (1008 - CAMINHÃO CONSTELLATION - VOLKSWAGEN) and Status (Active).
- General:** Total Installments (48) and ICMS Amount (empty field).
- Issued by Outgoing Nota Fiscal:** Outgoing Fiscal No., Nota Fiscal No., and Nota Fiscal Series.
- Connected Incoming Fiscal Documents:** A table with columns: Fiscal Document ID, Document No, Document Series, Document Type, Line ID, Quantity, ICMS Credit Amount, Sender Id, Sender Name, Part Description, ICMS Amount, and Line Total Amount. The table is currently empty, showing '(No data)'.

Object Id: Enter the Fixed Asset code which will initiate the credit process for ICMS and PIS/COFINS purposes. Only fixed assets with the Active status will be displayed

Total Installments: Enter the Total Number of Installments that will be used to calculate the CIAP credit by the Avalara partner

ICMS Amount: Enter the total value of ICMS with rights to the tax credit for the fixed asset. This total ICMS value is also automatically filled in, totaling the total ICMS of the notes connected in the Connector Incoming Fiscal Documents session

Observation: Enter a brief description of the function of the asset in the site's activity

It is necessary to enter the incoming fiscal documents received regarding the acquisition of fixed assets in the gridline below:

CIAP Basic Data 1008 ▾

Fixed Asset

Object Id: 1008 - CAMINHÃO CONSTELLATION - VOLKSWAGEN | Status: Active

General

Total Installments: 48 | ICMS Amount: | Issued by Outgoing Nota Fiscal

Outgoing Fiscal No.: | Nota Fiscal No.: | Nota Fiscal Series:

Connected Incoming Fiscal Documents

Fiscal Document ID	Document No	Document Series	Document Type	Line ID	Quantity	ICMS Credit Amount	Sender Id	Sender Name	Part Description	ICMS Amount	Line Total Amount
195	550000005	1	Nota Fiscal	1	5	63000.00	RCA SUPP	RCA SUPP - NF-E E...	Compra Ativo	63000.00	350000

You can connect the incoming fiscal documents to the fixed asset by manually entering information about the **Fiscal Document ID** and the **Line ID** fields. In this case, the remaining information will be automatically filled, both for incoming fiscal documents and for bill of lading.

The **ICMS Credit Amount** field contains the tax credit for given fixed asset in this fiscal note line. The value informed in such column will be added in the **ICMS Amount** field present in the header of the CIAP Basic Data/General tab. In necessary, it is possible to change de value recovered from the respective line of the fiscal note.

You can also modify the information of **Quantity** field in case acquisition of such fixed asset is related to only a part of the total quantity of this item in fiscal note line. The rest can also be connected to another fixed asset if you want.

You can enter the below information if the fixed asset was sold:

CIAP Basic Data 1008 ▾

Fixed Asset

Object Id: 1008 - CAMINHÃO CONSTELLATION - VOLKSWAGEN | Status: Active

General

Total Installments: 48 | ICMS Amount: 63000.00 | Issued by Outgoing Nota Fiscal

Outgoing Fiscal No.: 324 | Nota Fiscal No.: 001000009 | Nota Fiscal Series: 010

Connected Incoming Fiscal Documents

Fiscal Document ID	Document No	Document Series	Document Type	Line ID	Quantity	ICMS Credit Amount	Sender Id	Sender Name	Part Description	ICMS Amount	Line Total Amount
195	550000005	1	Nota Fiscal	1	5	63000.00	RCA SUPP	RCA SUPP - NF-E E...	Compra Ativo	63000.00	350000

Outgoing Fiscal Note Id: Enter the Fiscal Note Id of the fixed asset sold

All basic and transaction data must be verified in the Avalara software and after the transaction data has been sent, check in the PVA available of the Brazilian Federal Revenue Office.

30 Brazilian Payment Formats

30.1 Overview Requirement

Brazilian payment formats are used to exchange Customer and Supplier financial information between companies and banks to process payments. Electronic files are generated by using the external files functionality.

There are two payment format processes, one for Customer communication and another one for Supplier communication. The purpose of this communication is to send and receive payment information from suppliers and customers to process such payments automatically.

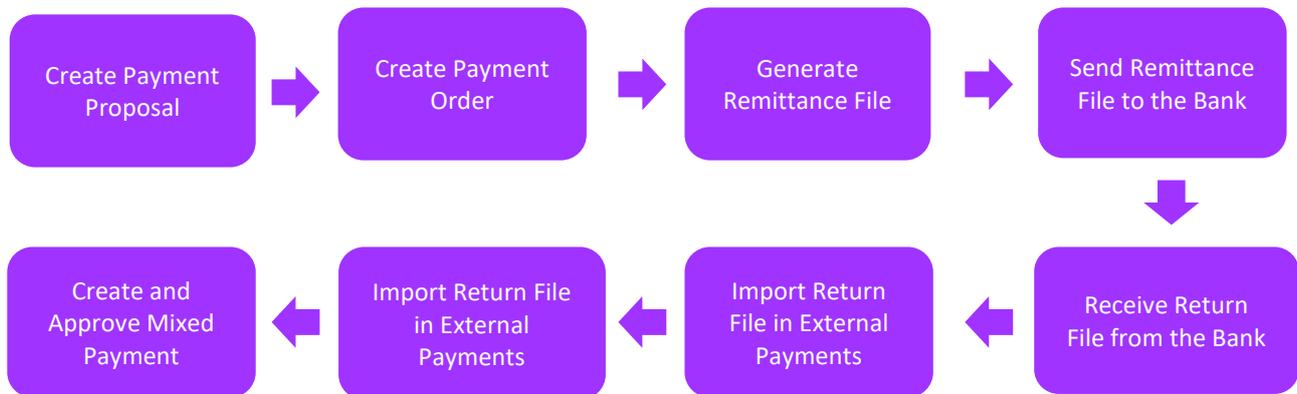
The system covers the following Brazilian banks: **Bradesco, Itaú, Santander, Banco do Brasil, and Caixa Econômica Federal.**

30.2 Solution

This solution consists of outgoing and incoming file templates created by using the **External File** functionality. Below are the details about the available layout structures:

BANK	PARTY TYPE	PAYMENT FORMAT	DIRECTION FILE	FILE TEMPLATE	FILE TYPE	FILE LENGTH
BRADESCO	SUPPLIER	BR237SUP	REMITTANCE	SUP_GEN_BR_237_CP	BrPayment237Cp	500
			RETURN	SRF_BR_237_CP	ExtSuppPaymRet	
	SUPPLIER	BR237SUP240	REMITTANCE	CUST_GEN_BR_237_240_CR	BrPayment237Cp	240
			RETURN	CUP_BR_237_240_CR	ExtSuppPaymentRet240	
	CUSTOMER	BR237CUST	REMITTANCE	CUST_GEN_BR_237_CR	GenCustPaymentBr	400
			RETURN	CUP_BR_237_CR	ExtCustPayment	
ITAÚ	SUPPLIER	BR341SUP	REMITTANCE	SUP_GEN_BR_341_CP	BrPayment341Cp	240
			RETURN	SRF_BR_341_CP	ExtSuppPaymentRet240	
	CUSTOMER	BR341CUST	REMITTANCE	CUST_GEN_BR_341_CR	GenCustPaymentBr341	400
			RETURN	CUP_BR_341_CR	ExtCustPayment	
BANCO DO BRASIL	SUPPLIER	BR001SUP240	REMITTANCE	SUP_GEN_BR_001_CP	BrPayment240Cp	240
			RETURN	SRF_BR_001_CP	ExtSuppPaymentRet240	
	CUSTOMER	BR001P240CUST	REMITTANCE	CUST_BR_001_240_CR	BrPayment240Cr	240
			RETURN	CUP_BR_001_240_CR	BrPayment240CrRet	
SANTANDER	SUPPLIER	BR033SUP	REMITTANCE	SUP_GEN_BR_033_CP	BrPayment240Cp	240
			RETURN	SRF_BR_033_CP	ExtSuppPaymentRet240	
	CUSTOMER	BR033CUST	REMITTANCE	CUST_GEN_BR_033_CR	GenCustPaymentBr033	400
			RETURN	CUP_BR_033_CR	ExtCustPayment	
CAIXA ECONÔMICA	SUPPLIER	BR104SUP240	REMITTANCE	SUP_GEN_BR_104_CP	BrPayment240Cp	240
			RETURN	SRF_BR_104_CP	ExtSuppPaymentRet240	
	CUSTOMER	BR104P240CUST	REMITTANCE	CUST_BR_104_240_CR	BrPayment240Cr	240
			RETURN	CUP_BR_104_240_CR	BrPayment240CrRet	

The below process is used in the system to handle both customer and supplier payments, no matter what the payment format used.



This document will describe the solution for **Banco do Brasil** Bank. Users can follow the same process for other banks as well.

30.3 Prerequisites

The company must be set up to use Brazilian localization, see the [Company Set up](#) chapter. The **'Brazilian Payment Formats'** parameter under the **Localization Functionality** section must be enabled on the **Company/Localization Control Center** tab to use Banco do Brasil, Caixa Economica, and Santander payment formats whereas Itau and Bradesco payment formats are implemented as a core solution.

To run the Customer process all basic data relevant to the Boleto process must be defined before starting the communications with the banks. Further, it is necessary to print the Boleto if the company has this process. Unpaid customer ledger items that match the Customer Payment Proposal loading criteria specified must exist.

To run the Supplier process, unpaid supplier ledger items that match the Supplier Payment Proposal loading criteria specified must exist.

30.4 Basic Data

All Basic Data stated in Boleto – Bank Collection Bill chapter 28 are necessary to set up before starting the remittance and return file generation for customer payments. In this section, additional basic data necessary to run remittance and return files for supplier payments are provided.

Enter all necessary **Payment Instruction Codes** that will be used during the communication with the bank in the **Financials/Payment Basic Data/Cash Book/Payment Instruction Codes** page.

Financials > Payment Basic Data > Cash Book > Payment Instruction Codes

Payment Instruction Codes

Country	Identity Type	Identity	Description
BRAZIL	Entry	01	Credit Account
BRAZIL	Entry	03	DOC
BRAZIL	Entry	08	TED
BRAZIL	Entry	41	TED ITAU
BRAZIL	Entry	30	Boleto same bank
BRAZIL	Entry	31	Boleto Different Banks
BRAZIL	Entry	13	Bills
BRAZIL	Condition	1	License No/Our Number
BRAZIL	Condition	2	Agency/Account/License No/Our Number
BRAZIL	Entry	5	Savings Account Credit

Define **Payment Method** in **Financials/Payment Basic Data/Cash Book/Payment Institutes/Payment Methods per Institute** page.

Financials > Payment Basic Data > Cash Book > Payment Institutes > Payment Methods per Institute

Company DEMO BRAZIL 3

Payment Methods per Institute

BANCO DO BRASIL - BANCO DO BRASIL 1 of 1

Payment Method	Bank Transaction Code	Output File Name
BR001P240CUST - BR001P240CUST	* - IFS Bank Transaction Code	BR001P240CUST.DAT
BR001SUP BB - BR001SUP BB	* - IFS Bank Transaction Code	BR001SUP BB.DAT

Define **Format Specific Info per Institute** for the payment method in **Financials/Payment Basic Data/Cash Book/Payment Institutes/Payment Methods per Institute/ Format Specific Info per Institute** page.

The below information might differ from one payment format to another and should be filled according to the bank layout definitions and specifications.

Information specific to a particular Payment Method and Payment Institute. The information required depends on the Payment Format connected to the Payment Method. This field is defined on the **Client Mapping** page.

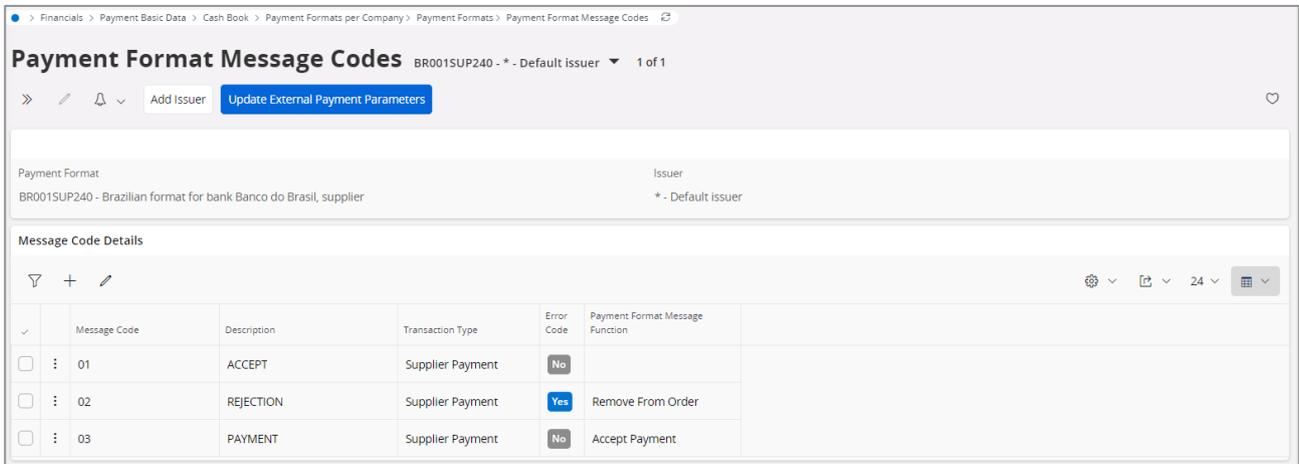
Financials > Payment Basic Data > Cash Book > Payment Institutes > Payment Methods per Institute > Format Specific Information per Institute - BANCO DO BRASIL - BR001SUP BB

Company DEMO BRAZIL 3

Format Specific Information per Institute - BANCO DO BRASIL - BR001SUP BB

Format ID	Boleto Diff Bank Entry Code	Boleto Same Bank Entry Co...	TED Entry Code	DOC Entry Code	Current Account Credit Entr...	Utility Bills Entry Code	Control File Seq No
BR001SUP240	31	30	08	03	01	13	<input type="checkbox"/>
File Seq No	Limit Amount						

Define return **Message Codes** for each Format ID in **Financials/Payment Basic Data/Cash Book/Payment Formats per Company/Payment Formats/Payment Format Message Codes** page.



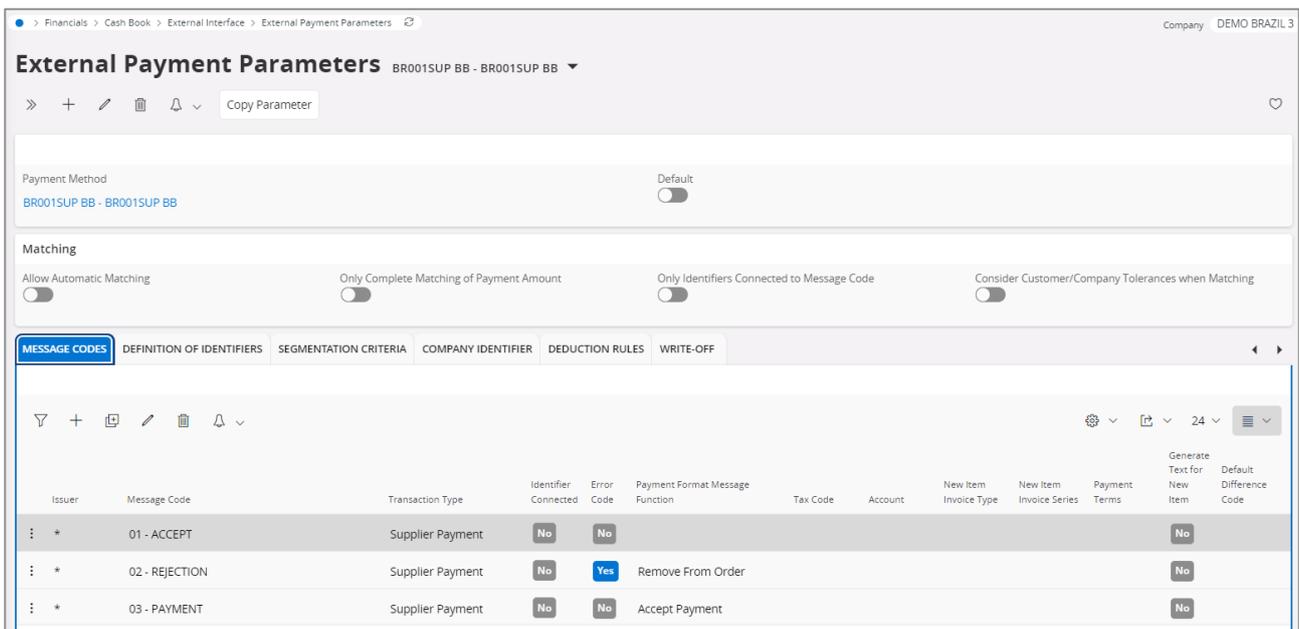
Payment Format Message Codes BR001SUP240 - * - Default issuer 1 of 1

Payment Format: BR001SUP240 - Brazilian format for bank Banco do Brasil, supplier
Issuer: * - Default issuer

Message Code Details

Message Code	Description	Transaction Type	Error Code	Payment Format Message Function
01	ACCEPT	Supplier Payment	No	
02	REJECTION	Supplier Payment	Yes	Remove From Order
03	PAYMENT	Supplier Payment	No	Accept Payment

Related to the return file creation setup, connect the payment method to the **External Payment Parameters** page in the **Financials/Cash Book/External Interface/External Payment Parameters** page.



External Payment Parameters BR001SUP BB - BR001SUP BB

Payment Method: BR001SUP BB - BR001SUP BB (Default)

Matching

Allow Automatic Matching: Only Complete Matching of Payment Amount: Only Identifiers Connected to Message Code: Consider Customer/Company Tolerances when Matching:

MESSAGE CODES DEFINITION OF IDENTIFIERS SEGMENTATION CRITERIA COMPANY IDENTIFIER DEDUCTION RULES WRITE-OFF

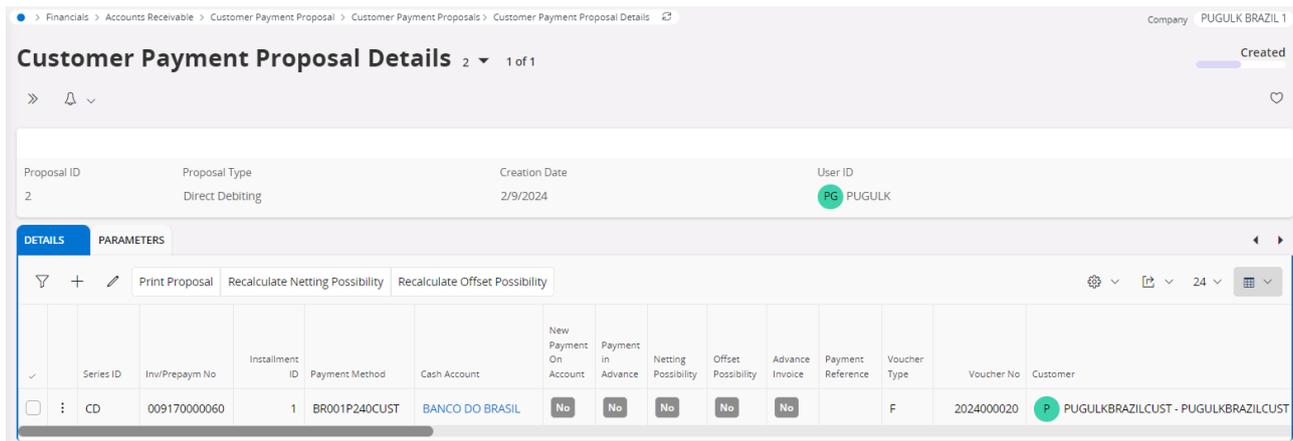
Issuer	Message Code	Transaction Type	Identifier Connected	Error Code	Payment Format Message Function	Tax Code	Account	New Item Invoice Type	New Item Invoice Series	Payment Terms	Generate Text for New Item	Default Difference Code
*	01 - ACCEPT	Supplier Payment	No	No							No	
*	02 - REJECTION	Supplier Payment	No	Yes	Remove From Order						No	
*	03 - PAYMENT	Supplier Payment	No	No	Accept Payment						No	

30.5 Customer File Generation

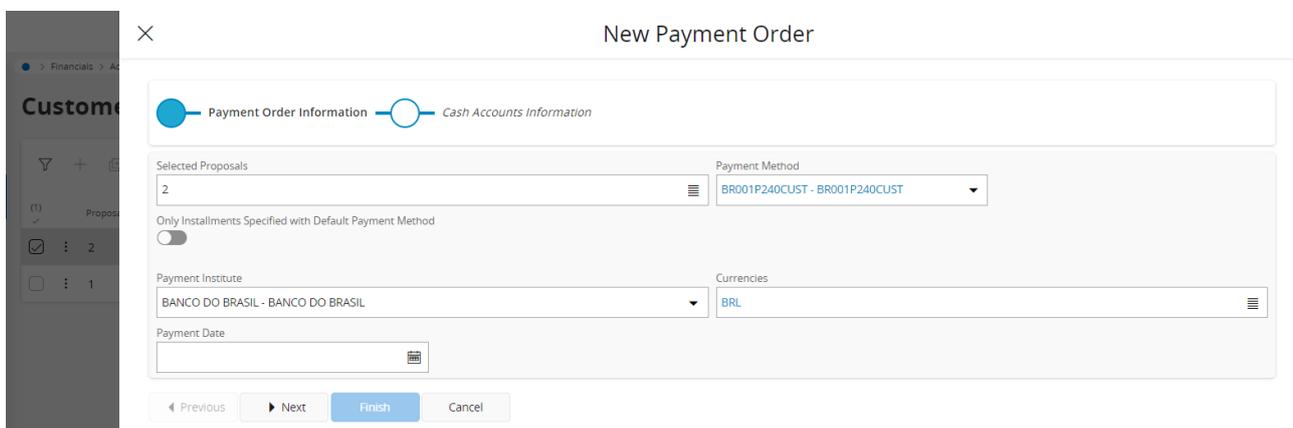
After printing Boletos, it is necessary to generate the Customer Payment Proposal to select the invoices that will be sent to the bank.

Create Customer Payment Proposal in **Financials/Accounts Receivable/Customer Payment Proposal/Customer Payment Proposals** page. The Customer Payment Proposal can be created automatically, using the **New Directing Debit Proposal** command button or by clicking **New**.

On the **Customer Payment Proposal Details** page, it is possible to insert or remove invoices/installments. The **Cash Account** and **Payment Method** fields will be automatically filled with the same information printed previously in the Boletos using the default entries or should be manually filled.



Select the above Proposal ID from the **Customer Payment Proposal** page and **Acknowledge** it. Afterward, click on the **Create Direct Debiting Order** command and enter the **Payment Method** and the **Payment Institute** used in this Proposal.



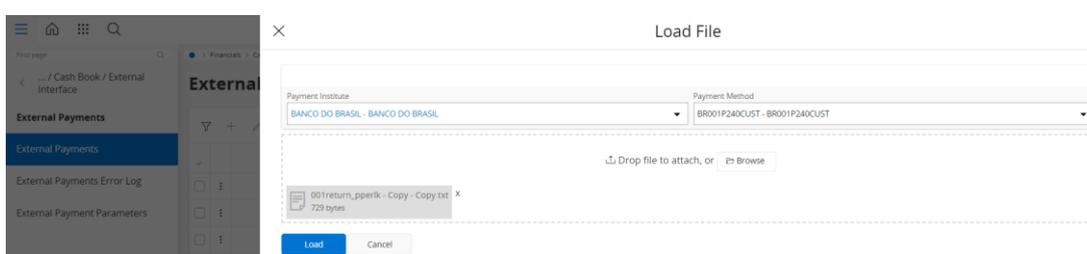
Upon finishing the above process Customer Payment Order and the remittance file will be generated. Subsequently, the user can share the remittance file with the relevant banks.

30.6 Customer Return File

After the payment instructions are realized by the bank, the bank will provide a return file for the same remittance file provided.

The financial user will load this file to the system by using the External Interface functionality, in the **Financials/Cash Book/External Interface/External Payments** page using the **Load File** command.

Select the **Payment Institute** and **Payment Method** related to this return file. Browse for the return file received from the bank.



After loading the return file, click on the **Create Mixed Payment** command. The next step is to view the **Mixed Payment** created using the **Attached Mixed Payment** command.

Once the mixed payment is approved payment will be accounted and the status of the invoices will change to **PaidPosted**.

30.7 Supplier File Generation

The process to generate the Supplier remittance and return files is the same as Customer remittance and return file generation but with the use of Supplier Payment Formats.

Create Payment Proposal in **Financials/Accounts Payable/Supplier Payment Proposal/Supplier Payment Proposals** page. The Supplier Payment Proposal can be created automatically, using the **New Proposal** command, or by selecting **New**. On the **Supplier Payment Proposal Details** page, it is possible to insert or remove invoices/installments.

Select the above proposal ID from the **Supplier Payment Proposals** page and **Acknowledge** it. Afterward, click on the **New Payment Order** command and enter the **Payment Method** and the **Payment Institute** used in this Proposal.

Upon finishing the above process Supplier Payment Order and the remittance file will be generated.

Subsequently, the user can share the remittance file with the relevant banks to process all supplier payments.

30.8 Supplier Return File

After the payment instructions are realized by the bank, the bank will provide a return file for the same remittance file provided.

The financial user will load this file to the system by using the External Interface functionality, in the **Financials/Cash Book/External Interface/External Payments** page using the **Load File** command.

Select the **Payment Institute** and **Payment Method** related to this return file. Browse for the return file received from the bank.

After loading the return file, click on the **Create Mixed Payment** command. The next step is to view the **Mixed Payment** created using the **Attached Mixed Payment** command.

Once the mixed payment is approved payment will be accounted and the status of the invoices will change to **PaidPosted**.

30.9 Delimitations

Only five Brazilian banks are covered by this solution:

- Bradesco
- Itaú
- Santander
- Banco do Brasil
- Caixa Econômica Federal

31 Appendix

31.1 Appendix:01

The NF-e XML mapping to IFS Cloud is described in DocMan document “NF-e xml mapping to IFS (Brazil)”.

31.2 Appendix:02

31.2.1 AVALARA INTEGRATION: TAX BASE AMOUNT: **NET**

Scenario: 01 Tax Base Amount: Net Amount – Excluding Tax: IPI

Let’s have a look into the scenario below explaining a Brazilian tax calculation based on Net Amount and excluding the tax, IPI.

Net Amount calculation and Tax calculation

▪ Net Amount	=	72.75
Tax Base Amount	=	$\frac{72.75 \times 100}{100 - (18 + 1.65 + 7.6)}$
	=	100.00
▪ Tax: ICMS 18%	=	18.00
PIS 1.65%	=	1.65
COFINS 7.6%	=	7.60
Total Tax	=	27.25
Gross Amount (72.75 + 27.25)	=	100.00

AVALARA: Response File

Tax Base: Net

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "net",
  "companyLocation": "12.345.678/9012-34",

```

Net Amount from the Response file

```

entityICMSSubstituted
},
"lineNetFigure": 72.75,
"taxDetails": [
  {

```

Complete AVALARA Response file for the reference



AEFD93BF.json

IFS Application Tax Code Mapping

External Tax Codes Mapping					
✓	:	Tax Code	Tax Type Category	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS-0-BR - COFINS Tax 0%	COFINS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	ICMS-0-BR - ICMS Tax 0%	ICMS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	PIS-0-BR - PIS Tax 0%	PIS	0	<input type="button" value="Yes"/>

Customer Invoice Postings

✓	:	✎	Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount
<input type="checkbox"/>	:	✎	IP2		BRL	No	100.00		100.00
<input type="checkbox"/>	:	✎	IP4	PIS-0-BR	BRL	No		1.65	-1.65
<input type="checkbox"/>	:	✎	IP4	COFINS-0-BR	BRL	No		7.60	-7.60
<input type="checkbox"/>	:	✎	IP4	IPI-0	BRL	No		0.00	0.00
<input type="checkbox"/>	:	✎	IP4	ICMS-0-BR	BRL	No		18.00	-18.00
<input type="checkbox"/>	:	✎	M28		BRL	No		72.75	-72.75
<input type="checkbox"/>	:	✎	M295	COFINS-0-BR	BRL	No		7.60	-7.60
<input type="checkbox"/>	:	✎	M296	COFINS-0-BR	BRL	No	7.60		7.60
<input type="checkbox"/>	:	✎	M295	ICMS-0-BR	BRL	No		18.00	-18.00
<input type="checkbox"/>	:	✎	M296	ICMS-0-BR	BRL	No	18.00		18.00
<input type="checkbox"/>	:	✎	M295	PIS-0-BR	BRL	No		1.65	-1.65
<input type="checkbox"/>	:	✎	M296	PIS-0-BR	BRL	No	1.65		1.65

Scenario: 02 Tax Base Amount: Net Amount – Including Tax: IPI

Let's have a look into the scenario below explaining a Brazilian tax calculation based on Net Amount and including the tax, IPI.

Net Amount calculation and Tax calculation

▪ Net Amount	= 78.75
Tax Base Amount	= $\frac{78.75 \times 100}{100 - (7.6 + 1.65 + 12)}$
	= 100.00
▪ Tax: ICMS 12%	= 12.00
PIS 1.65%	= 1.65
COFINS 7.6%	= 7.60
IPI 30%	= 30.00 (100 X 30%)
Total Tax	= <u>51.25</u>
Gross Amount (78.75 + 51.25)	= <u>130.00</u>

AVALARA: Response File

Tax Base: Net

```

"header": {
  "eDocCreatorType": "self",
  "amountCalcType": "net",
  "companyLocation": "12 345 678/9012-
  
```

Net Amount

```

},
"lineNetFigure": 78.75,
"taxDetails": [
  
```

Total Line Amt & Total Invoice Amt

```
"summary": {  
  "numberOfLines": 1,  
  "totalLineAmounts": 100,  
  "totalTaxedDiscounts": 0,  
  "totalUntaxedDiscounts": 0,  
  "totalInsurances": 0,  
  "totalFreights": 0,  
  "totalOtherCosts": 0,  
  "totalUnTaxedOtherCosts": 0,  
  "totalInvoice": 130,  
}
```

ICMS 12%= 12.00

```
"taxType": "icms",  
"citation": "ICMS/AC_Decreto nº 8/1998, Artigo  
"citationId": "ac789807-2fab-49ff-b921-be0682ed  
"subtotalTaxable": 100,  
"rate": 12,  
"tax": 12,
```

COFINS 7.6% = 7.60

```
"taxType": "cofins",  
"citation": "PIS/COFINS Lei nº 10.833/2003,  
"citationId": "670e7148-b125-46f6-837f-3bb4e  
"subtotalTaxable": 100,  
"rate": 7.6,  
"tax": 7.6,
```

PIS 1.65% = 1.65

```
"taxType": "pis",  
"citation": "PIS/COFINS Lei nº 10.637/2002,  
"citationId": "bfb5ddd3-00ca-42f7-a170-a9c4a  
"subtotalTaxable": 100,  
"rate": 1.65,  
"tax": 1.65,
```

IPI 30% = 30.00 (100 X 30%)

```

"taxType": "ipi",
"citation": "IPI Decreto nº 8950/2016",
"citationId": "56b13fd9-18fb-4d35-91dd-908",
"subtotalTaxable": 100,
"rate": 30,
"tax": 30,
  
```

Complete AVALARA Response file for the reference



E87B5159.json

IFS Application Tax Code Mapping

External Tax Codes Mapping					
✓	:	Tax Code	Tax Type Category	Tax (%)	Tax in Tax Base
<input type="checkbox"/>	:	COFINS-0-BR - COFINS Tax 0%	COFINS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	ICMS-0-BR - ICMS Tax 0%	ICMS	0	<input type="button" value="Yes"/>
<input type="checkbox"/>	:	IPI-0 - IPI Tax 0%	IPI	0	<input type="button" value="No"/>
<input type="checkbox"/>	:	PIS-0-BR - PIS Tax 0%	PIS	0	<input type="button" value="Yes"/>

Customer Invoice Postings

✓	:	✎	Trans Code	Tax Code	Currency Code	Correction	Currency Debit Amount	Currency Credit Amount	Currency Amount	Currency Rate
<input type="checkbox"/>	:	✎	IP2		BRL	No	130.00		130.00	1
<input type="checkbox"/>	:	✎	IP4	PIS-0-BR	BRL	No		1.65	-1.65	1
<input type="checkbox"/>	:	✎	IP4	COFINS-0-BR	BRL	No		7.60	-7.60	1
<input type="checkbox"/>	:	✎	IP4	IPI-0	BRL	No		30.00	-30.00	1
<input type="checkbox"/>	:	✎	IP4	ICMS-0-BR	BRL	No		12.00	-12.00	1
<input type="checkbox"/>	:	✎	M28		BRL	No		78.75	-78.75	1
<input type="checkbox"/>	:	✎	M295	COFINS-0-BR	BRL	No		7.60	-7.60	1
<input type="checkbox"/>	:	✎	M296	COFINS-0-BR	BRL	No	7.60		7.60	1
<input type="checkbox"/>	:	✎	M295	ICMS-0-BR	BRL	No		12.00	-12.00	1
<input type="checkbox"/>	:	✎	M296	ICMS-0-BR	BRL	No	12.00		12.00	1
<input type="checkbox"/>	:	✎	M295	IPI-0	BRL	No		30.00	-30.00	1
<input type="checkbox"/>	:	✎	M296	IPI-0	BRL	No	30.00		30.00	1
<input type="checkbox"/>	:	✎	M295	PIS-0-BR	BRL	No		1.65	-1.65	1
<input type="checkbox"/>	:	✎	M296	PIS-0-BR	BRL	No	1.65		1.65	1

31.2.2 AVALARA REQUEST FILE MAPPING

Refer **Avalara Request mapping V3.xlsx** to see the Avalara Request File Mapping details.



Avalara Request mapping V3.xlsx

31.3 Appendix:03

Refer **Avalara Request mapping V3.xlsx** to see the Avalara Request File Mapping details for NFe communication.



Avalara Request mapping V3.xlsx

31.4 Appendix:04

Refer the Excel file “Purchasing Final Avalara Request mapping” for details about the Avalara Request File Mapping.

[Purchasing Final Avalara Request mapping](#)



Purchasing Final
Avalara Request ma

31.5 Appendix:05

1. Avalara Request and Response file mapping for the Import Nota Fiscal Approved.



BR85 Approval
Response.json



BR85 Approval
Request.json

2. Avalara Request and Response file mapping for the Import Nota Fiscal Cancelled.



BR85 Cancelled
Request.json



BR85 Cancelled
Response.json

3. Avalara Request and Response file mapping for the Import Nota Fiscal Voided.



BR 85 Voided
Request.json



BR 85 Voided
Response.json