



Country Solution India

IFSCLOUD25R1

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Note:

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

The capabilities moved to generic functionality are:

- Customs Import Declaration Number on Receipt
- Print Invoice Copy in Base Currency

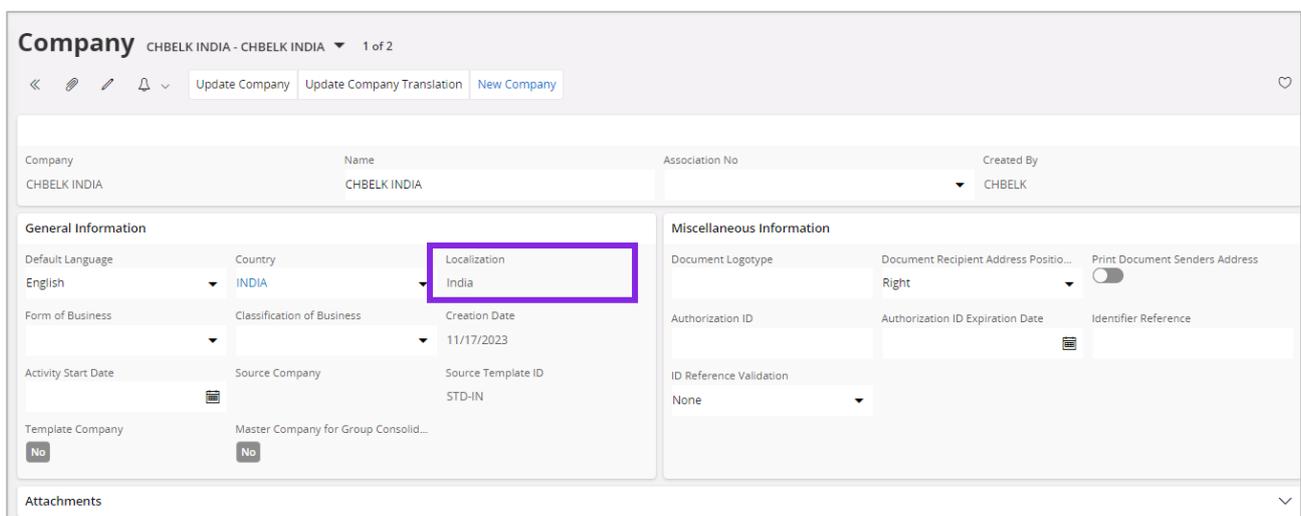
1 Company Set-up

1.1 Overview

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

1.2 Define localization.

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



The screenshot shows the 'Company' form for 'CHBELK INDIA - CHBELK INDIA'. The 'General Information' section includes fields for Default Language (English), Country (INDIA), and Localization (India, highlighted with a red box). Other fields include Form of Business, Classification of Business, Creation Date (11/17/2023), Activity Start Date, Source Company, Source Template ID (STD-IN), Template Company (No), and Master Company for Group Consolidation (No). The 'Miscellaneous Information' section includes Document Logotype, Document Recipient Address Position (Right), Print Document Senders Address (toggle), Authorization ID, Authorization ID Expiration Date, Identifier Reference, and ID Reference Validation (None).

1.3 Select Localization functionality.

Specify which functionality to use.

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

Application Base Setup > Enterprise > Company > Company > Localization Control Center

Localization Control Center 0101011 - INDIA 6 of 7

| Company | Name | Association No | Created By |
|--------------|-------|----------------|------------|
| 0101011 | INDIA | | SIATLK |
| Localization | | | |
| India | | | |

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

1.4 Prerequisites

1.4.1 PREREQUISITES: APPLICATION BASE SETUP

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

1.4.1.1 Prerequisites: Customer Order flow

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

1.4.1.2 Prerequisites: Purchase Order flow and Supplier Invoice

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

2 System Define Indian States

2.1 Overview Legal Requirement

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

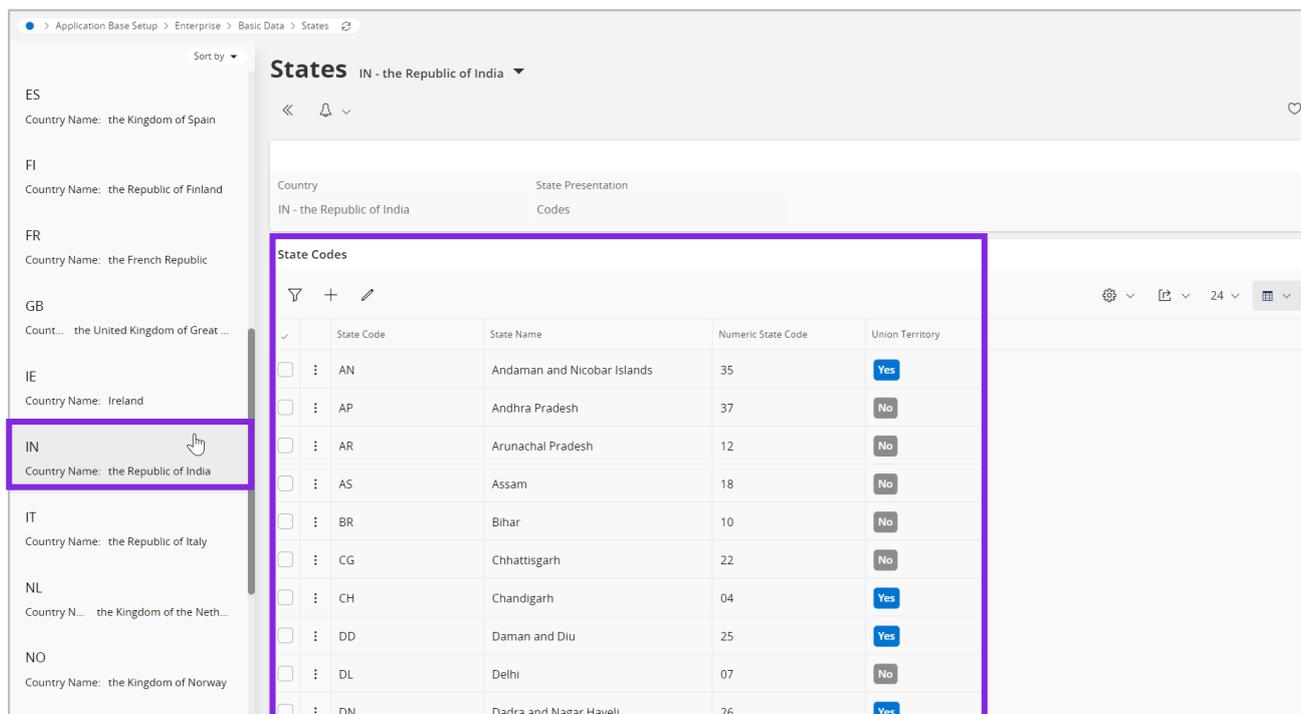
Accordingly, if the two delivery ends of a transaction (buyer's state and seller's state) is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

2.2 Solution Overview

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

Accordingly, on the **States** page, the user can view the list of system-defined Indian **State Codes**, **State Names**, and **Numeric State Codes**, and determination of whether the state is a **Union Territory** under the **IN** (Indian Republic) country code.

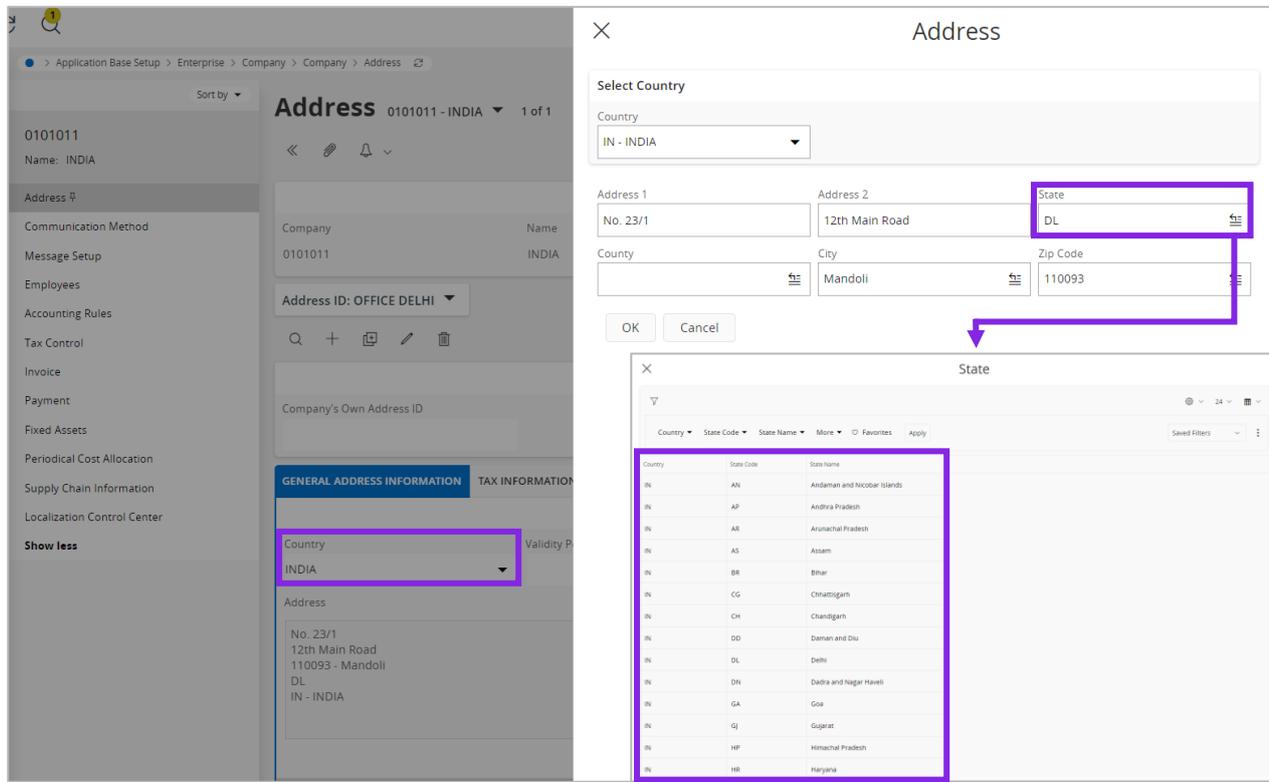
The new **State Code No** column is only visible when there is an IN value in the **Country Code** field.



The screenshot displays the 'States' configuration page for India (IN). The left sidebar shows a list of countries, with 'IN - the Republic of India' selected. The main area shows a table of Indian states with the following columns: State Code, State Name, Numeric State Code, and Union Territory. The 'State Code No' column is visible, indicating that the country code is set to IN.

| State Code | State Name | Numeric State Code | Union Territory |
|------------|-----------------------------|--------------------|-----------------|
| AN | Andaman and Nicobar Islands | 35 | Yes |
| AP | Andhra Pradesh | 37 | No |
| AR | Arunachal Pradesh | 12 | No |
| AS | Assam | 18 | No |
| BR | Bihar | 10 | No |
| CG | Chhattisgarh | 22 | No |
| CH | Chandigarh | 04 | Yes |
| DD | Daman and Diu | 25 | Yes |
| DL | Delhi | 07 | No |
| DN | Dadra and Nagar Havelli | 26 | Yes |

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



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

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

3 Overview – Indian Taxes

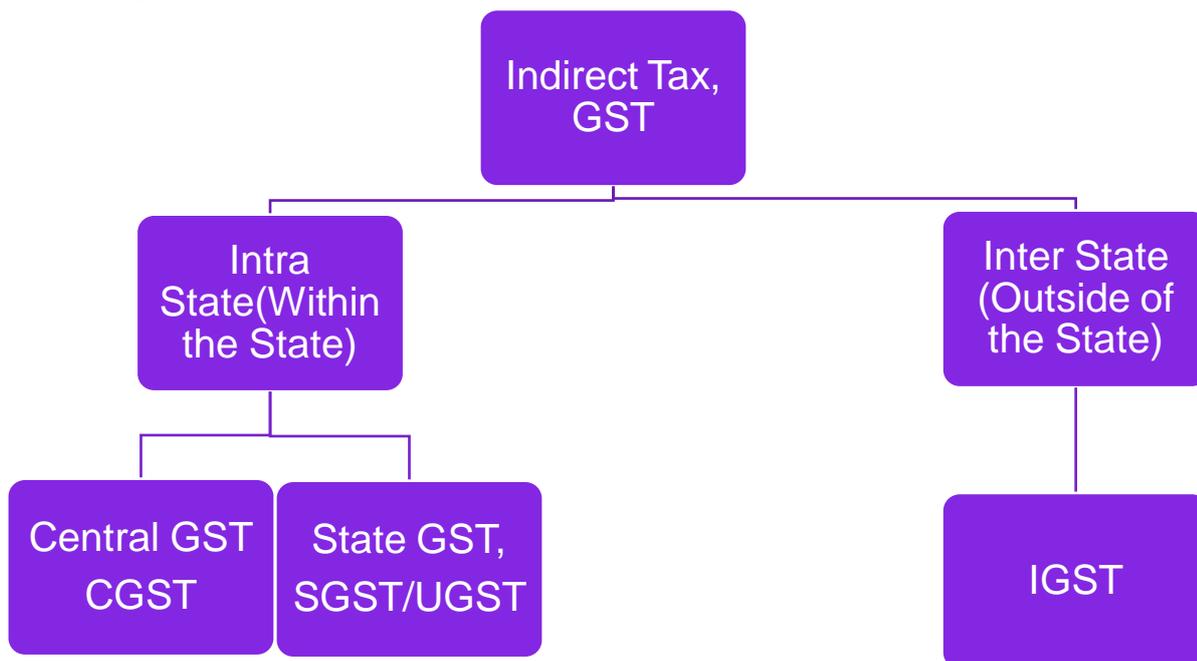
3.1 Overview Legal Requirement

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

(Extracted from Wikipedia)

3.2 Process Overview

GST in India



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

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

Both the Centre and States will simultaneously levy GST across the value chain. Tax will be levied on every supply of goods and services. The Centre would levy and collect Central Goods and Services Tax (CGST), and States would levy and collect the State Goods and Services Tax (SGST) or UGST (Union territories with legislature) on all transactions within a State.

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

3.3 Define Indian GST in Tax Calculation Structures

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

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

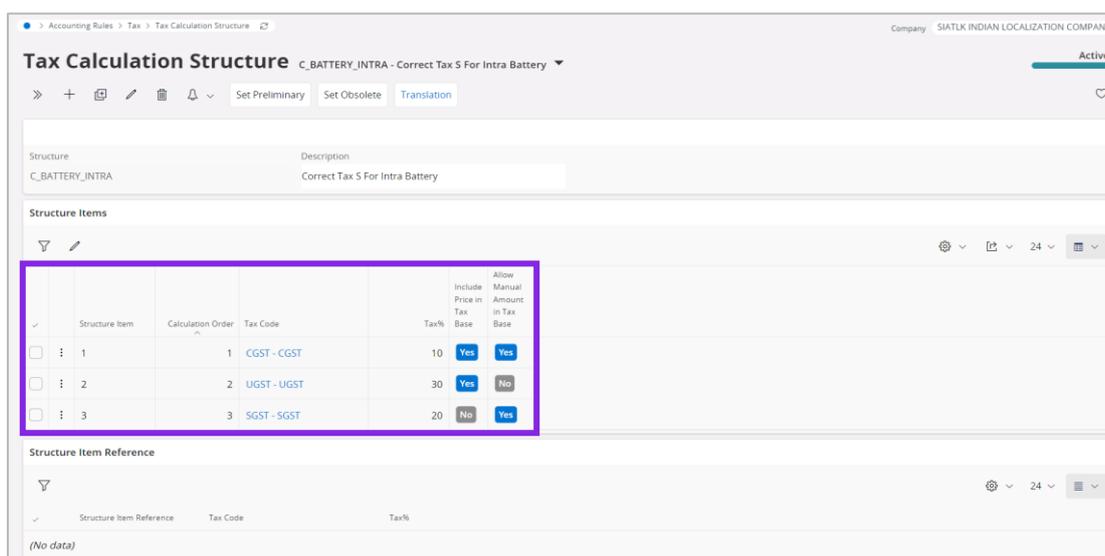
3.4 Define different Tax Structures for Inter State and Intra State transactions

3.4.1 FOR INTRA-STATE TRANSACTIONS:

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

In the case of intra-state transactions within Union Territories, the Seller collects both CGST & UGST from the buyer and CGST needs to be deposited with the Central Govt and UGST with the Union Territory Govt.

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



| Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|----------------|-------------------|-------------|------|---------------------------|---------------------------------|
| 1 | 1 | CGST - CGST | 10 | Yes | Yes |
| 2 | 2 | UGST - UGST | 30 | Yes | No |
| 3 | 3 | SGST - SGST | 20 | No | Yes |

Note: In HSN/SAC Code-based Tax Fetching, relevant Tax Codes applicable will be fetched to transaction line-item level, based on whether the transaction happens within the same State or same Union Territory. Whether a State is a Union Territory or not, is identified on the **States** page. (Refer to [System Define Indian States](#))

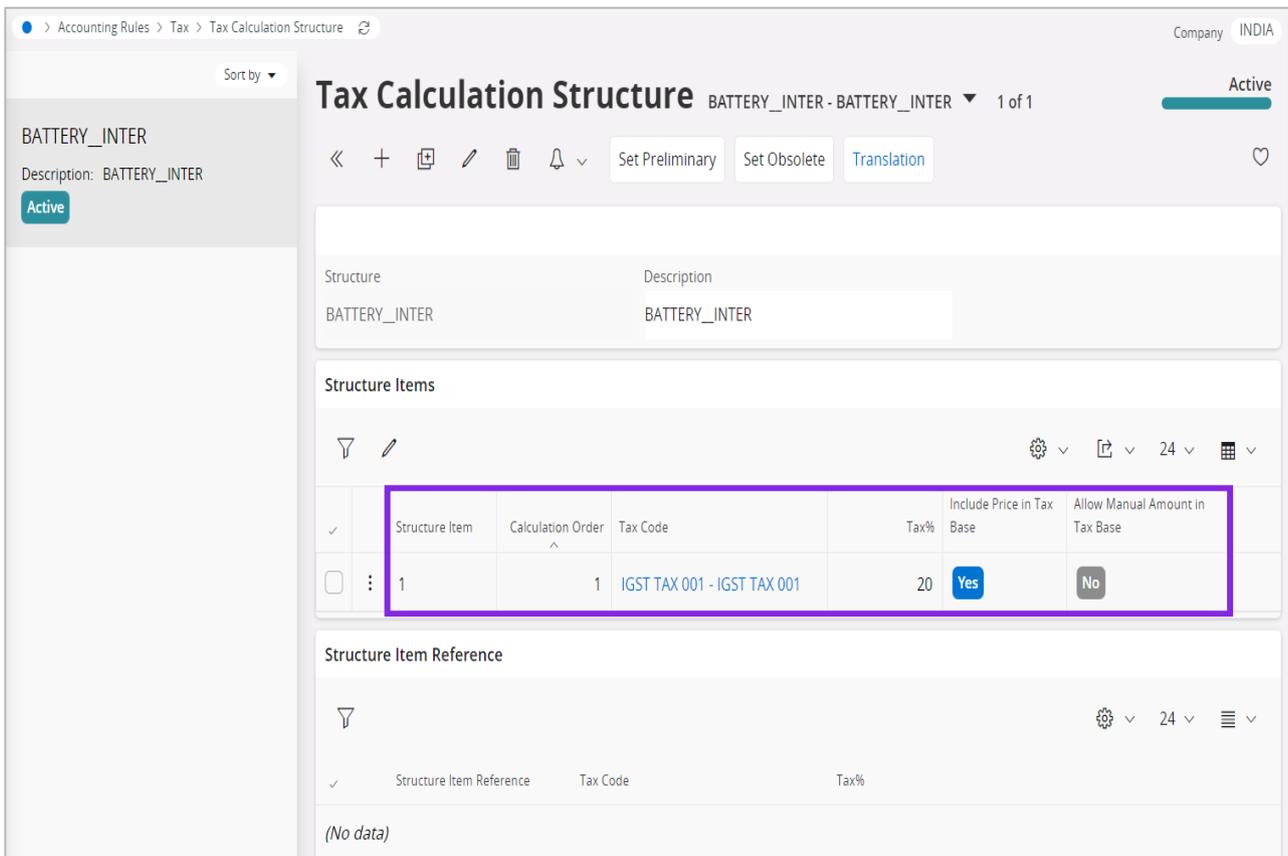
Accordingly,

- For Intrastate transactions within the same State - The Tax Codes with Tax Category UGST, defined in the Tax Calculation Structure, will not be visible in the Tax lines, because Union Territory Taxes are not applicable for States.
- For Intrastate transactions within the same Union Territory - The Tax Codes with Tax Category SGST, defined in the Tax Calculation Structure, will not be visible in the Tax lines, because State taxes are not applicable for Union Territories.

3.4.2 FOR INTER-STATE TRANSACTIONS:

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

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



The screenshot displays the 'Tax Calculation Structure' configuration interface. The structure is named 'BATTERY_INTER' and is active. It contains one structure item with the following details:

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

The 'Structure Item Reference' section below is currently empty, showing '(No data)'.

4 Tax Code Structures – Manual Tax Base Amount

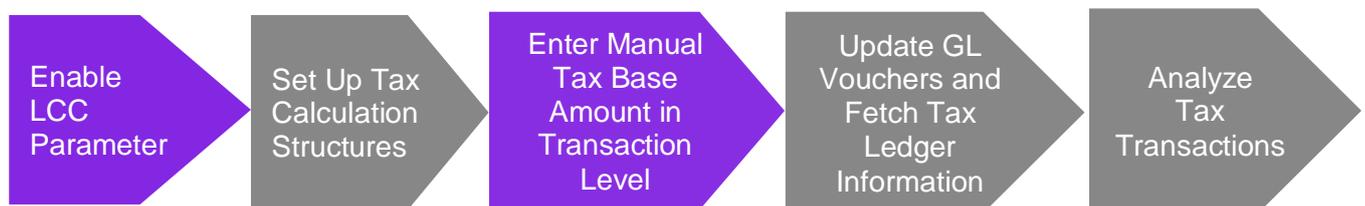
4.1 Overview Legal Requirement

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

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

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

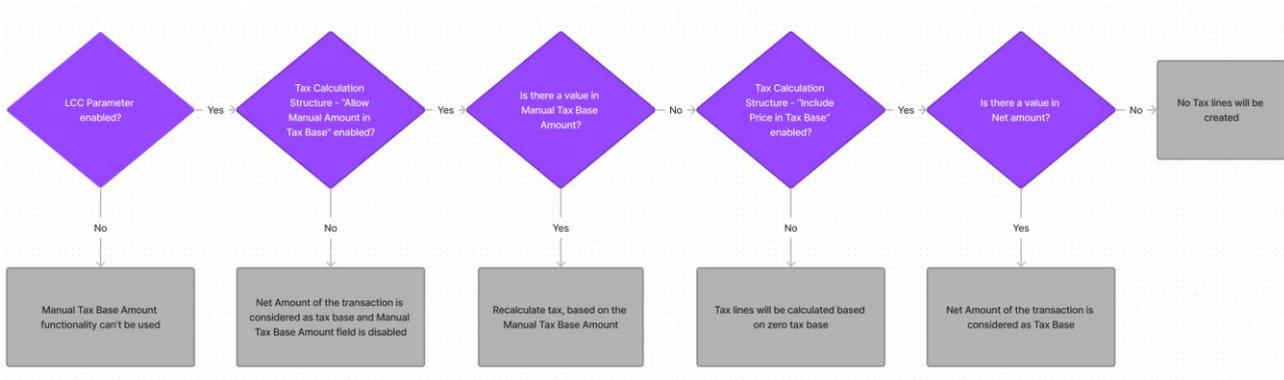
4.2 Process Overview



4.3 Solution Overview

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

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



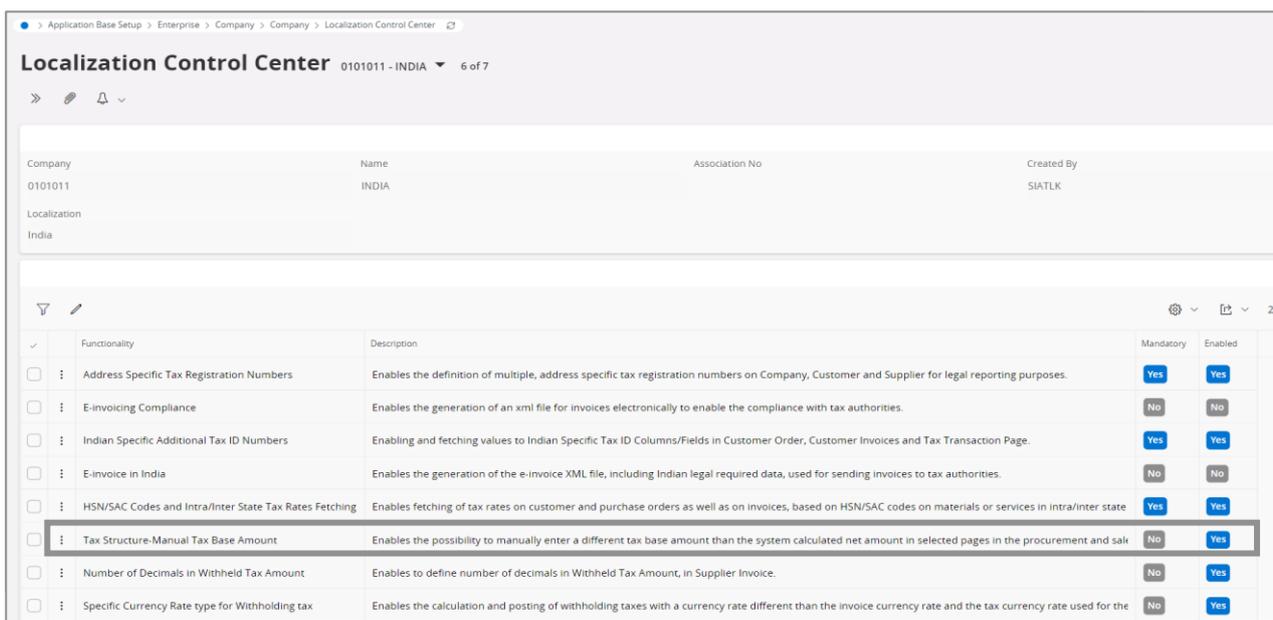
4.4 Prerequisites

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

4.5 Enable Localization Control Center Parameter.

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

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



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

4.6 Set up Tax Calculation Structures

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

Accounting Rules > Tax > Tax Calculation Structure

Company: INDIA

Tax Calculation Structure

BATTERY_INTRA - BATTERY_INTRA 1 of 1

Active

Structure: BATTERY_INTRA Description: BATTERY_INTRA

Structure Items

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

Structure Item Reference

| Structure Item Reference | Tax Code | Tax% |
|--------------------------|----------|------|
| (No data) | | |

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

4.7 Application of Manual Tax Base Amount in Transaction Level.

A new column, **Manual Tax Base Amount**, is introduced to some selected pages in Procurement and Sales flows, to be able to enter a manual tax base amount to transaction line level. In this new column, user can manually enter a different tax base amount than the usual net amount which is considered for tax calculation.

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

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information — Line Information — Posting Information

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

| Line Information | | | | |
|------------------|------------|------------|------------------------|-------------|
| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax ... | Cost Amount |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Lines | | | | | | | | | |
|-------------------------------------|---------|--------------|--------------------|---------------------------|--------------|------------|------------------------|------------|---------------|
| (1) | Line ID | HSN/SAC Code | Multiple Tax Lines | Tax Calculation Structure | Gross Amount | Net Amount | Manual Tax Base Amount | Tax Amount | Delivery Type |
| <input checked="" type="checkbox"/> | | | No | | 0.00 | 0.00 | | 0.00 | |

Previous Next Finish Cancel

Following are the sales and procurement pages supported with Manual Tax Base Amounts functionality,

Sales:

- *Customer Order*
- *Customer Order Invoice*
- *Return Material Authorization*

Procurement:

- *Purchase Order*
- *Purchase Order Change Order*
- *Manual Supplier Invoice*
- *Posting Proposal*

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

4.8 SCENARIOS EXPLAINING THE MANUAL TAX BASE AMOUNT

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

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

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

Accounting Rules > Tax > Tax Calculation Structure Company INDIA

Tax Calculation Structure TAX_STRUCTURE_SC01 - TAX_STRUCTURE_SC01 1 of 1 Active

Structure: TAX_STRUCTURE_SC01 | Description: TAX_STRUCTURE_SC01

Structure Items

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

Use the above **Tax Calculation Structure** at a Transaction line level, eg: **Manual Supplier Invoice** Line level, and enter a value in the **Manual Tax Base Amount** field.

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

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

Invoice

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

Line Information

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

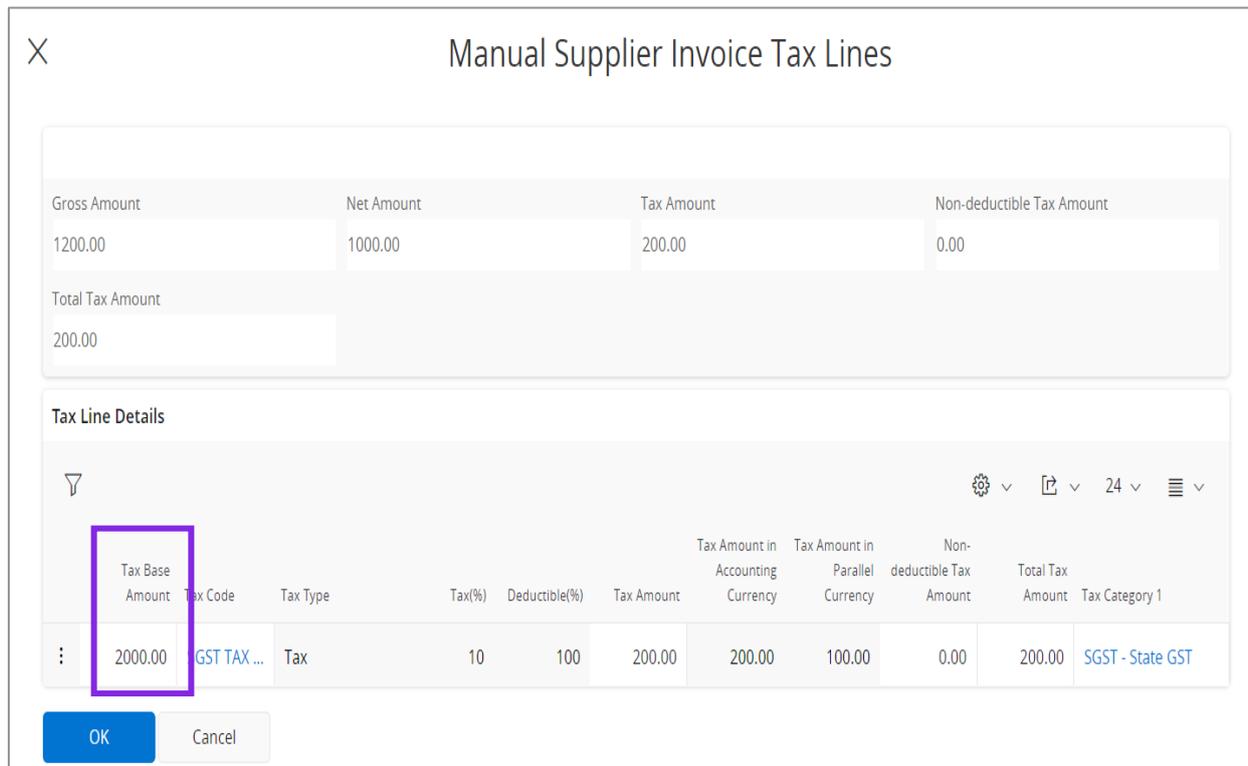
Lines

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

Navigation: Previous | Next | Finish | Cancel

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

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



Manual Supplier Invoice Tax Lines

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

Tax Line Details

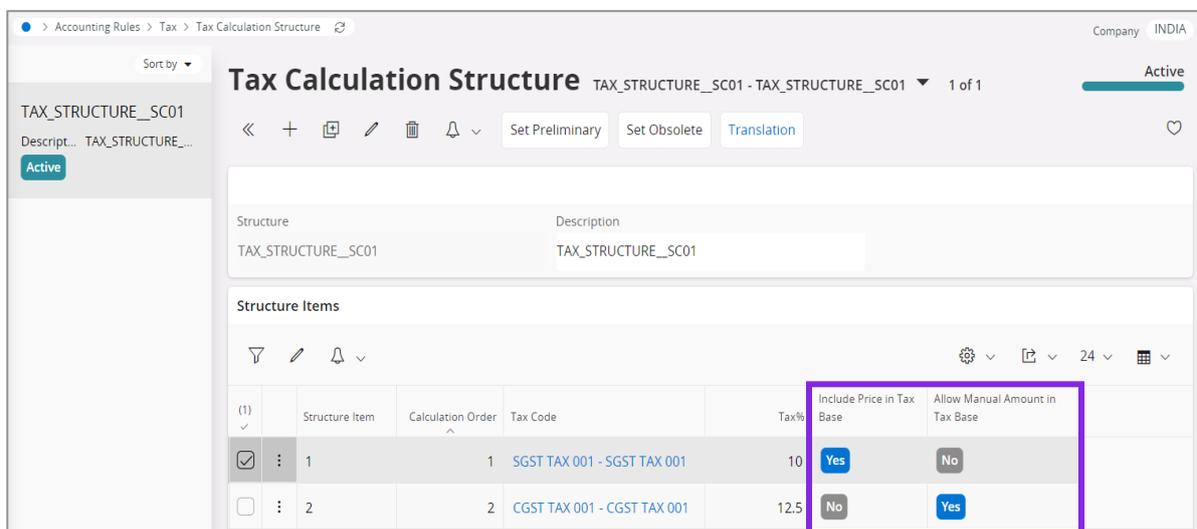
| Tax Base Amount | Tax Code | Tax Type | Tax(%) | Deductible(%) | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Total Tax Amount | Tax Category 1 |
|-----------------|--------------|----------|--------|---------------|------------|-----------------------------------|-------------------------------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

Buttons: OK, Cancel

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

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

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

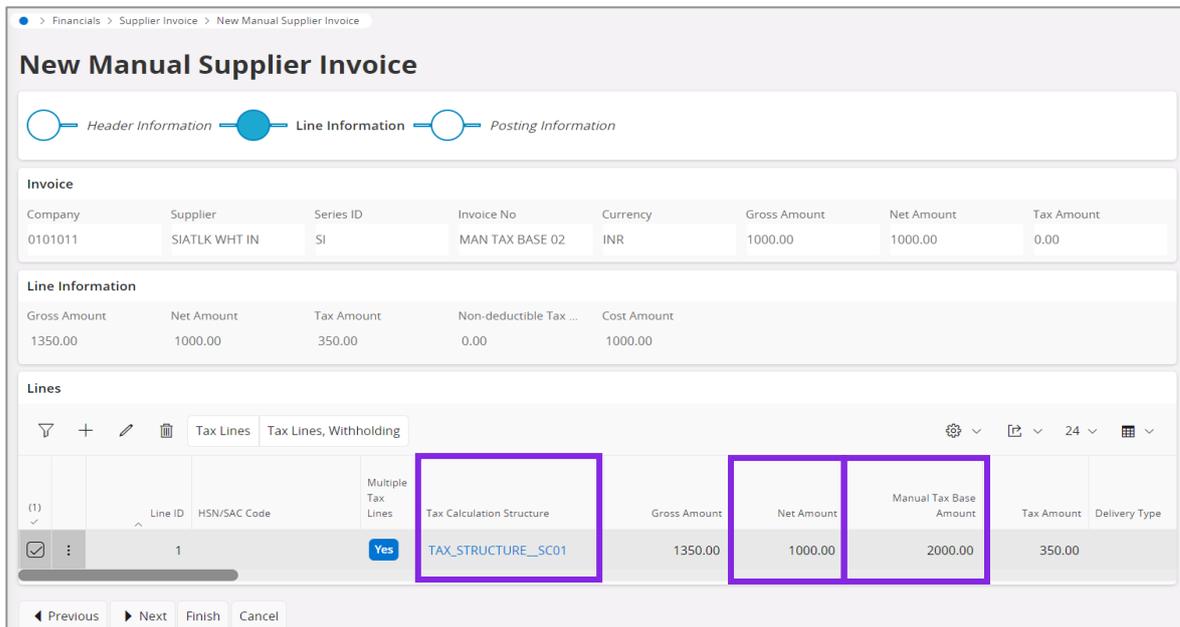


Tax Calculation Structure TAX_STRUCTURE_SC01 - TAX_STRUCTURE_SC01 1 of 1

Structure: TAX_STRUCTURE_SC01 | Description: TAX_STRUCTURE_SC01

| (1) ✓ | Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|-------------------------------------|----------------|-------------------|-----------------------------|------|-------------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> | 1 | 1 | SGST TAX 001 - SGST TAX 001 | 10 | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | 2 | 2 | CGST TAX 001 - CGST TAX 001 | 12.5 | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.



New Manual Supplier Invoice

Header Information — **Line Information** — Posting Information

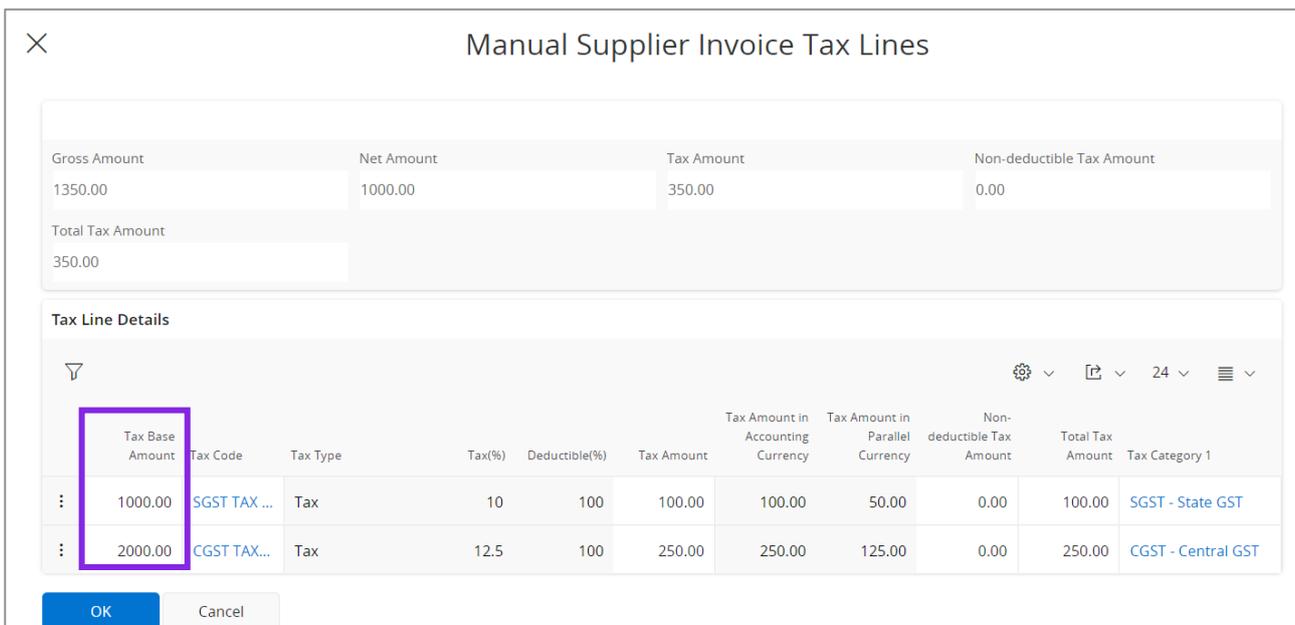
| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|---------------|-----------|-----------------|----------|--------------|------------|------------|
| 0101011 | SIATLK WHT IN | SI | MAN TAX BASE 02 | INR | 1000.00 | 1000.00 | 0.00 |

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax ... | Cost Amount |
|--------------|------------|------------|------------------------|-------------|
| 1350.00 | 1000.00 | 350.00 | 0.00 | 1000.00 |

| Line ID | HSN/SAC Code | Multiple Tax Lines | Tax Calculation Structure | Gross Amount | Net Amount | Manual Tax Base Amount | Tax Amount | Delivery Type |
|---------|--------------|--------------------|---------------------------|--------------|------------|------------------------|------------|---------------|
| 1 | | Yes | TAX_STRUCTURE_SCO1 | 1350.00 | 1000.00 | 2000.00 | 350.00 | |

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

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



Manual Supplier Invoice Tax Lines

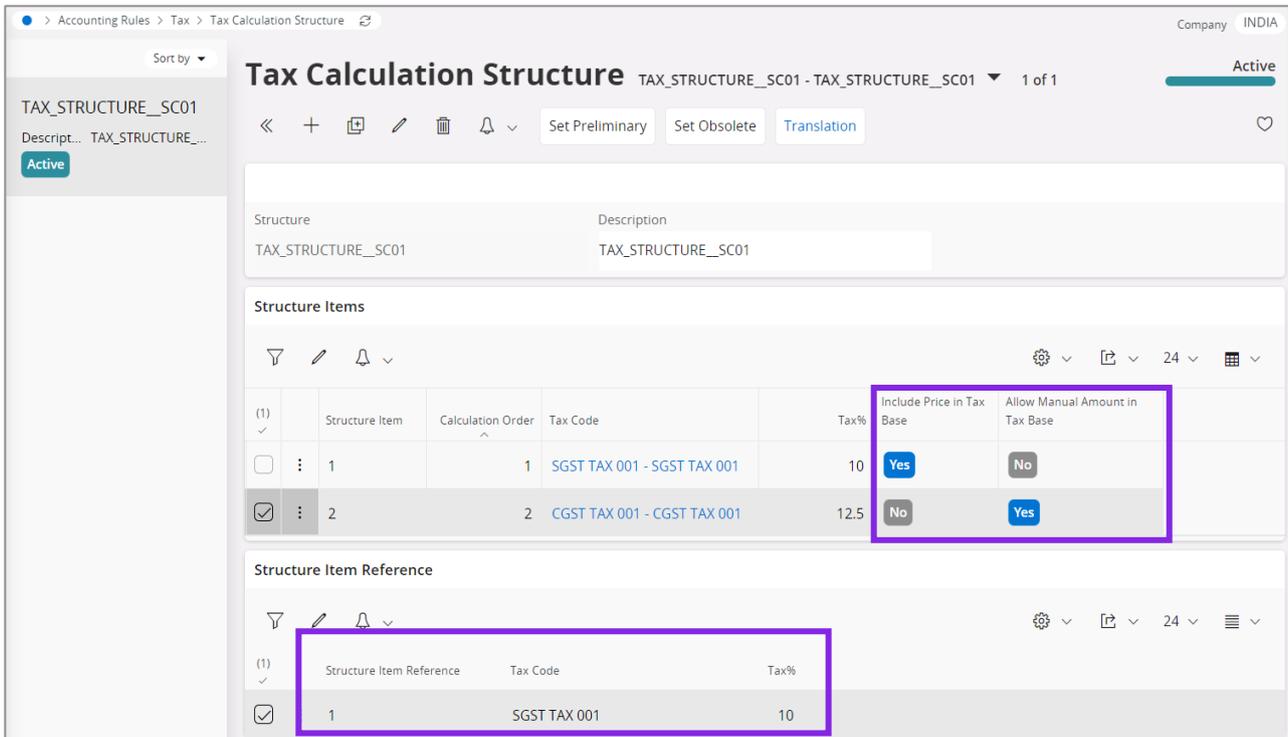
| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Amount |
|------------------|------------|------------|---------------------------|
| 1350.00 | 1000.00 | 350.00 | 0.00 |
| Total Tax Amount | | | |
| 350.00 | | | |

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

OK Cancel

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

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



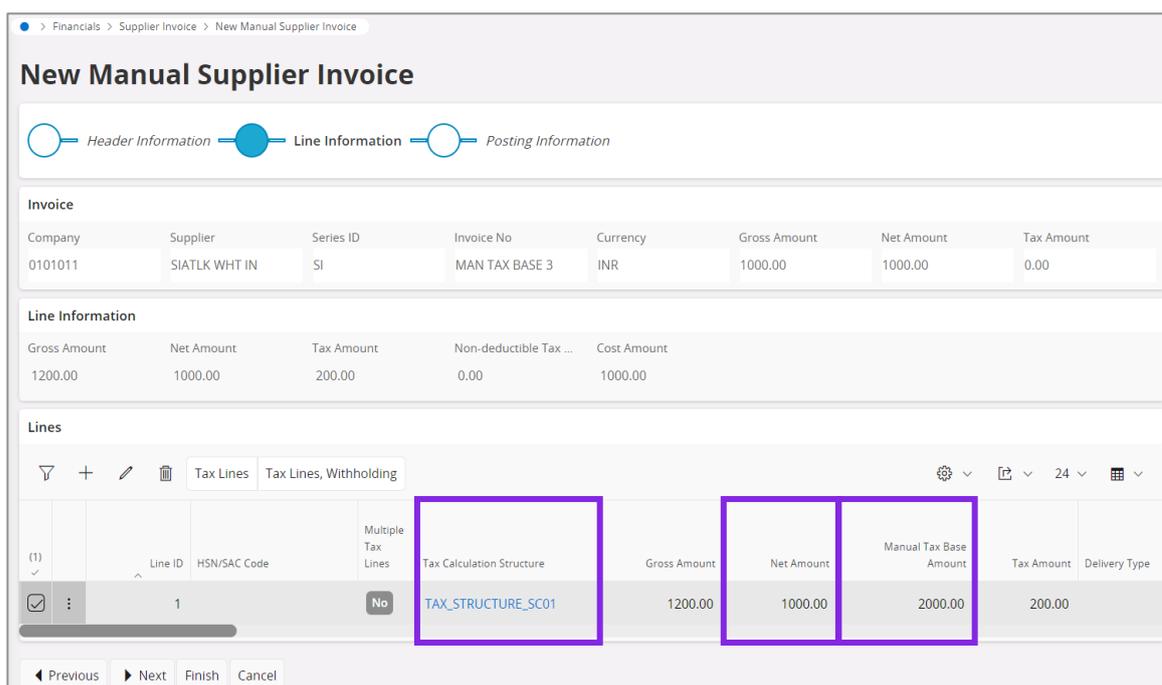
Tax Calculation Structure TAX_STRUCTURE__SC01 - TAX_STRUCTURE__SC01 1 of 1

Structure: TAX_STRUCTURE__SC01, Description: TAX_STRUCTURE__SC01

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

| (1) | Structure Item Reference | Tax Code | Tax% |
|-------------------------------------|--------------------------|--------------|------|
| <input checked="" type="checkbox"/> | 1 | SGST TAX 001 | 10 |

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.



New Manual Supplier Invoice

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

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

| (1) | Line ID | HSN/SAC Code | Multiple Tax Lines | Tax Calculation Structure | Gross Amount | Net Amount | Manual Tax Base Amount | Tax Amount | Delivery Type |
|-------------------------------------|---------|--------------|--------------------|---------------------------|--------------|------------|------------------------|------------|---------------|
| <input checked="" type="checkbox"/> | 1 | | No | TAX_STRUCTURE__SC01 | 1200.00 | 1000.00 | 2000.00 | 200.00 | |

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

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

Manual Supplier Invoice Tax Lines

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

Tax Line Details

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

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

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

Accounting Rules > Tax > Tax Calculation Structure Company INDIA

Tax Calculation Structure

TAX_STRUCTURE_SC01 - TAX_STRUCTURE_SC01 1 of 1

Active

| | | |
|--------------------|--------------------|--|
| Structure | Description | |
| TAX_STRUCTURE_SC01 | TAX_STRUCTURE_SC01 | |

Structure Items

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

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and leave the **Manual Tax Base Amount** field blank.

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

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

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|---------------|-----------|-----------------|----------|--------------|------------|------------|
| 0101011 | SIATLK WHT IN | SI | MAN TAX BASE 01 | INR | 1000.00 | 1000.00 | 0.00 |

Line Information

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax ... | Cost Amount |
|--------------|------------|------------|------------------------|-------------|
| 1000.00 | 1000.00 | 0.00 | 0.00 | 1000.00 |

Lines

Tax Lines | Tax Lines, Withholding

| Line ID | HSN/SAC Code | Multiple Tax Lines | Tax Calculation Structure | Gross Amount | Net Amount | Manual Tax Base Amount | Tax Amount | Delivery Type |
|---------|--------------|--------------------|---------------------------|--------------|------------|------------------------|------------|---------------|
| 1 | | No | TAX_STRUCTURE_SC01 | 1000.00 | 1000.00 | | 0.00 | |

Previous | Next | Finish | Cancel

Manual Supplier Invoice Tax Lines

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

Tax Line Details

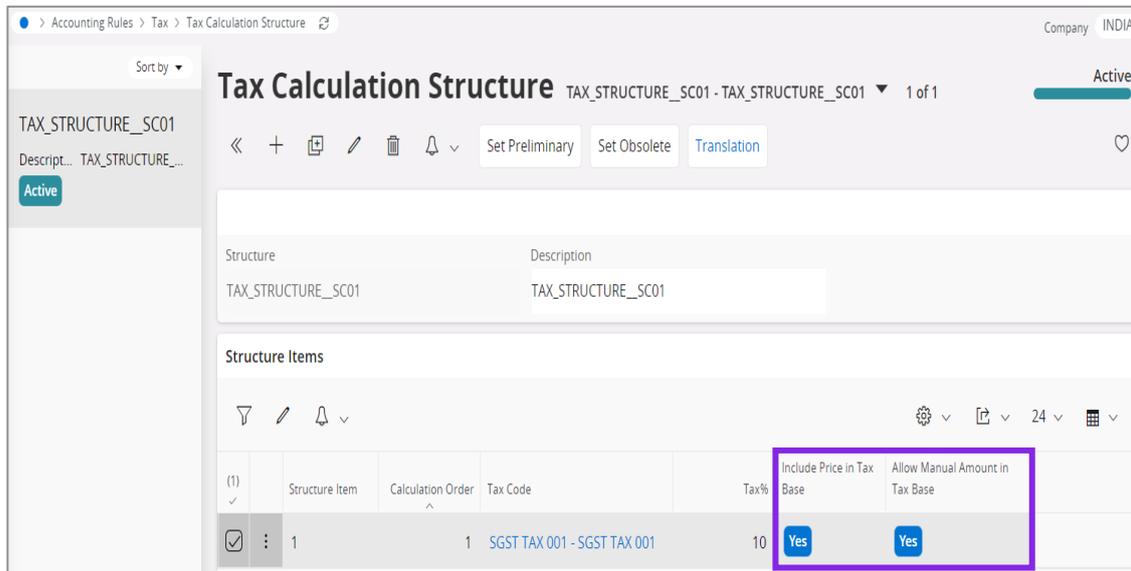
| Tax Base Amount | Tax Code | Tax Type | Tax(%) | Deductible(%) | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Total Tax Amount | Tax Category 1 |
|-----------------|-------------|----------|--------|---------------|------------|-----------------------------------|--------------------------------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

OK | Cancel

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

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

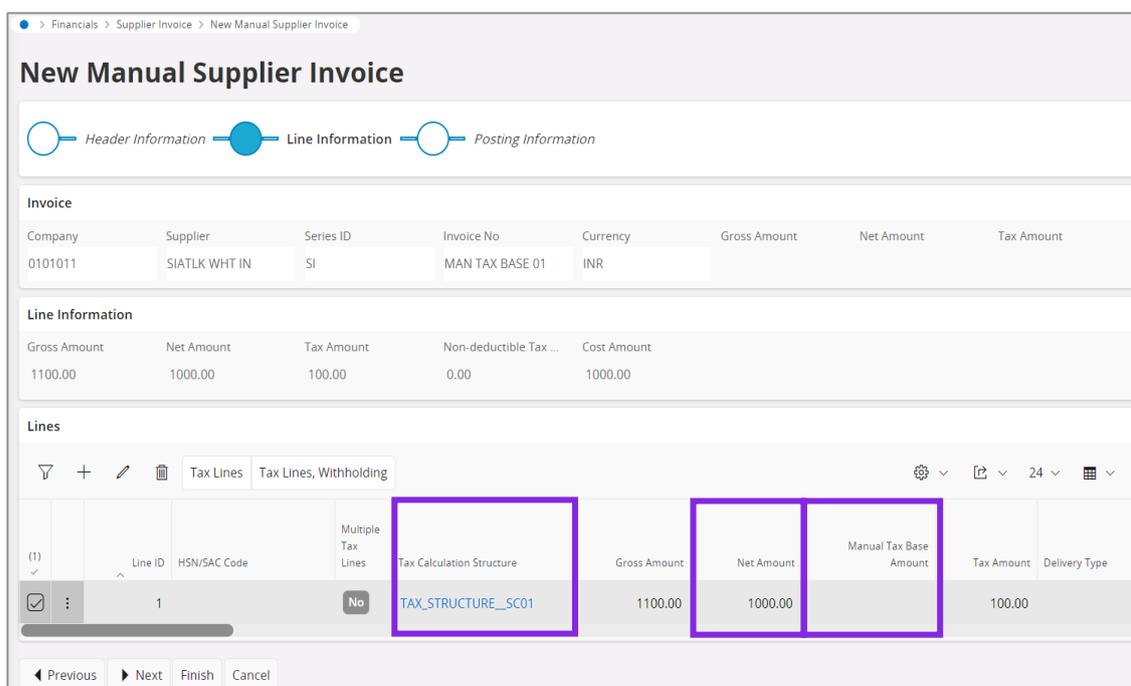
Enter a Tax Calculation Structure with both “Allow Manual Amount in Tax Base” and “Include Price in Tax Base” options selected.



The screenshot shows the 'Tax Calculation Structure' configuration page for 'TAX_STRUCTURE__SC01'. The structure is active. The 'Structure Items' table below shows a single item with the following configuration:

| (1) | Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|-------------------------------------|----------------|-------------------|-----------------------------|------|---------------------------|---------------------------------|
| <input checked="" type="checkbox"/> | 1 | 1 | SGST TAX 001 - SGST TAX 001 | 10 | Yes | Yes |

Use the above **Tax Calculation Structure** at a Transaction level, e.g.: **Manual Supplier Invoice** Line level and enter a value in the **Manual Tax Base Amount** field.



The screenshot shows the 'New Manual Supplier Invoice' screen. The 'Line Information' section is active, showing the following details:

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

The 'Lines' section shows a single line with the following configuration:

| (1) | Line ID | HSN/SAC Code | Multiple Tax Lines | Tax Calculation Structure | Gross Amount | Net Amount | Manual Tax Base Amount | Tax Amount | Delivery Type |
|-------------------------------------|---------|--------------|--------------------|---------------------------|--------------|------------|------------------------|------------|---------------|
| <input checked="" type="checkbox"/> | 1 | | No | TAX_STRUCTURE__SC01 | 1100.00 | 1000.00 | | 100.00 | |

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

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

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

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

Note: The column, **Manual Tax Base amount**, is a per unit value. As the **Net amount**, the value in tax lines for the **Tax base amount** is considering the quantity of the part and the total **Manual Tax Base Amount** is fetched to the tax lines. One exception is the **Manual Supplier Invoice**, where the **Manual Tax Base Amount** is a total amount, and the quantity of the part is not considered.

| Order No | Customer | Site | Order Type | Wanted Delivery Date/Time |
|----------|------------------------------|-------|------------|---------------------------|
| P11542 | IPINC1 - IP India Customer 1 | IPIS1 | IP2 | 2023-08-17 00:00 |

| Total Net Amount/Base | Total Contribution Margin/... | Contribution Margin(%) | Total Net Amount/Curr | Total Tax Amount/Curr | Total Gross Amount/Curr |
|-----------------------|-------------------------------|------------------------|-----------------------|-----------------------|-------------------------|
| 500,00 INR | 250,00 INR | 50,00 | 500,00 INR | 370,00 INR | 870,00 INR |

| Line No | Del No | Delivery Address | Taxa... | HSN/SAC Code | Tax Calculation Structure | Sales Part No | Sales Qty | Sales UoM | Manual Tax Base Amount | Price/Curr | Price Incl Tax/Curr |
|---------|--------|------------------|---------|-------------------|-------------------------------------|---------------|-----------|-----------|------------------------|------------|---------------------|
| 1 | 1 | AD1 | Yes | HSN7 - HSN Cod... | TAX STRUCTURE 01 - TAX STRUCTURE 01 | IPIN7 | 5 | PCS | 200,00 | 100,00 | 174,00 |

| Customer Order Line Tax Lines | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|----------|------------|--------|-----------------|-----------------|--|-----------------|----------|----------|--------|-----------------|-----------------|---------|---|-----|----|--------|--------|--------|---|-----|----|-------|-------|---------|---|-----|---|-------|-------|
| Gross Amount | | Net Amount | | Tax Amount | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 870,00 | | 500,00 | | 370,00 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Tax Base Amount</th> <th>Tax Code</th> <th>Tax Type</th> <th>Tax(%)</th> <th>Tax Amount/Curr</th> <th>Tax Amount/Base</th> </tr> </thead> <tbody> <tr> <td>1000,00</td> <td>1</td> <td>Tax</td> <td>25</td> <td>250,00</td> <td>250,00</td> </tr> <tr> <td>500,00</td> <td>2</td> <td>Tax</td> <td>12</td> <td>60,00</td> <td>60,00</td> </tr> <tr> <td>1000,00</td> <td>3</td> <td>Tax</td> <td>6</td> <td>60,00</td> <td>60,00</td> </tr> </tbody> </table> | | | | | | | Tax Base Amount | Tax Code | Tax Type | Tax(%) | Tax Amount/Curr | Tax Amount/Base | 1000,00 | 1 | Tax | 25 | 250,00 | 250,00 | 500,00 | 2 | Tax | 12 | 60,00 | 60,00 | 1000,00 | 3 | Tax | 6 | 60,00 | 60,00 |
| Tax Base Amount | Tax Code | Tax Type | Tax(%) | Tax Amount/Curr | Tax Amount/Base | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1000,00 | 1 | Tax | 25 | 250,00 | 250,00 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 500,00 | 2 | Tax | 12 | 60,00 | 60,00 | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1000,00 | 3 | Tax | 6 | 60,00 | 60,00 | | | | | | | | | | | | | | | | | | | | | | | | | |
| OK | | Cancel | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4.9 Tax Transactions

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

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

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

4.10 Manual Tax Base in Overview & Analysis Pages

A new column, **Manual Tax Base Amount** is introduced to below Overview and Analysis pages,

- **Customer Order Lines**
- **Return Material Authorization Lines**
- **Purchase Order Lines**
- **Purchase Order Change Order Lines**

This new column is only available to view the **Manual Tax Base Amount** for the applicable lines and cannot be edited.

4.11 Delimitations

Manual Tax Base Amount functionality is only available on the below pages in the application.

Sales,

- **Customer Order**
- **Customer Invoice**
- **Return Material Authorization**

Procurement,

- **Purchase Order**
- **Purchase Order Change Order**
- **Manual Supplier Invoice**
- **Posting Proposal**

- The functionality is not available for **Charges** in above mentioned pages
- This functionality is not available in **Supplier Self Billing Invoices, Customer Self Billing Invoices** and **Supplier Invoice Template**.
- All the other flows which require to add Manual Tax Base Amount need to be handled by respective customer projects.

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

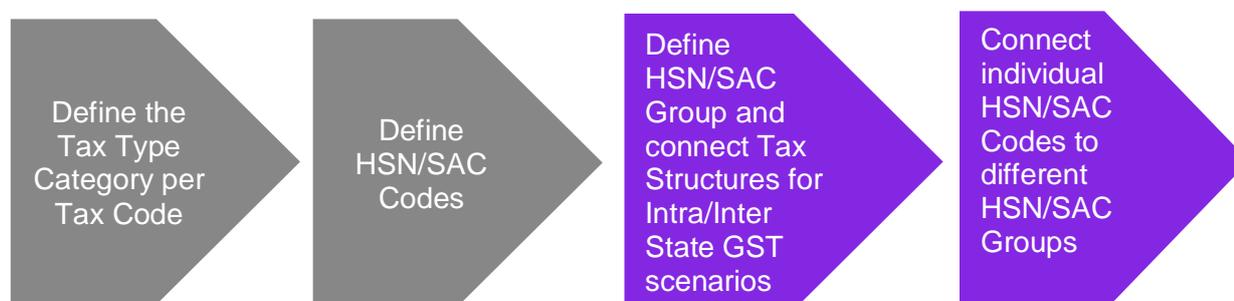
5.1 Overview Legal Requirement

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

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

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

5.2 Process Overview



5.3 Solution Overview

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

5.4 Prerequisites

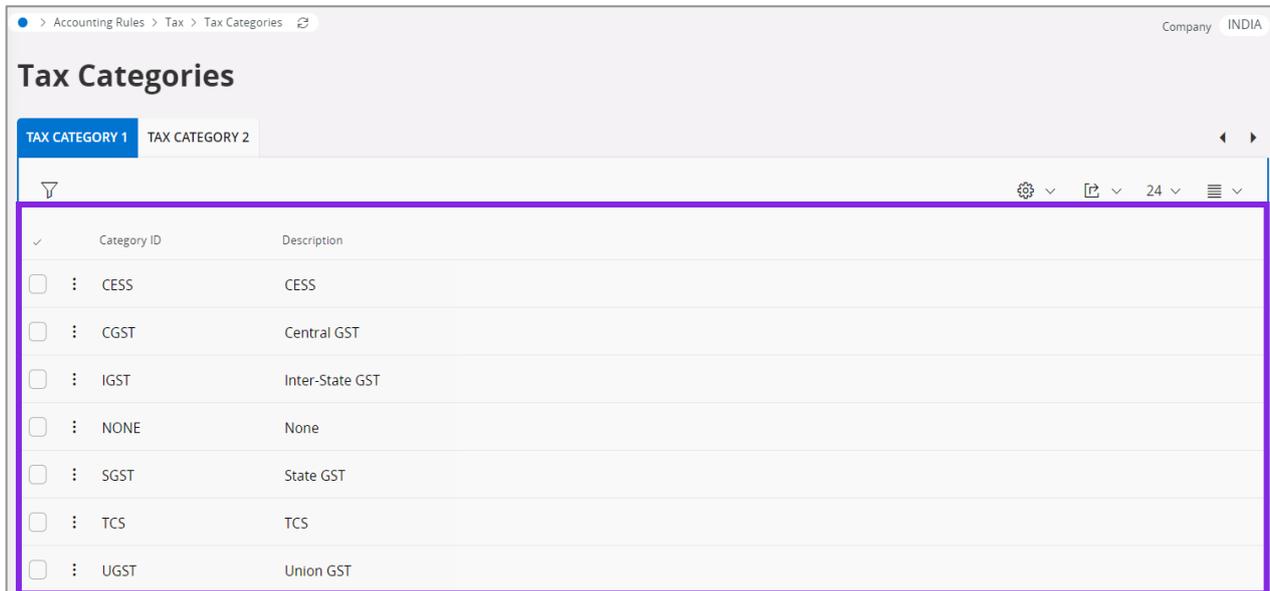
The company must be set-up to use the Indian localization. See the [Company Setup](#) chapter. The “HSN/SAC Codes and Intra/Inter State Tax Rate Fetching” localization parameter must be enabled.

5.5 Define Tax Type category per Tax code

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

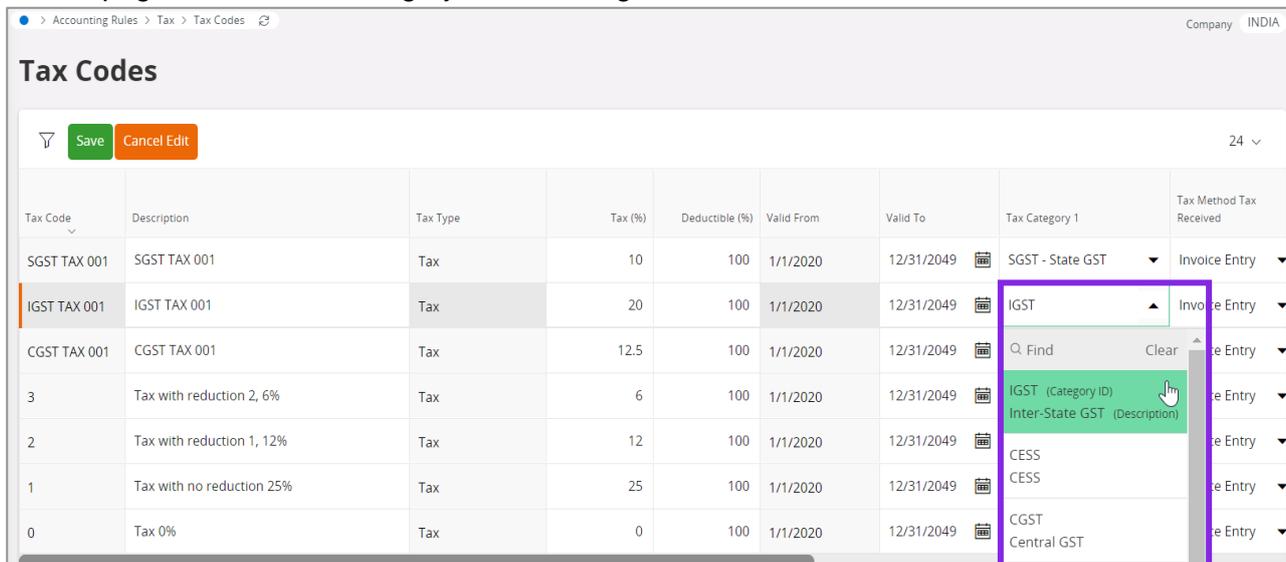
- CGST – Central Goods and Services Tax
- SGST – State Goods and Services Tax
- UGST – Union Goods and Services Tax
- IGST – Integrated Goods and Services Tax
- CESS – Cess
- TCS – TCS

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



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

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



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

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

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

Financials > Tax Ledger > Tax Transactions Company: INDIA

Tax Transactions

Calculate Income Amount

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

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|---------------|-----------|----------------|----------|--------------|------------|------------|
| 0101011 | SIATLK WHT IN | SI | TAX CATEGORIES | INR | | | |

Line Information

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Am... | Cost Amount |
|--------------|------------|------------|--------------------------|-------------|
| 2225.00 | 2000.00 | 225.00 | 0.00 | 2000.00 |

Lines

Tax Lines | Tax Lines, Withholding

| (1) | Tax Code | Tax Category 1 | Tax (%) | Tax Method Tax Received | Customs Declaration Number | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Cost Amount | Total Tax Amount |
|-------------------------------------|--------------|--------------------|---------|-------------------------|----------------------------|-----------------------------------|---------------------------------|---------------------------|-------------|------------------|
| <input type="checkbox"/> | CGST TAX 001 | CGST - Central GST | 12.5 | Invoice | | 125.00 | 62.50 | 0.00 | 1000.00 | 125.00 |
| <input checked="" type="checkbox"/> | SGST TAX 001 | SGST - State GST | 10 | Invoice | | 100.00 | 50.00 | 0.00 | 1000.00 | 100.00 |

Previous | Next | Finish | Cancel

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

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

5.6 Define HSN/SAC Codes

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

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

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

| HSN and SAC Codes | | | |
|---|--------------|--------------------------|--------------|
|    | | | |
| ✓ | HSN/SAC Code | HSN/SAC Code Description | HSN/SAC Type |
| <input type="checkbox"/> | : 123456789 | Plastics | Goods |
| <input type="checkbox"/> | : 123HC | Haircut | Service |
| <input type="checkbox"/> | : 22223333LT | Laptop | Goods |
| <input type="checkbox"/> | : 33333 | Repair | Service |

5.7 HSN/SAC Groups and Intra/Inter-state Tax Structures

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

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

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

HSN and SAC Groups

Q Search

>> 12% - 12% ▼

+ [] [] [] [] [] []

HSN/SAC Group: 12%

HSN/SAC Group Description *: 12%

GENERAL INFORMATION | SUPPLY CHAIN INFORMATION

Intra State Tax Calculation Structure *: INTRASTATE 12% - Intrastate 12%

Inter State Tax Calculation Structure *: INTERSTATE 12% - Interstate 12%

HSN and SAC Codes Per Group

🔍 + ✎

Show Only Valid Codes

| ✓ | HSN/SAC Codes | Valid From |
|--------------------------|---------------------|------------|
| <input type="checkbox"/> | : BANANA - banana | 2025-01-09 |
| <input type="checkbox"/> | : HAIRCUT - HAIRCUT | 2025-01-06 |

For the Intracompany Goods movement, when moving goods between sites in the same company, you can connect separate Tax Calculation Structures to each HSN/SAC Group accordingly. These Tax Calculation Structures entered is the default Tax Calculation Structures for the intracompany goods movement process. If no Tax Calculation Structure entered in these fields, you must manually enter taxes in the transactions for the intracompany scenarios.

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

HSN and SAC Groups

Search

>> 12% - 12%

+ [Icons]

HSN/SAC Group: 12% HSN/SAC Group Description *: 12%

GENERAL INFORMATION **SUPPLY CHAIN INFORMATION**

Intra State Goods Movement Tax Calculation Structure: INTRASTATE 12% - Intrastate 12%

Inter State Goods Movement Tax Calculation Structure: INTERSTATE 12% - Interstate 12%

HSN and SAC Codes Per Group

Show Only Valid Codes [Apply] Settings

| HSN/SAC Codes | Valid From |
|--|------------|
| <input type="checkbox"/> BANANA - banana | 2025-01-09 |

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

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

For example:

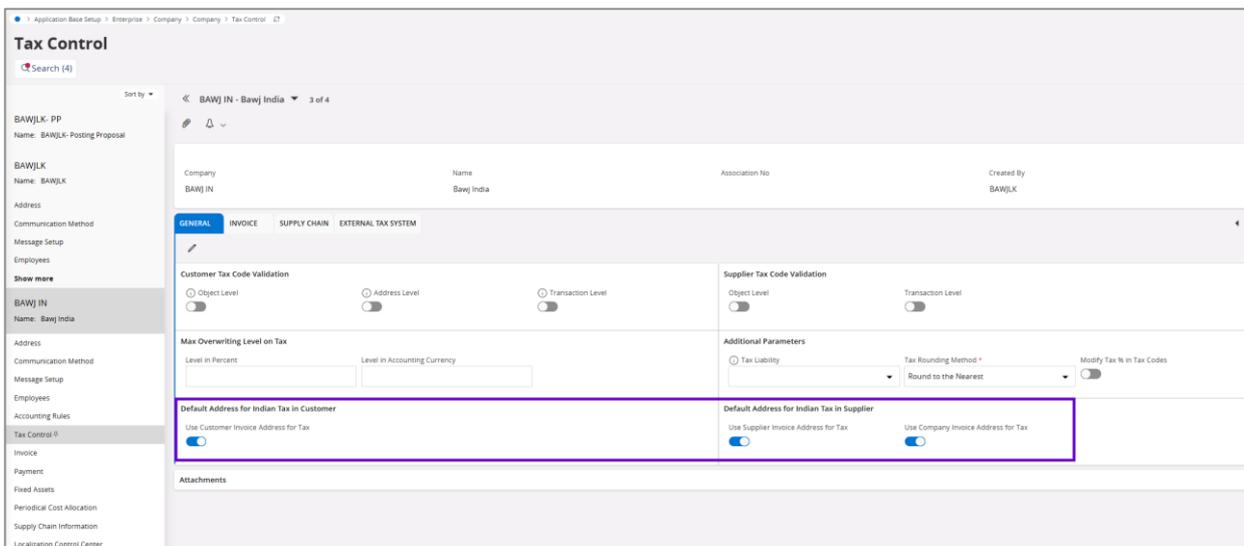
| HSN/SAC Code | HSN/SAC Group | Valid From |
|--------------|---------------|------------|
| 78456989 | 5% | 01/01/2023 |
| 78456989 | 12% | 01/02/2023 |

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

5.8 Default Address for Indian Tax

In order to determine whether a transaction is Interstate or Intrastate, **the buyer's state** would be identified from the buyer's delivery address and **the seller's state** would be identified from the seller's delivery address for comparison. However, the option to utilize the invoice address is available through the toggles named **Use Customer Invoice Address/Document for Tax**, **Use Company Invoice/Document Address for Tax** and **Use Supplier Invoice/ Document Address for Tax** at the transaction header level.

The default setting of the above toggles can be predetermined at the **Company / Tax Control / General / Default address for Indian Tax in Supplier** and **Default address for Indian Tax in Customer** sections available for Indian user who has LCC parameter HSN/SAC Codes and Intra/Inter State Tax Rates Fetching enabled.



The screenshot displays the 'Tax Control' configuration interface for company 'BAWJ IN'. The left sidebar lists various configuration areas, with 'Tax Control' selected. The main content area shows several tabs: 'GENERAL', 'INVOICE', 'SUPPLY CHAIN', and 'EXTERNAL TAX SYSTEM'. The 'GENERAL' tab is active, showing various tax-related settings. Two sections are highlighted with a purple box:

- Default Address for Indian Tax in Customer:** This section contains a toggle for 'Use Customer Invoice Address for Tax', which is currently turned on.
- Default Address for Indian Tax in Supplier:** This section contains two toggles: 'Use Supplier Invoice Address for Tax' and 'Use Company Invoice Address for Tax', both of which are currently turned on.

Accordingly, if above toggles are enabled, it will automatically set all relevant **Use Supplier/Customer/Company Invoice/Document Address for Tax Calculation** toggles in IFS Cloud to the enabled state, ensuring that the invoice address is used for tax determination in India by default. If this option is disabled, the delivery address will be used for tax determination instead. For Example, if Use Customer Invoice Address for Tax Calculation available in **Company / Tax Control / General / Default address for Indian Tax in Customer** is enabled, all **Use Customer Invoice/Document Address for Tax Calculation** toggles in IFS Cloud will be set to enabled. However, for business flows such as creating a Customer Invoice from a Customer Order, the behavior of the **Use Customer Invoice/Document Address for Tax Calculation** toggle set at Order level will be passed on to the Invoice level, as per the core behavior.

For example, enable the Use Customer Invoice Address for Tax toggle in **Company / Tax Control / General / Default address for Indian Tax in Customer**.

Application Base Setup > Enterprise > Company > Company > Tax Control

Tax Control

Search (4)

Sort by

BAWJLK-PP
Name: BAWJLK-Posting Proposal

BAWJLK
Name: BAWJLK

Address

Communication Method

Message Setup

Employees

Show more

BAWJ IN
Name: Bawj India

Address

Communication Method

Message Setup

Employees

Accounting Rules

Tax Control 9

Invoice

Payment

Fixed Assets

Periodical Cost Allocation

Supply Chain Information

Localization Control Center

Show less

BAWJ INDIA
Name: BAWJ India N/A

Company: BAWJ IN | Name: Bawj India | Association No: | Created By: BAWJLK

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:

Default Address for Indian Tax in Customer

Use Customer Invoice Address for Tax:

Default Address for Indian Tax in Supplier

Use Supplier Invoice Address for Tax: | Use Company Invoice Address for Tax:

Attachments

This behavior set at company level will be passed to the customer order page.

MRO and Fleet Operations > Component MRO > Execution > Customer Order

Customer Order

Search | Advanced | Search with Time Zone

Status | Order No | Coordinator | Customer | Customer's PO No | Wanted Delivery Date/Time | More | Favorites | Search | Saved Searches

Sort by

Site: DL | Save | Cancel New

Order No: | Customer: | New Customer: | Site: DL | Order Type: | Wanted Delivery Date/Time: |

ORDER-DETAILS

Coordinator: | Currency: | Customer's PO No: | Additional Discount: | Priority: |

Reference: | Agreement ID: | Language Code: |

Salesperson: | Add Rebate Customer: | Main Representative: |

Ordering Region: | Ordering District: | Market: | Classification Stand: | Limit Sales to Assort: | Document Text: |

Notes:

Delivery Settings

Deliver-from Supplier: | Ship-Via: | Delivery Terms: |

Del Terms Location: | Route: | Forwarder: |

Customer Calendar: | External Transport Calendar: | Backorder Option: |

External Transport L: | Customs Value Curr: | Intra-stat Exempt:

Delivery Confirmation

Confirm Deliveries | Check Sales Group 5... | Delay Cost of Goods Sold to Delivery Confirm...

Delivery Address

Delivery Address: | Single Occurrence: | Tax Free Code: |

Document Address

Document Address: |

Invoice

Tax ID: | Tax ID Validated Date: | Tax ID Error Message: |

Tax Liability: | Pay Term: | Pay Term Base Date: | Invoice Customer: |

Addr ID: | Invoice Cust Reference: | Use Price Incl Tax: | Required Prepay Amt: 0 | Supply Country: INDIA |

Tax Paying Party for: | Customer Branch: | Invol Invoice: | Entry Use Code: |

Use Customer Document Address for Tax:

Customer Invoice Tax ID Number: | Invoice Currency: | Invoice Currency Rate Type: |

Protocol No:

When a Customer Invoice is created from this Customer Order, the behavior of the **Use Customer Invoice/Document Address for Tax Calculation** toggle set at Order level will be passed on to the Invoice level, as per the core behavior.

Customer Invoice

BAWJ CUS INDIA - BAWJ Cus India DL - 97000007 - CUSTORDEB - V12696

Customer No: BAWJ CUS INDIA, Customer Address Name: BAWJ Cus India DL, Series ID: CD, Invoice No: 97000007, Company: BAWJ IN - Bajaj India, Site: DL, Invoice Created: 2/26/2025, Order Created: 2/26/2025

| Amounts | Currency | Gross Amt | Net Amt | Tax Amt | Currency Rate | Tax Currency Rate |
|---------|----------|-----------|---------|---------|---------------|-------------------|
| | INR | 1150.00 | 1000.00 | 150.00 | 1 | 1 |

INDICATORS

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

Use Customer Invoice Address for Tax:

In situations where multiple transactions with different **Use Invoice address** toggle behaviors are involved in a functional flow, such as when creating a Manual Supplier Invoice from multiple Purchase Orders with different **Use Invoice address** toggle behaviors, the company-level default behavior will be fetched to direct the flow to the next page. This ensures consistency in handling various toggle scenarios while maintaining the default settings at the company level. However, the user can manually change any fetched values in transaction pages.

6 HSN/SAC Codes and Intra/Inter State Tax Rates Fetching

6.1 Overview Legal Requirement

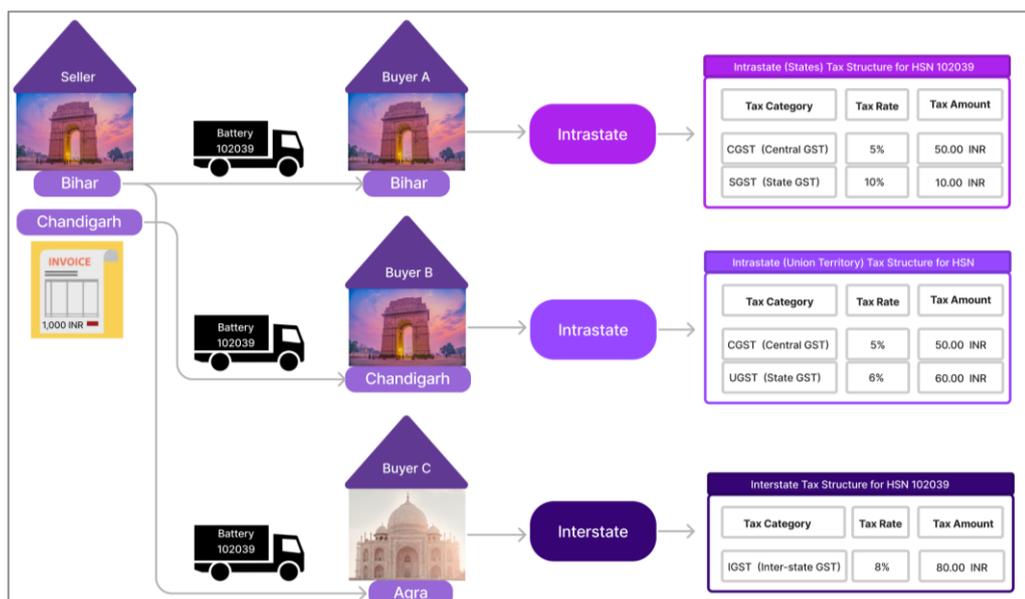
As per Sections 8, 10 and 12 of the Integrated Goods and Services Tax Act, 2017, the legislation that describes the Supply of Goods or Services, the tax rate relevant to a GST liable transaction, depends on two major attributes.

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

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

Moreover, if a company in Chandigarh (CH) is selling a product with HSN code 102039 to another company's delivery address in Chandigarh (CH). The Transaction will still be identified as an Intrastate transaction (Union Territory to Union Territory) and the Tax rates or Structures applicable will be levied.

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



6.2 Process Overview



6.3 Solution Overview

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

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

For Procurement Transactions,

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

The seller's state would be identified from the supplier delivery address and the option to utilize the invoice address/document address is provided via the toggle named, **Use Supplier Invoice Address for Tax** in the transaction header level.

Accordingly,

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

For Sales Transactions,

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

The seller's state would be identified from the company delivery address.

Accordingly,

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

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

Moreover, in an Intrastate situation, if the States in the addresses compared above, are marked as Union Territories on the **States** page, The Tax Codes with Tax Category SGST, defined in the Tax Calculation Structure fetched, will not be visible in the Tax lines, because State taxes are not applicable for Union Territories.

Similarly, if the States in the addresses compared above, are not marked as Union Territories on the **States** page, The Tax Codes with Tax Category UGST, defined in the Tax Calculation Structure fetched, will not be visible in the Tax lines, because Union Territory Taxes are not applicable for States.

6.4 Prerequisites

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

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

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

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

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

6.5.1 SALES PART

Sales Part HP-SP2 - HP sp 2 - HPIN1

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

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

| GENERAL | DESCRIPTIONS | CHARACTERISTICS | CHARGES | MAINTENANCE | PART SPECIFIC OVERHEADS |
|-----------------|--------------|-----------------|---------------|---------------------------------|-------------------------|
| Inventory Part | | | | | Sourcing |
| Unit Of Measure | | | | | Grouping |
| Pricing | | | | | Tax |
| GTIN | | | | | Miscellaneous |
| | | | Min Sales Qty | Closing Tolerance | Created |
| | | | | 0 | 2022-11-23 |
| | | | Notes | HSN/SAC Code 89898989 - Wood | |
| Indicators | | | | | Replacement Part |

6.5.2 NON-INVENTORY SALES PART

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

Complementary Parts | Document Text | Connect Services | Customer Warranty

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

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

6.5.3 PACKAGE PART

Package Part HP-PACKPART - Hp Package part - HPIN1

Complementary Parts
Document Text

Sales Part No
HP-PACKPART

Part Description in Use
Hp Package part

Site
HPIN1 - HP India ...

Active

GENERAL | DESCRIPTION | CHARACTERISTICS | CHARGES

| | |
|------------|------------------|
| Package | Grouping |
| Components | Unit of Measure |
| Indicators | Tax |
| GTIN | Replacement Part |

Misc Information

| | | | | |
|------------|---------------|-------------------|------------|-----------------------|
| Created | Min Sales Qty | Closing Tolerance | Print Code | Customs Statistics No |
| 2022-10-10 | | 0 | | |

Notes

HSN/SAC Code
44445555 - Engine

6.5.4 INVENTORY PART

Inventory Part HP-IN-PART - india part

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

Inventory Part
HP-IN-PART

Part Description in Use
india part

Site
HPIN1

Part Status
A - Active

MAIN | ALTERNATE PARTS | MATERIAL PRICE ELEMENTS | CHARACTERISTICS | MANUFACTURING

| | |
|------------------------------|-------------------------------|
| General | Cost Control |
| Classification | Identification |
| Commodity Group 1 | Weight, Volume and Quantities |
| Commodity Group 2 | Warranty |
| Asset Class | Putaway |
| ABC Class | Origin and Customs |
| ABC Class Locked Until | Supersession |
| Frequency Class | |
| Frequency Class Locked Until | |
| Lifecycle Stage | |
| Lifecycle Stage Locked Until | |
| Safety Code | |
| Accounting Group | |
| Product Code | |
| Product Family | |
| Supply Chain Part Group | |
| Type Designation | |
| Dimension/Quality | |
| HSN/SAC Code | |
| 899889898 - Plastics | |

6.5.5 SALES CHARGE TYPE

Sales Charge Type FREIGHT - Freight Charge ▾

⏪ + 📄 ✎ 🗑️ 🔔 ▾

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

| Sales UoM | Currency |
|-----------|----------|
| pcs ▾ | USD |

GENERAL DESCRIPTIONS

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

6.5.6 SALES QUOTATION

HSN/SAC Codes and tax fetching logic have been introduced to:

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

Sales Quotation Lines

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

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

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

Company (Seller) Delivery Address

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

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

Company Site Group

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

EXTENDED SITE INFO

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

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

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

Sales Quotation P1110 Planned

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

Sales Quotation Amounts

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

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

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

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

Sales Quotation P1110

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

Quotation No: P1110
 Customer: HI HP-IN-CUS1 - HP india customer 1
 Category: Customer
 Site: HPIN1
 Wanted Delivery Date/Time: [Calendar Icon]

Sales Quotation Amounts

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

LINES RENTAL LINES CHARGES QUOTATION DETAILS INVOLVED PARTIES BUSINESS ACTIVITIES

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

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

Sales > Quotation > Sales Quotation

Sales Quotation

Search Advanced Search with Time Zone

Status Quotation No Wanted Delivery Date/Time Coordinator Customer More Favorites Search Saved Searches

V1042
 Customer: CMWCUSINDIA1
 Name: CMWCUSINDIA1
 Site: CMWIN
 Planned

Quotation No: V1042
 Customer: CMWCUSINDIA1 - CMWCUSINDIA1
 Category: Customer
 Site: CMWIN
 Wanted Delivery Date/Time: [Calendar Icon]

Sales Quotation Amounts

QUOTATION DETAILS RENTAL LINES CHARGES INVOLVED PARTIES BUSINESS ACTIVITIES

General

Delivery Address: 1 - CMWCUSINDIA1

Document Address

Sales Quotation Dates

Miscellaneous

Market: [Dropdown] Region: [Dropdown] District: [Dropdown]

Net Weight: 0 Volume: 0 Add Rebate Customer: [Dropdown] Classification Standard: [Dropdown]

Print Code: [Dropdown] Document Text: [Text] Notes - to Customer Order: [Text]

Invoice

Invoice Customer: [Dropdown] Address ID: [Dropdown] Payment Terms: 10 - 10 Days Net Use Price Incl Tax: No

Tax Liability: TAX Tax Paying Party for POC: No Tax Supply Country: INDIA

Entity Use Code: Use Customer Document Address for Tax

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

- Delivery Address of Sales Quotation header
- Delivery Address of Sales Quotation Part Lines
- Part No
- HSN/SAC Code
- Planned Due Date

Sales Quotation Rental Lines

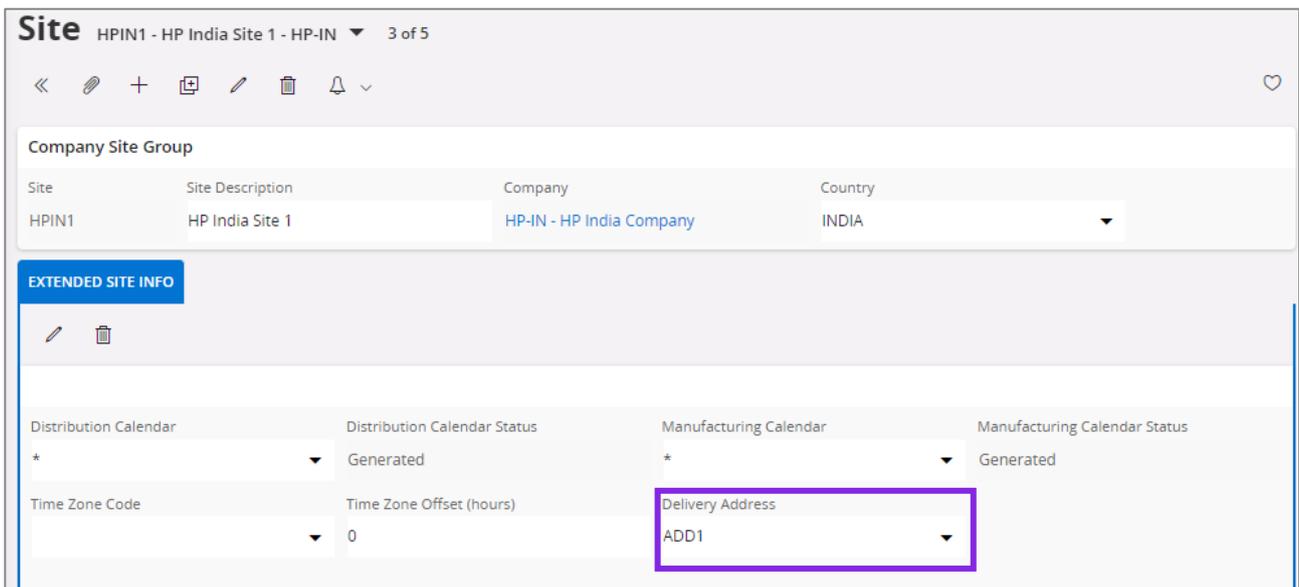
1) A new column is added to the **Sales Quotation/Rental Lines** tab:

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

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

Company (Seller) Delivery Address

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



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

Company Site Group

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

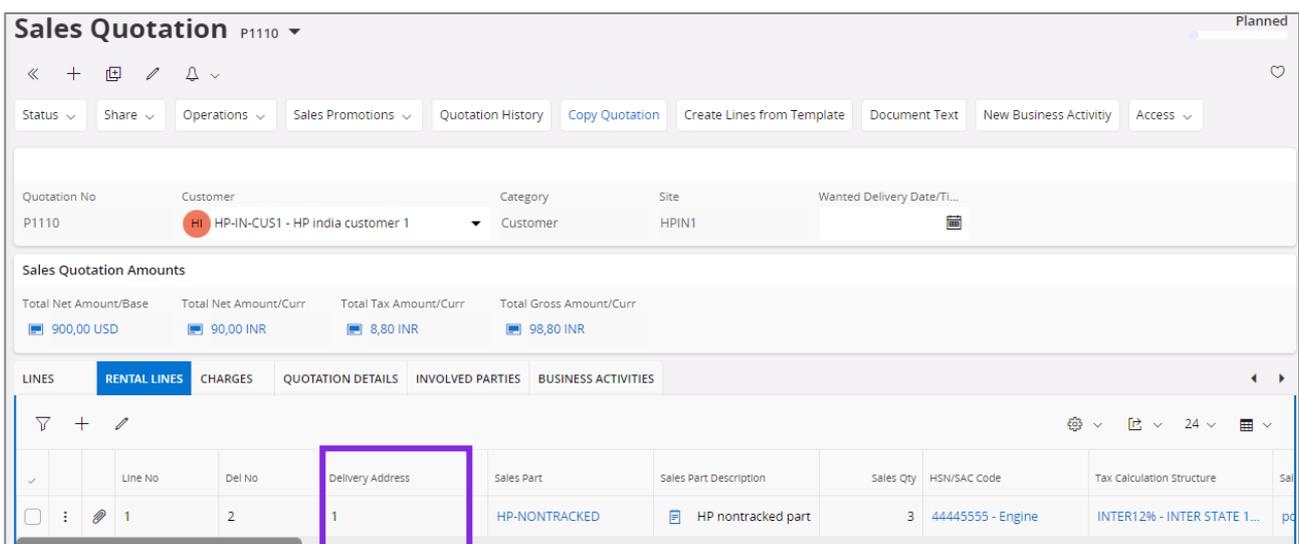
EXTENDED SITE INFO

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

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

Customer (buyer) Delivery Address

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



Sales Quotation P1110 Planned

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

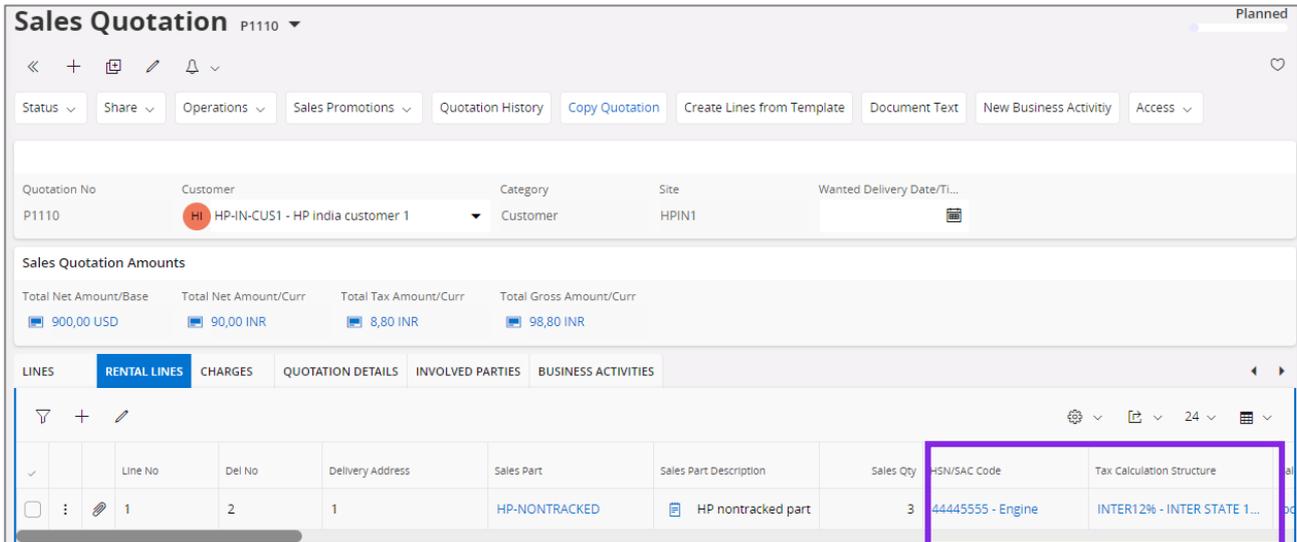
Sales Quotation Amounts

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

RENAL LINES | CHARGES | QUOTATION DETAILS | INVOLVED PARTIES | BUSINESS ACTIVITIES

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

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



Sales Quotation P1110

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

Sales Quotation Amounts

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

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

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

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

Sales Quotation Charges

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

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

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

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

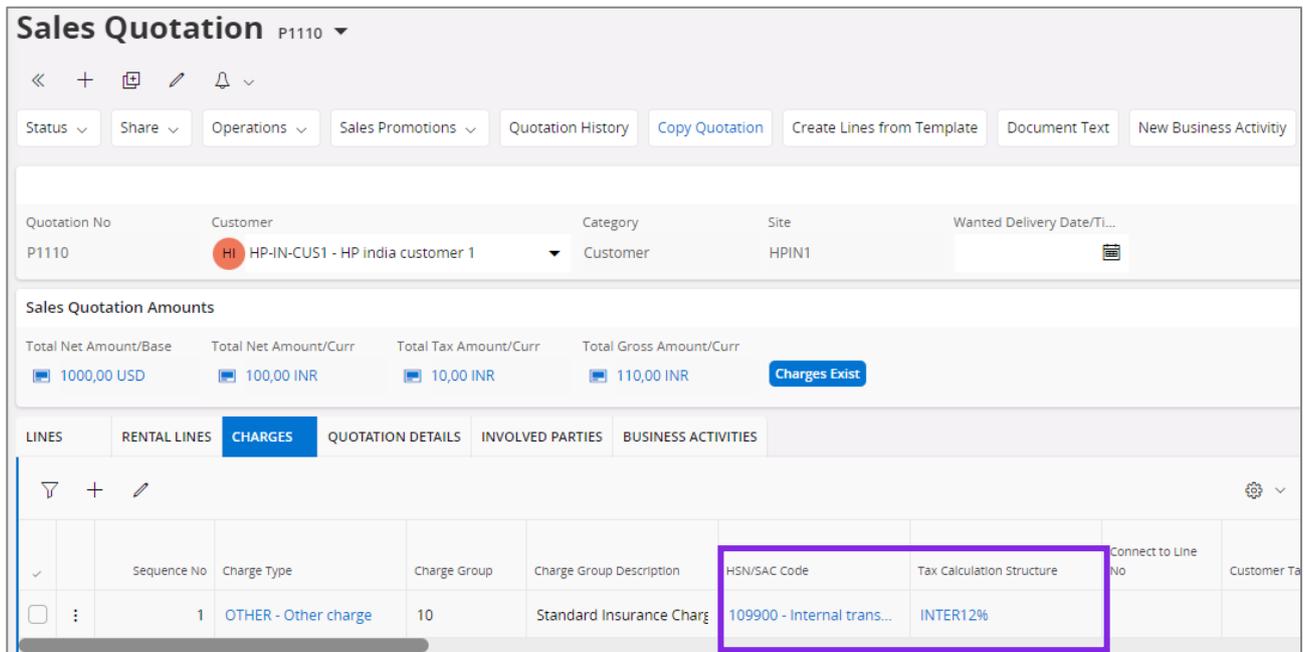
Scenario-01: Charge line is not connected to a Sales Quotation line:

| Company (Seller) Delivery Address | Customer (Buyer) Delivery Address |
|---|---|
| Company (Seller) Delivery Address available on Site is validated. | The customer (buyer) Delivery Address available on the Sales Quotation header is validated. |

Scenario-02: The charge line is connected to a Sales Quotation line:

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

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



The screenshot displays the 'Sales Quotation' interface for quotation P1110. It shows various tabs like 'Status', 'Share', 'Operations', etc. The main section displays 'Sales Quotation Amounts' with values for Net Amount, Tax Amount, and Gross Amount. Below this, the 'LINES' section is active, showing a table of charges. One charge line is highlighted with a purple box, showing 'Sequence No: 1', 'Charge Type: OTHER - Other charge', 'Charge Group: 10', 'Charge Group Description: Standard Insurance Charge', 'HSN/SAC Code: 109900 - Internal trans...', and 'Tax Calculation Structure: INTER12%'.

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

6.5.7 CUSTOMER ORDER

HSN/SAC Codes and tax fetching logic have been introduced to:

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

Customer Order Lines

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

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

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

Company (Seller) Delivery Address

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

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

Company Site Group

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

EXTENDED SITE INFO

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

Customer (Buyer) Delivery Address

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

Customer Order P10922 Planned

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

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

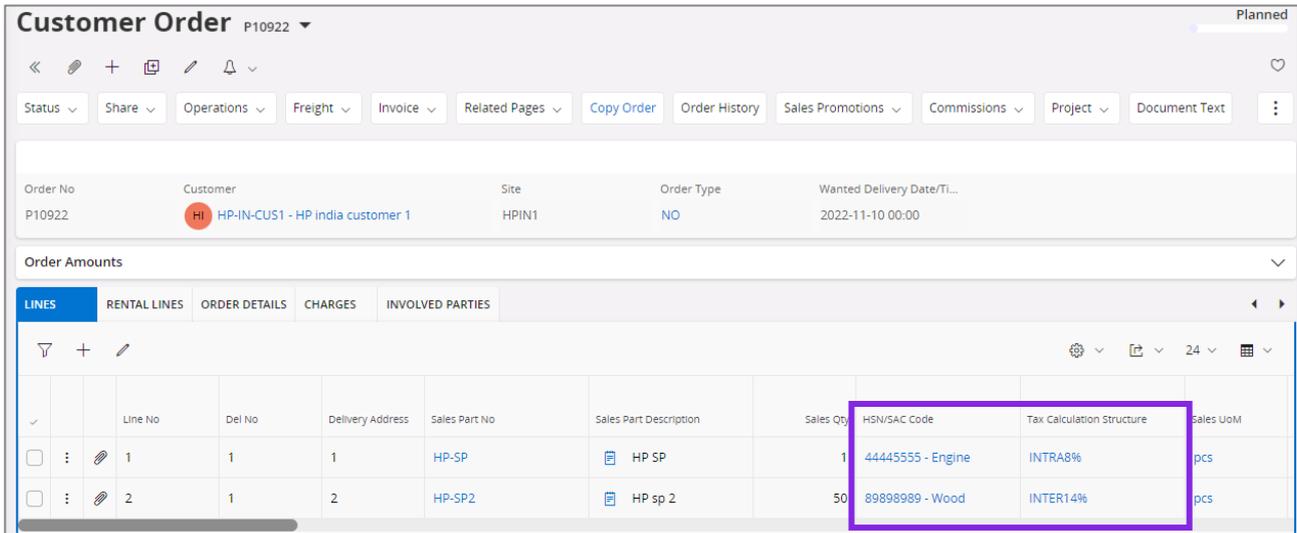
Order Amounts

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

LINES RENTAL LINES ORDER DETAILS CHARGES INVOLVED PARTIES

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

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

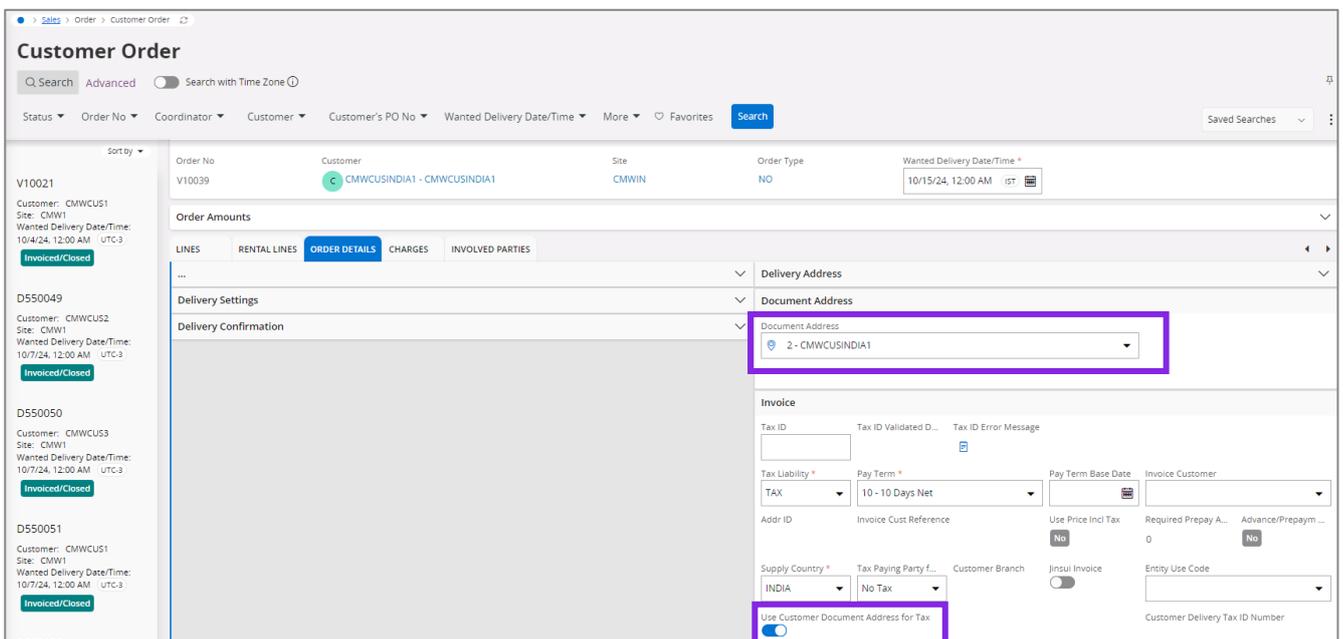


Customer Order P10922 Planned

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

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

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



Customer Order V10021

Order No: V10039, Customer: CMWCUSINDIA1 - CMWCUSINDIA1, Site: CMWIN, Order Type: NO, Wanted Delivery Date/Time: 10/15/24, 12:00 AM

Delivery Settings

- Delivery Address
- Document Address: 2 - CMWCUSINDIA1

Invoice

- Tax Liability: TAX
- Pay Term: 10 - 10 Days Net
- Supply Country: INDIA
- Tax Paying Party: No Tax
- Use Customer Document Address for Tax:

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

- Delivery Address of Customer Order header
- Delivery Address of Customer Order Lines
- Part No
- HSN/SAC Code
- Planned Ship Date

Customer Order Rental Lines

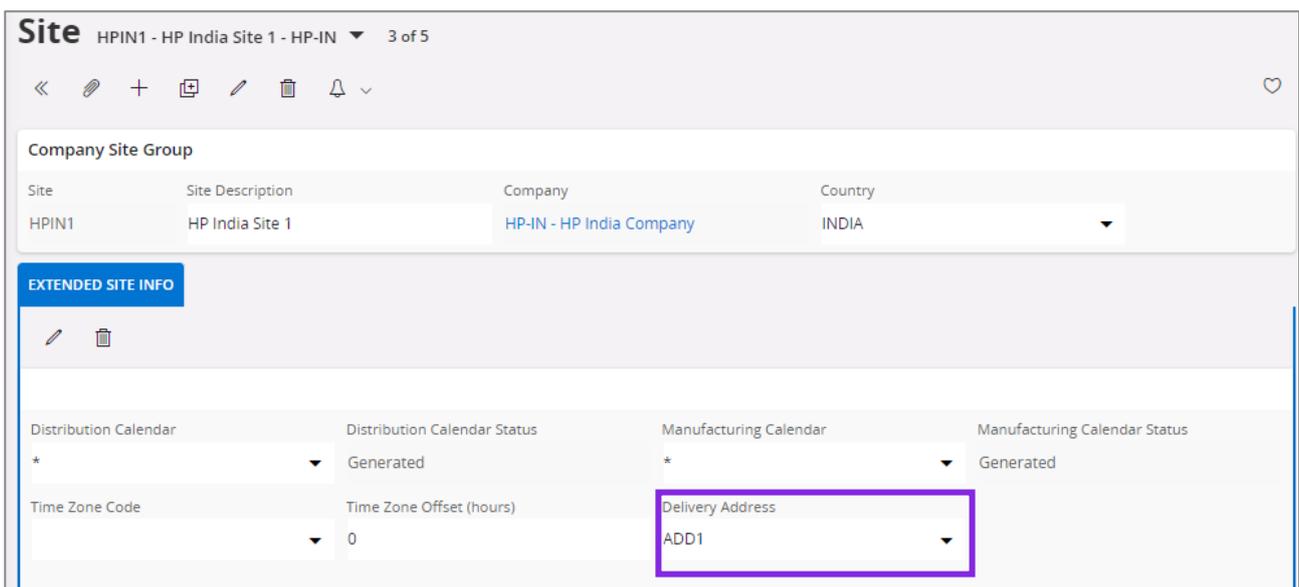
1) A new column is added to the **Customer Order/Rental Lines** tab:

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

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

Company (Seller) Delivery Address

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



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

Company Site Group

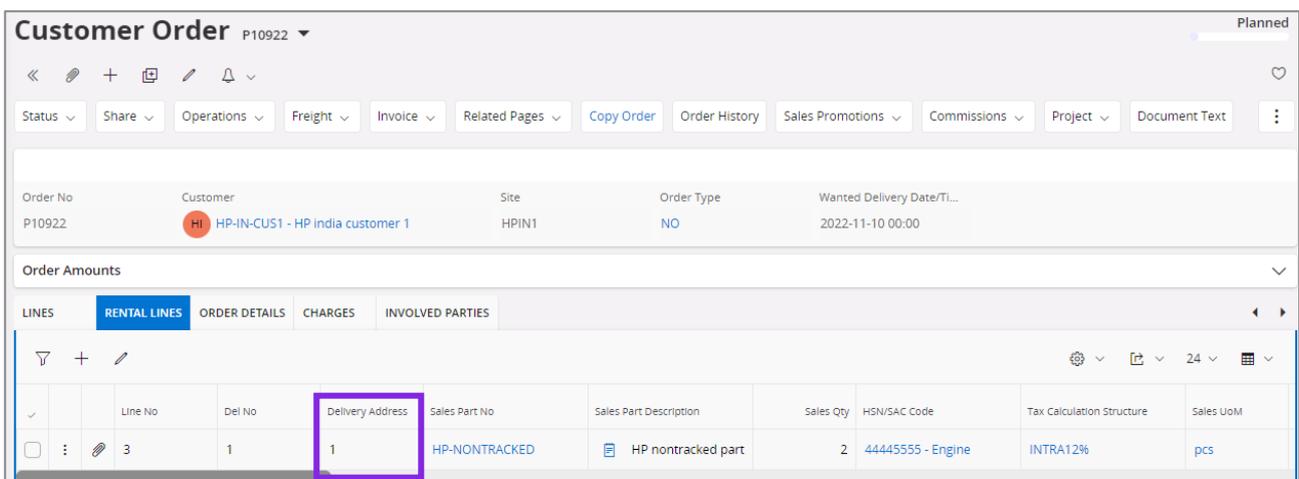
| Site | Site Description | Company | Country |
|-------|------------------|--------------------------|---------|
| HPIN1 | HP India Site 1 | HP-IN - HP India Company | INDIA |

EXTENDED SITE INFO

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

Customer (Buyer) Delivery Address

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



Customer Order P10922 Planned

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

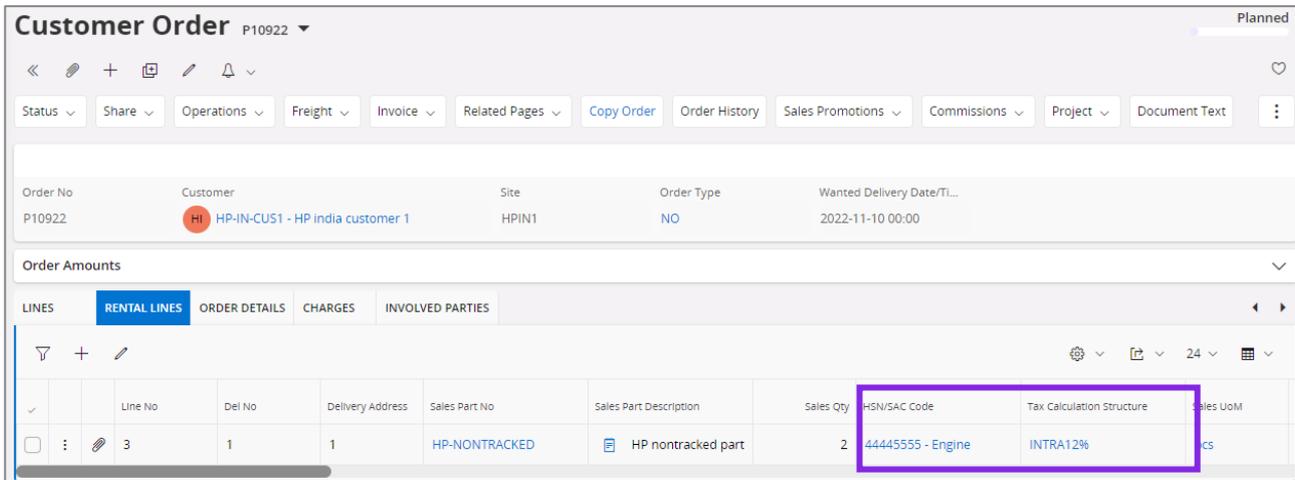
Order Amounts

| LINE | RENTAL LINES | ORDER DETAILS | CHARGES | INVOLVED PARTIES |
|------|--------------|---------------|---------------|--------------------|
| 3 | 1 | 1 | HP-NONTRACKED | HP nontracked part |

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

3) When you enter a Part No connected to an HSN/SAC Code, you will be directed to the **HSN/SAC Groups** page and fetch the correct tax structure to the Customer Order Rental

line. The valid HSN/SAC Code per Group in the **HSN/SAC Groups** page is considered based on the Planned Ship Date on the Customer Order Rental part line.



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

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

Customer Order Charges

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

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

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

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

Scenario-01: The charge line is not connected to a Customer Order line.

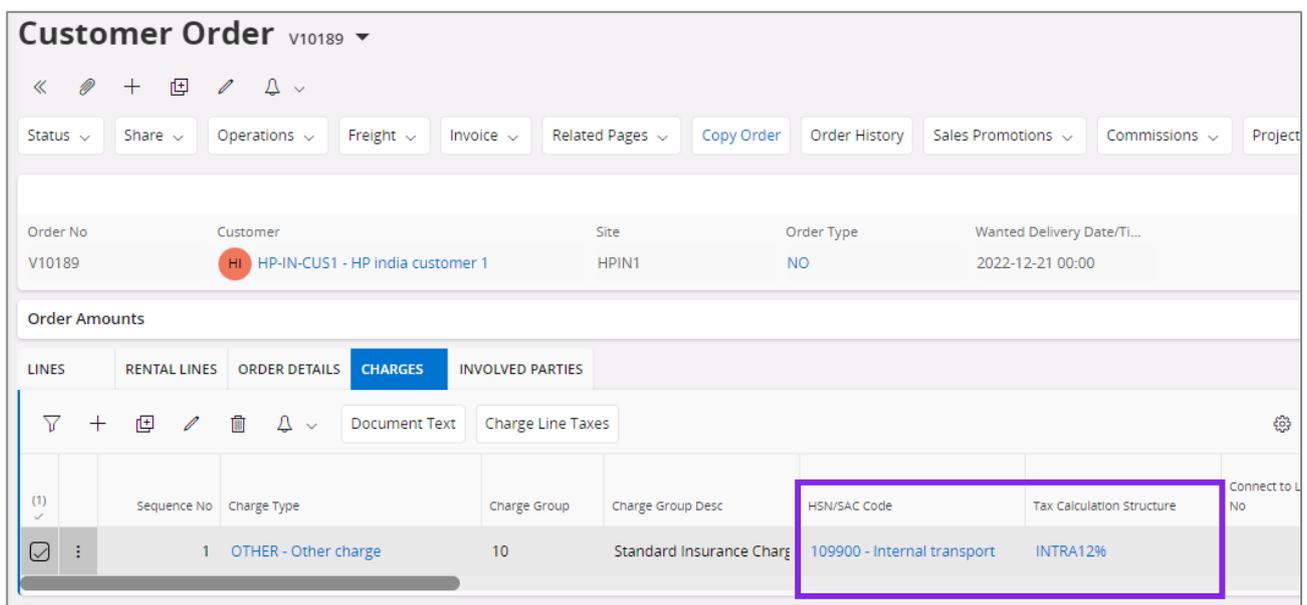
| Company (Seller) Delivery Address | Customer (Buyer) Delivery Address |
|---|--|
| Company (Seller) Delivery Address available on site is validated. | The customer (buyer) Delivery Address available on the Customer Order header is validated. |

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

| Company (Seller) Delivery Address | Customer (Buyer) Delivery Address |
|-----------------------------------|-----------------------------------|
|-----------------------------------|-----------------------------------|

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

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



The screenshot shows the 'Customer Order' interface for order V10189. The 'CHARGES' tab is active, displaying a table of charge lines. The following table represents the data shown in the screenshot:

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

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

6.5.8 CUSTOMER INVOICE

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

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

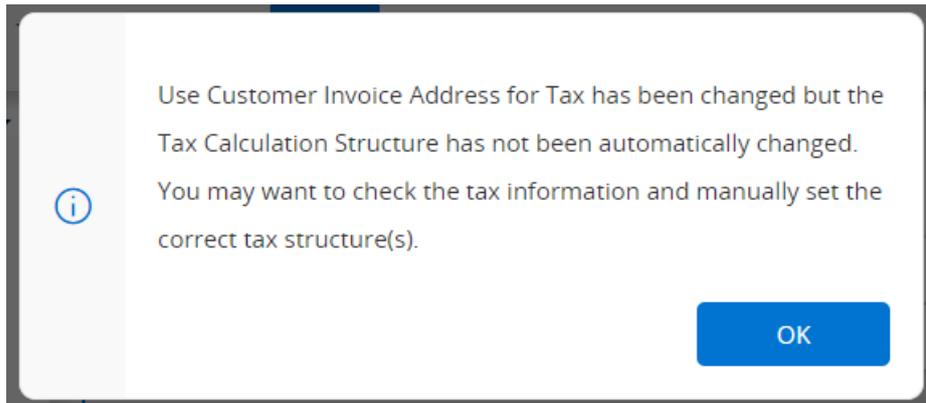
| Customer Invoice | | | | | | | HP-IN-CUS1 - HP india customer 1 - 970000002 - CUSTORDDEB - P11520 | 1 of 1 |
|------------------|-----------------------|--------------------|--------------|----------------------------|---------------------------|-----------------|--|--------|
| Customer No | Customer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

2) Address Handling

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

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

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



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

- HSN/SAC Code

6.5.9 PRINT CUSTOMER INVOICE

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

- Header section of the XML
 - **<STATE_CODE_NUMBER>**
 - Value from the **State Code No** field from the **States** page. It is retrieved from the state of the customer delivery address.
 - **<STATE_NAME>**
 - Value from the **State Name** field from the **States** page. It is retrieved from the state of the customer delivery address.

- Invoice line section of the XML
 - **<HSN_SAC_CODE>**
 - HSN/SAC code from the invoice line.
 - **<CGST_TAX_AMNT>, <CGST_TAX_PCT>, <CGST_FEE_TYPE>**
 - Tax amount, tax percentage and tax type per invoice line for the tax type category "CGST".
 - **<SGST_TAX_AMNT>, <SGST_TAX_PCT>, <SGST_FEE_TYPE>**
 - Tax amount, tax percentage and tax type per invoice line for the tax type category "SGST".
 - **<IGST_TAX_AMNT>, <IGST_TAX_PCT>, <IGST_FEE_TYPE>**
 - Tax amount, tax percentage and tax type per invoice line for the tax type category "IGST".
 - **<UGST_TAX_AMNT>, <UGST_TAX_PCT>, <UGST_FEE_TYPE>**
 - Tax amount, tax percentage and tax type per invoice line for the tax type category "UGST".
 - **<OTHER_TAX_AMNT>, <OTHER_TAX_PCT>, <OTHER_FEE_TYPE>**
 - Tax amount, tax percentage and tax type per invoice line for other tax type categories.

Header section:

```

<CUSTOMER_BRANCH xsi:nil="1"/>
<SHIP_ADDR_1>IP India Customer 1</SHIP_ADDR_1>
<SHIP_ADDR_2>AD1</SHIP_ADDR_2>
<SHIP_ADDR_3>221-221 - Dehli</SHIP_ADDR_3>
<STATE_CODE_NUMBER>07</STATE_CODE_NUMBER>
<STATE_NAME>Delhi</STATE_NAME>
<SHIP_ADDR_4>DL</SHIP_ADDR_4>
<SHIP_ADDR_5>IN - INDIA</SHIP_ADDR_5>
<SHIP_ADDR_6 xsi:nil="1"/>
<SHIP_ADDR_7 xsi:nil="1"/>
<SHIP_ADDR_8 xsi:nil="1"/>
<SHIP_ADDR_9 xsi:nil="1"/>
<SHIP_ADDR_10 xsi:nil="1"/>
<SHIP_ADDR_11 xsi:nil="1"/>

```

Invoice line section:

```

<REF_INVOICE_LINE_DATE xsi:nil="1"/>
<PREPAY_TAX_AMOUNT>9</PREPAY_TAX_AMOUNT>
<LINE_DEL_TERMS_LOCATION xsi:nil="1"/>
<LINE_FORWARD_AGENT xsi:nil="1"/>
<LINE_VAT_NO xsi:nil="1"/>
<DELIVERY xsi:nil="1"/>
<DELIVERY_NOTE_REF xsi:nil="1"/>
<AIRWAY_BILL_NO xsi:nil="1"/>
<NET_SALES_PRICE_CURR>20</NET_SALES_PRICE_CURR>
<COUNTRY_OF_ORIGIN xsi:nil="1"/>
<CUSTOMS_STAT_NO xsi:nil="1"/>
<INVOICE_TEXT xsi:nil="1"/>
<CORRECTION_REASON xsi:nil="1"/>
<CGST_TAX_AMNT>0</CGST_TAX_AMNT>
<SGST_TAX_AMNT>0</SGST_TAX_AMNT>
<IGST_TAX_AMNT>9</IGST_TAX_AMNT>
<UGST_TAX_AMNT>0</UGST_TAX_AMNT>
<OTHER_TAX_AMNT>0</OTHER_TAX_AMNT>
<CGST_TAX_PCT>0</CGST_TAX_PCT>
<SGST_TAX_PCT>0</SGST_TAX_PCT>
<IGST_TAX_PCT>45</IGST_TAX_PCT>
<UGST_TAX_PCT>0</UGST_TAX_PCT>
<OTHER_TAX_PCT>0</OTHER_TAX_PCT>
<CGST_FEE_TYPE xsi:nil="1"/>
<SGST_FEE_TYPE xsi:nil="1"/>
<IGST_FEE_TYPE>TAX</IGST_FEE_TYPE>
<UGST_FEE_TYPE xsi:nil="1"/>
<OTHER_FEE_TYPE xsi:nil="1"/>
<HSN_SAC_CODE>HSN8</HSN_SAC_CODE>
<LINE_DOC_TEXTS/>
<CATALOG_DOC_TEXTS/>
<INVENT_DOC_TEXTS/>
<REAL_SHIP_DATES/>
<STAGED_BILLING_ITEMS/>

```

The solution is available for the following reports:

| | |
|-----------------------------|--------------------|
| CUSTOMER_ORDER_IVC_REP | Invoice |
| CUSTOMER_ORDER_COLL_IVC_REP | Collective Invoice |

6.5.10 RETURN MATERIAL AUTHORIZATION

HSN/SAC Codes and tax fetching logic have been introduced;

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

Return Material Lines

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

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

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

2) Address Handling

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

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

Return Material Authorization

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

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

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

General

Total Amounts

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

Return From Address

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

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

Return to Address

Return Address: ADD1 | Name:

Document Information

Document Address: 2DOC - HP india customer 1

Credit Information

Credit Customer: | Credit Address:

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

Return Material Authorization

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

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

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

General

Total Amounts

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

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

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

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

Return Material Authorization

200112 - DEDEMO07 - 11/28/2024 - CMWIN - CMWCUSINDIA1

Quick RMA Registration Release Cancel Document Text Return History

| | | | |
|--------|-----------------------------|-------|---------|
| RMA No | Customer | Site | Printed |
| 200112 | CMWCUSINDIA1 - CMWCUSINDIA1 | CMWIN | No |

General

Total Amounts

RETURN MATERIAL LINES CREDIT CHARGES RETURN HANDLING ADDRESS MISC RMA INFO

| | |
|--|---|
| <p>Originating Information</p> <p>Originating RMA No Receipt RMA No</p> | <p>RMA Indications</p> <p>Intrastat Exempt Document Text Notes</p> <p>No No</p> |
| <p>Tax Information</p> <p>Tax Liability * Supply Country * Use Price Incl Tax</p> <p>TAX IN - INDIA No</p> <p>Entity Use Code Use Customer Document Address for Tax</p> | <p>Other Information</p> <p>Language * Jinsui Invoice Case ID</p> <p>en - English</p> <p>Cancellation Reason</p> |

Return Material Authorization

200112 - DEDEMO07 - 11/28/2024 - CMWIN - CMWCUSINDIA1

Quick RMA Registration Release Cancel Document Text Return History

| | | | |
|--------|-----------------------------|-------|---------|
| RMA No | Customer | Site | Printed |
| 200112 | CMWCUSINDIA1 - CMWCUSINDIA1 | CMWIN | No |

General

Total Amounts

RETURN MATERIAL LINES CREDIT CHARGES RETURN HANDLING ADDRESS MISC RMA INFO

| | |
|--|--|
| <p>Return From Address</p> <p>Delivery Address * Name Single Occurance</p> <p>1 CMWCUSINDIA1</p> <p>Return From Customer No Ship-Via Delivery Terms</p> <p>CMWCUSINDIA1</p> | <p>Return to Address</p> <p>Return Address * Name</p> <p>1</p> |
| <p>Document Information</p> <p>Document Address</p> <p>2 - CMWCUSINDIA1</p> | <p>Credit Information</p> <p>Credit Customer Credit Address</p> |

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

- Part No
- HSN/SAC Code
- Return Completed Date

Return Material Credit Charges

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

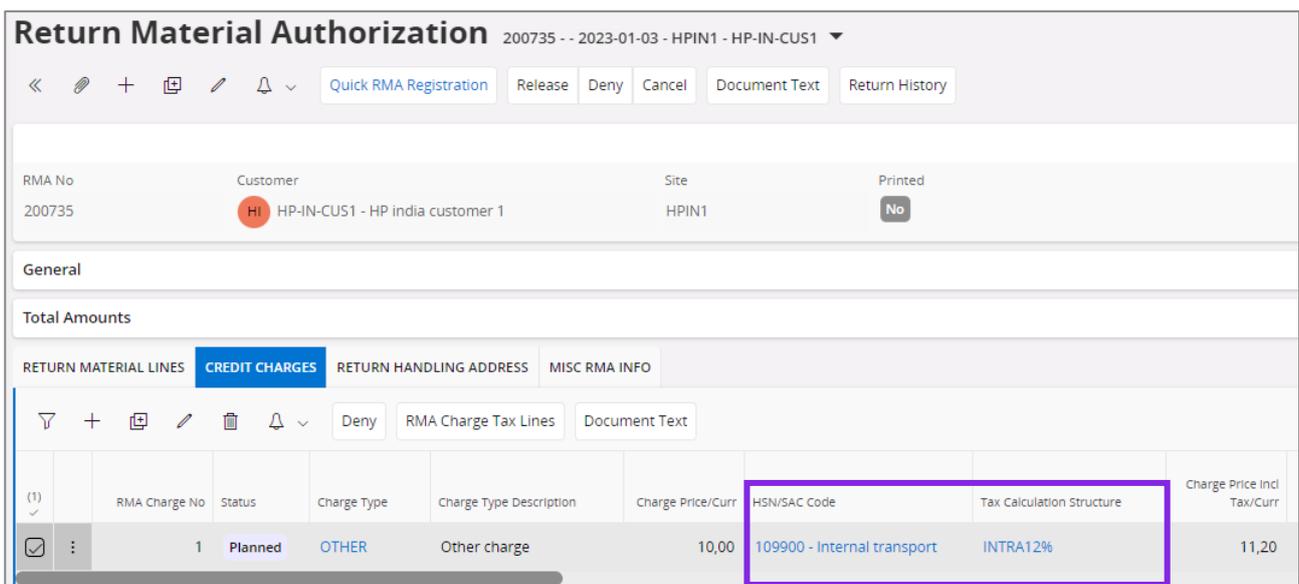
HSN/SAC Code. Use this field to enter the HSN/SAC code. If the charge line has a reference to the customer order, the default value is retrieved from the **Customer Order** page. Otherwise, the default value is retrieved from the **Sales Charge Type** page.

2) Address Handling

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

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

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



The screenshot shows the 'Return Material Authorization' interface for RMA No. 200735. The 'CREDIT CHARGES' tab is active, displaying a table of charges. The following table represents the data shown in the screenshot:

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

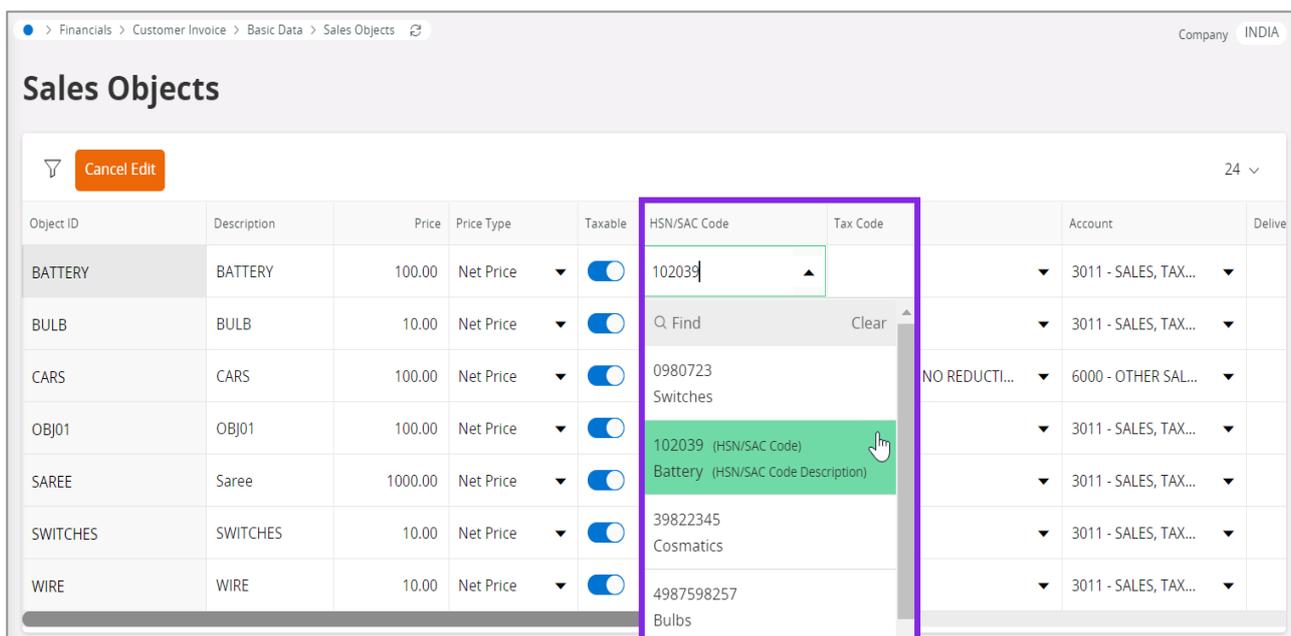
4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.

- 5) For not connected Credit Charge lines, re-fetch of tax structure is done for the below changes.
 - Return From Delivery Address of RMA header
 - Part No
 - HSN/SAC Code
 - Return Completed Date

6.5.11 INSTANT INVOICE

6.5.11.1 Sales Object

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



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

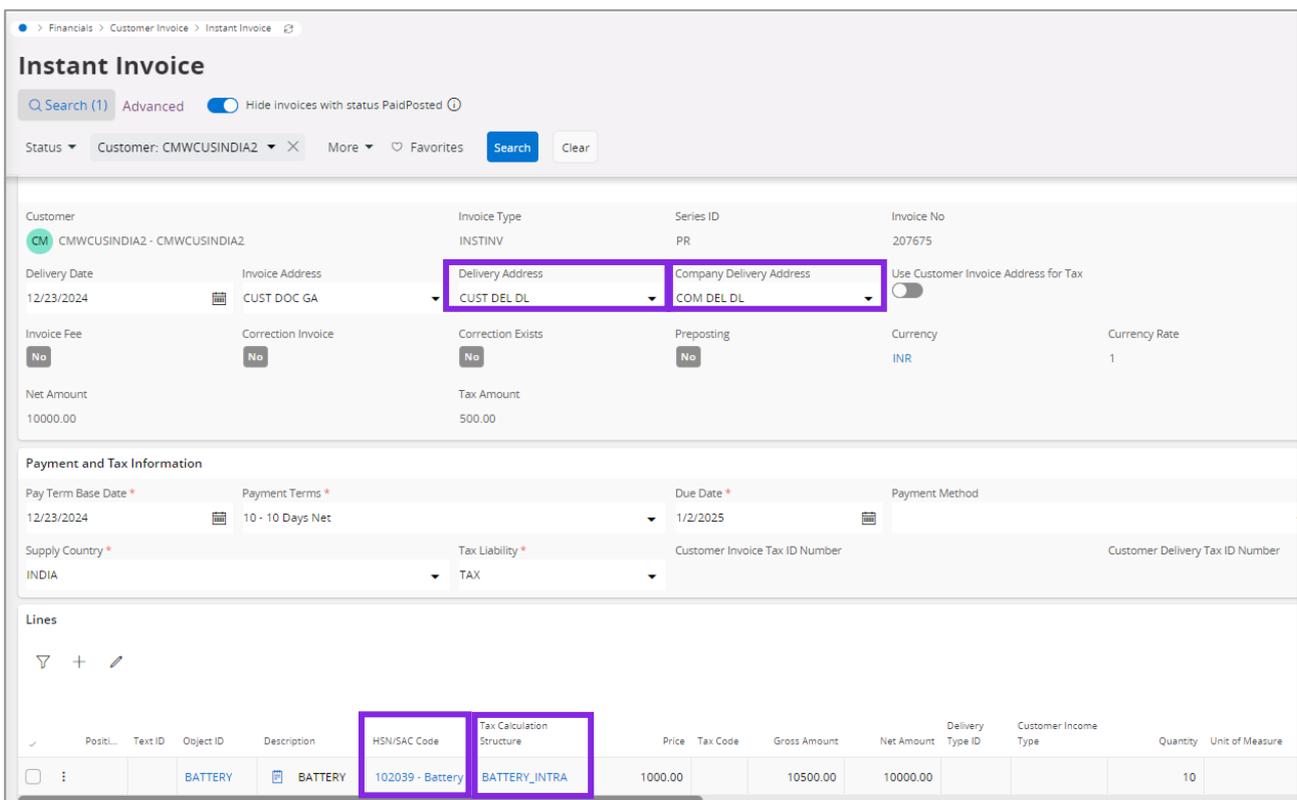
Note that, default tax information (tax codes, tax classes, or tax structures) relevant for the company, customer, supplier, or objects that are defined in the basic data level will not be automatically fetched to invoice line items in Indian Localization enabled companies, as the tax fetching for India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

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

6.5.11.2 Instant Invoice header and lines

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

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



Instant Invoice

Search (1) Advanced Hide Invoices with status PaidPosted

Status Customer: CMWCUSINDIA2 More Favorites Search Clear

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 Invoice Type: INSTINV Series ID: PR Invoice No: 207675

Delivery Date: 12/23/2024 Invoice Address: CUST DOC GA Delivery Address: CUST DEL DL Company Delivery Address: COM DEL DL Use Customer Invoice Address for Tax:

Invoice Fee: No Correction Invoice: No Correction Exists: No Preposting: No Currency: INR Currency Rate: 1

Net Amount: 10000.00 Tax Amount: 500.00

Payment and Tax Information

Pay Term Base Date: 12/23/2024 Payment Terms: 10 - 10 Days Net Due Date: 1/2/2025 Payment Method:

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

Lines

| Posti... | Text ID | Object ID | Description | HSN/SAC Code | Tax Calculation Structure | Price | Tax Code | Gross Amount | Net Amount | Delivery Type ID | Customer Income Type | Quantity | Unit of Measure |
|----------|---------|-----------|-------------|------------------|---------------------------|---------|----------|--------------|------------|------------------|----------------------|----------|-----------------|
| | | BATTERY | BATTERY | 102039 - Battery | BATTERY_INTRA | 1000.00 | | 10500.00 | 10000.00 | | | 10 | |

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

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

Financials > Customer Invoice > Instant Invoice

Instant Invoice

Search (3) Advanced Hide Invoices with status PaidPosted

Status Customer More Favorites Search

More Information Installment Plan and Discounts Pre Posting Print Invoice Print Work Copy Advance Invoices Use Invoice Template Create Invoice Template Create Recurring Invoice Note

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 Invoice Type: INSTINV Series ID: PR Invoice No: 207675 Project ID:

Delivery Date: 12/23/2024 Invoice Address: CUST DOC GA Delivery Address: CUST DEL DL Company Delivery Address: COM DEL DL Use Customer Invoice Address for Tax:

Invoice Fee: No Correction Invoice: No Correction Exists: No Preposting: No Currency: INR Currency Rate: 1 Gross Amount: 11800.00

Net Amount: 10000.00 Tax Amount: 1800.00

Payment and Tax Information

Pay Term Base Date: 12/23/2024 Payment Terms: 10 - 10 Days Net Due Date: 1/2/2025 Payment Method: Payment Address ID:

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

Lines

| Posti... | Text ID | Object ID | Description | HSN/SAC Code | Tax Calculation Structure | Price | Tax Code | Gross Amount | Net Amount | Delivery Type ID | Customer Income Type | Quantity | Unit of Measure | Price Type |
|----------|---------|-----------|-------------|------------------|---------------------------|---------|----------|--------------|------------|------------------|----------------------|----------|-----------------|------------|
| | BATTERY | BATTERY | BATTERY | 102039 - Battery | BATTERY_INTER | 1000.00 | | 11800.00 | 10000.00 | | | 10 | | Net Price |

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

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

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

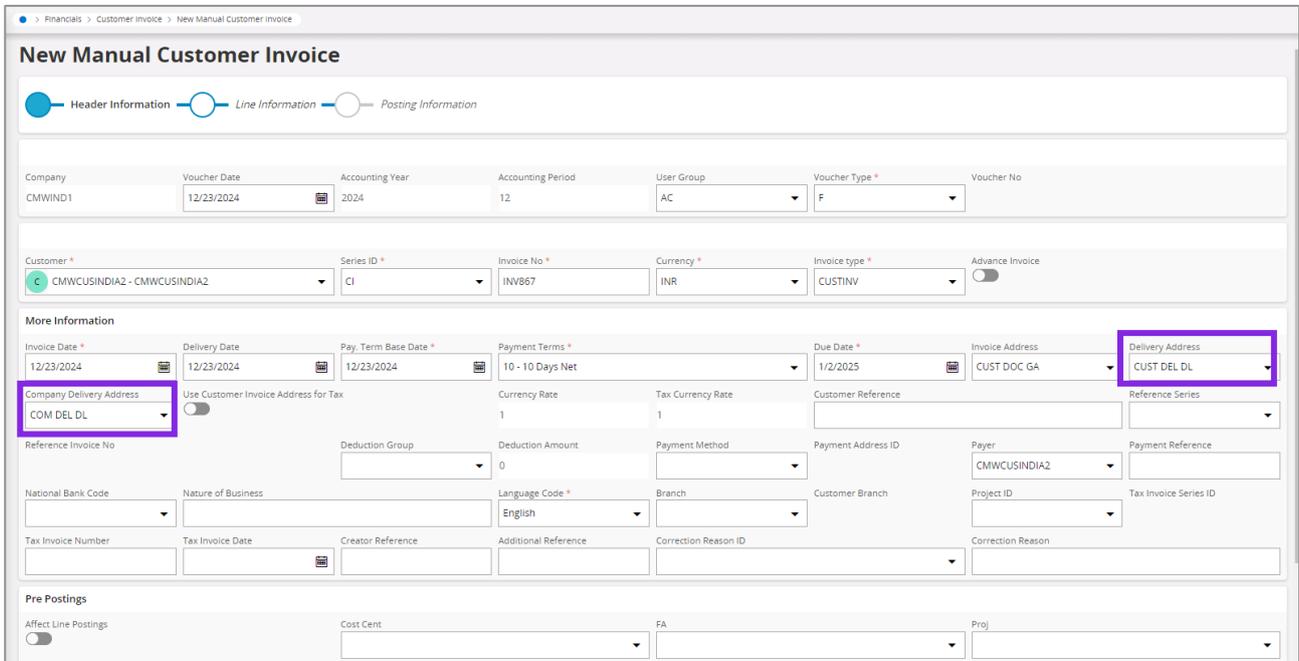
However, HSN/SAC code-based fetching functionality is not supported for the **Instant Invoice Template**. Therefore, the user is expected to manually enter the **Company Delivery Address** and **HSN/SAC Code** in Invoice lines when an invoice is created using an **Instant Invoice Template**.

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

6.5.12 MANUAL CUSTOMER INVOICE

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

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



New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/23/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: F | Voucher No: []

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Currency: INR | Invoice type: CUSTINV | Advance Invoice: []

More Information

Invoice Date: 12/23/2024 | Delivery Date: 12/23/2024 | Pay. Term Base Date: 12/23/2024 | Payment Terms: 10 - 10 Days Net | Due Date: 1/2/2025 | Invoice Address: CUST DOC GA | **Delivery Address: CUST DEL DL**

Company Delivery Address: COM DEL DL | Use Customer Invoice Address for Tax: []

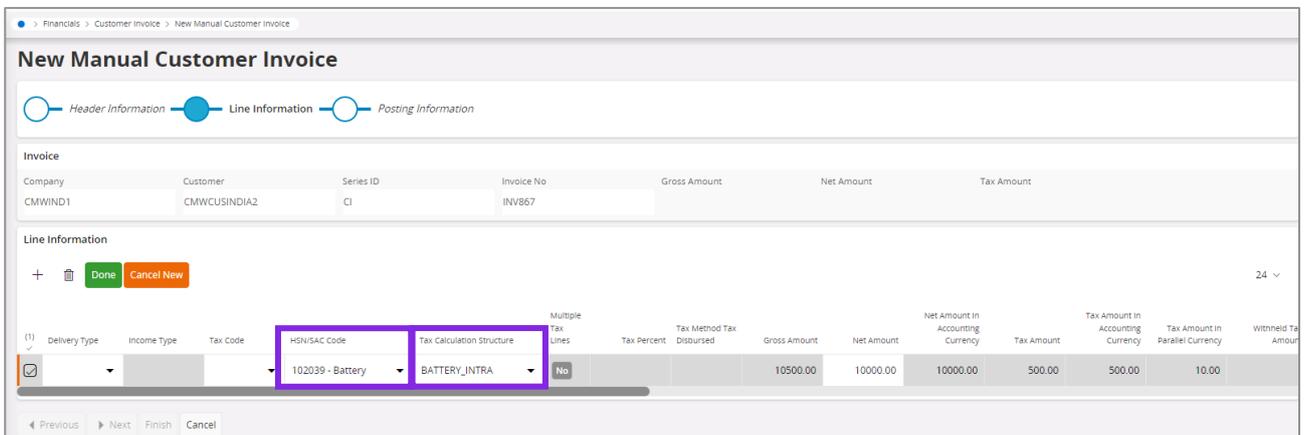
Reference Invoice No: [] | Deduction Group: [] | Deduction Amount: 0 | Payment Method: [] | Payment Address ID: [] | Payer: CMWCUSINDIA2 | Payment Reference: []

National Bank Code: [] | Nature of Business: [] | Language Code: English | Branch: [] | Customer Branch: [] | Project ID: [] | Tax Invoice Series ID: []

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

Pre Postings

Affect Line Postings: [] | Cost Cent: [] | FA: [] | Proj: []



New Manual Customer Invoice

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

Invoice

Company: CMWIND1 | Customer: CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Gross Amount: [] | Net Amount: [] | Tax Amount: []

Line Information

+ [] [Done] [Cancel New] [24 v]

| (1) | Delivery Type | Income Type | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax Percent | Tax Method Tax Disbursed | Gross Amount | Net Amount | NET Amount in Accounting Currency | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Withheld Tax Amount |
|-----|---------------|-------------|----------|------------------|---------------------------|--------------------|-------------|--------------------------|--------------|------------|-----------------------------------|------------|-----------------------------------|---------------------------------|---------------------|
| [] | [] | [] | [] | 102039 - Battery | BATTERY_INTRA | No | [] | [] | 10500.00 | 10000.00 | 10000.00 | 500.00 | 500.00 | 10.00 | [] |

← Previous | Next | Finish | Cancel

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

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

Financials > Customer Invoice > New Manual Customer Invoice

New Manual Customer Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 1/2/2025 | Accounting Year: 2025 | Accounting Period: 1 | User Group: AC | Voucher Type: F | Voucher No:

Customer: CMWCUSINDIA2 - CMWCUSINDIA2 | Series ID: CI | Invoice No: INV867 | Currency: INR | Invoice type: CUSTINV | Advance Invoice:

More Information

Invoice Date: 1/2/2025 | Delivery Date: 1/2/2025 | Pay. Term Base Date: 1/2/2025 | Payment Terms: 10 - 10 Days Net | Due Date: 1/12/2025 | Invoice Address: CUST DOC GA | Delivery Address: CUST DEL DL

Company Delivery Address: COM DOC UP | Use Customer Invoice Address for Tax:

Reference Invoice No: | Deduction Group: | Deduction Amount: 0 | Payment Method: | Payment Address ID: | Payer: CMWCUSINDIA2 | Payment Reference:

National Bank Code: | Nature of Business: | Language Code: English | Branch: | Customer Branch: | Project ID: | Tax Invoice Series ID:

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

Financials > Customer Invoice > New Manual Customer Invoice

New Manual Customer Invoice

Header Information | Line Information | Posting Information

Invoice

| Company | Customer | Series ID | Invoice No | Gross Amount | Net Amount | Tax Amount |
|---------|--------------|-----------|------------|--------------|------------|------------|
| CMWIND1 | CMWCUSINDIA2 | CI | INV867 | | | |

Line Information

+ Done Cancel New

| (1) | Delivery Type | Income Type | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax Percent | Tax Method Tax Disbursed | Gross Amount | Net Amount | Net Amount in Accounting Currency | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency |
|-------------------------------------|---------------|-------------|----------|------------------|---------------------------|--------------------|-------------|--------------------------|--------------|------------|-----------------------------------|------------|-----------------------------------|---------------------------------|
| <input checked="" type="checkbox"/> | | | | 102039 - Battery | BATTERY_INTER | No | | | 11800.00 | 10000.00 | 10000.00 | 1800.00 | 1800.00 | 36.00 |

Previous Next Finish Cancel

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

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

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

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

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

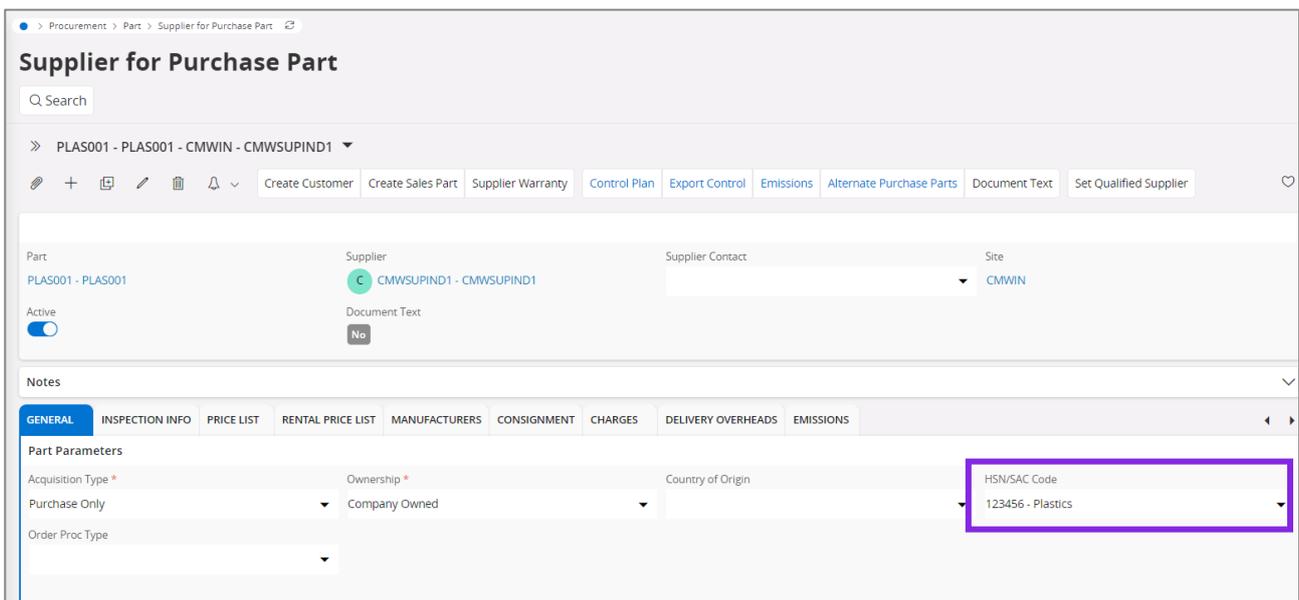
6.6 Procurement flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

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

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

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

6.6.1 SUPPLIER FOR PURCHASE PART

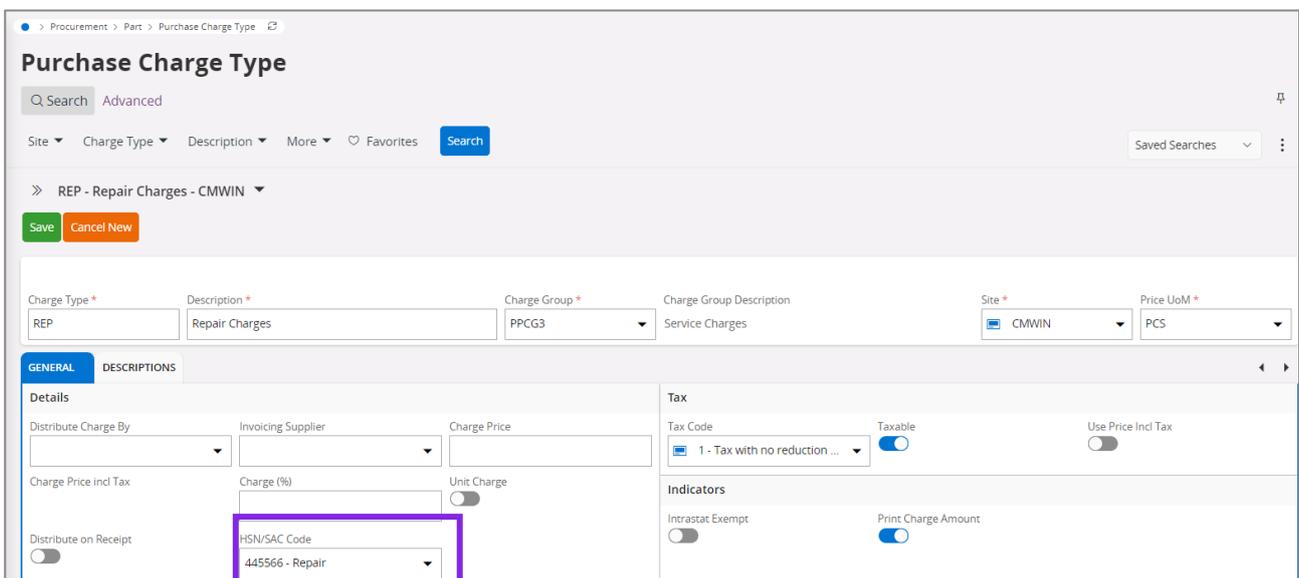


The screenshot shows the 'Supplier for Purchase Part' configuration page. The breadcrumb trail is 'Procurement > Part > Supplier for Purchase Part'. The page title is 'Supplier for Purchase Part'. Below the title is a search bar and a breadcrumb trail 'PLAS001 - PLAS001 - CMWIN - CMWSUPIND1'. There are several action buttons: 'Create Customer', 'Create Sales Part', 'Supplier Warranty', 'Control Plan', 'Export Control', 'Emissions', 'Alternate Purchase Parts', 'Document Text', and 'Set Qualified Supplier'. The form fields include:

- Part: PLAS001 - PLAS001
- Supplier: CMWSUPIND1 - CMWSUPIND1
- Supplier Contact: (empty)
- Site: CMWIN
- Active: (toggle on)
- Document Text: No

 Below these fields is a 'Notes' section. A tabbed interface is shown with 'GENERAL' selected. Under 'Part Parameters', the 'HSN/SAC Code' dropdown is highlighted with a purple box and shows the value '123456 - Plastics'. Other parameters include 'Acquisition Type' (Purchase Only), 'Ownership' (Company Owned), and 'Country of Origin'.

6.6.2 PURCHASE CHARGE TYPE



The screenshot shows the 'Purchase Charge Type' configuration page. The breadcrumb trail is 'Procurement > Part > Purchase Charge Type'. The page title is 'Purchase Charge Type'. Below the title is a search bar and a breadcrumb trail 'REP - Repair Charges - CMWIN'. There are 'Save' and 'Cancel New' buttons. The form fields include:

- Charge Type*: REP
- Description*: Repair Charges
- Charge Group*: PPG3
- Charge Group Description: Service Charges
- Site*: CMWIN
- Price UoM*: PCS

 Below these fields is a 'GENERAL' tabbed interface. Under 'Details', the 'HSN/SAC Code' dropdown is highlighted with a purple box and shows the value '445566 - Repair'. Other details include 'Distribute Charge By', 'Invoicing Supplier', 'Charge Price', 'Charge Price incl Tax', 'Charge (%)', and 'Unit Charge'. Under 'Tax', there is a 'Tax Code' dropdown (1 - Tax with no reduction ...), 'Taxable' (toggle on), and 'Use Price Incl Tax' (toggle off). Under 'Indicators', there is 'Intrastat Exempt' (toggle off) and 'Print Charge Amount' (toggle on).

6.6.3 PURCHASE ORDER

HSN/SAC Codes and tax fetching logic have been introduced;

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

Purchase Order Part Lines

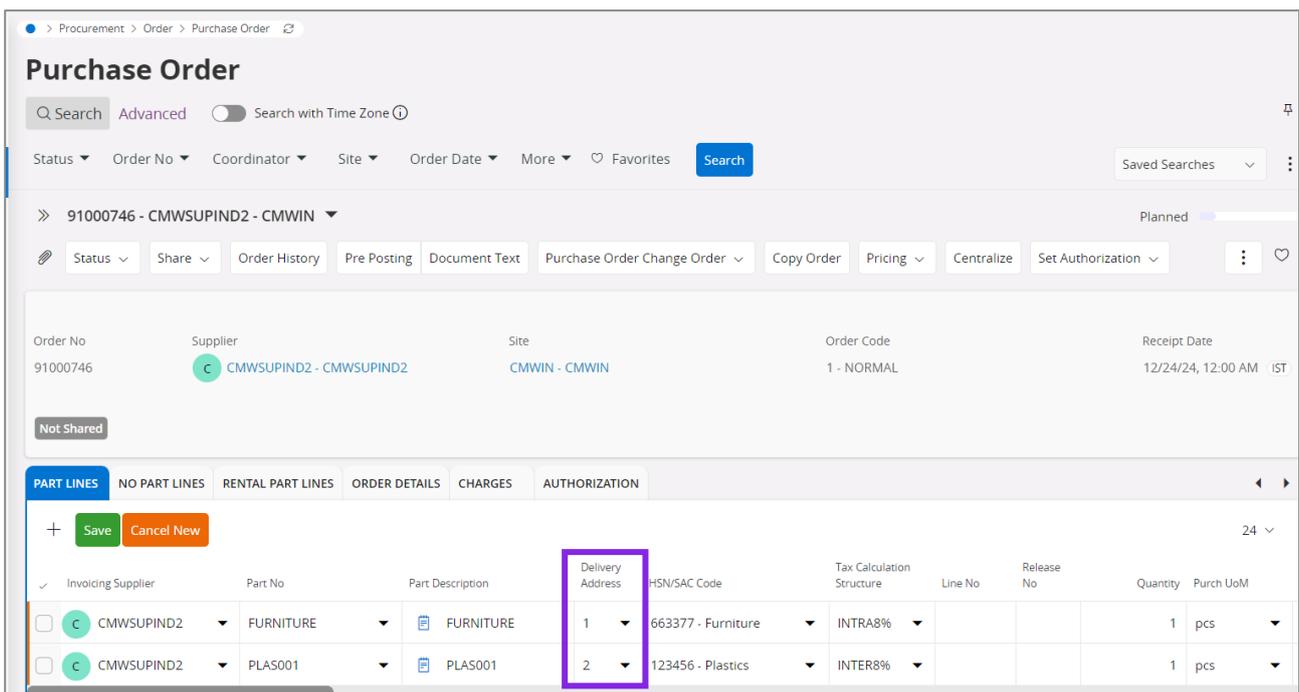
1) A new column is added to the **Purchase Order/Part Lines** tab:

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

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

Company (buyer) Delivery Address

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



| Invoicing Supplier | Part No | Part Description | Delivery Address | HSN/SAC Code | Tax Calculation Structure | Line No | Release No | Quantity | Purch UoM |
|--------------------|-----------|------------------|------------------|--------------------|---------------------------|---------|------------|----------|-----------|
| CMWSUPIND2 | FURNITURE | FURNITURE | 1 | 663377 - Furniture | INTRA8% | | | 1 | pcs |
| CMWSUPIND2 | PLAS001 | PLAS001 | 2 | 123456 - Plastics | INTER8% | | | 1 | pcs |

Supplier (seller) Delivery Address

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

Procurement > Order > Purchase Order

Purchase Order

Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address

Delivery Address Reference Document Address

1 2

Single Occurrence

Delivery Information

Supplier Delivery Address Supplier Document Address Ship-Via Delivery Terms

1 2 * - test * - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time Internal Destination ID Internal Destination Description Intrastat Exempt

0

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

Procurement > Order > Purchase Order

Purchase Order

Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

91000746 - CMWSUPIND2 - CMWIN Planned

Order History Pre Posting Document Text Purchase Order Change Order Copy Order Pricing Centralize

Order Amounts

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

Create Lines from Template

| Invoicing Supplier | Part No | Part Description | Delivery Address | HSN/SAC Code | Tax Calculation Structure | Line No | Release No | Quantity | Purch Uo |
|--------------------|-----------|------------------|------------------|--------------------|---------------------------|---------|------------|----------|----------|
| CMWSUPIND2 - CM... | FURNITURE | FURNITURE | 1 | 663377 - Furniture | INTRA8% | 1 | 1 | 1 | pcs |
| CMWSUPIND2 - CM... | PLAS001 | PLAS001 | 2 | 123456 - Plastics | INTER8% | 2 | 1 | 1 | pcs |

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

Company (buyer) Document Address

The company (buyer) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address

Delivery Address Reference

1

Single Occurrence

Document Address

Document Address

2

Delivery Information

Invoicing

Invoicing Supplier * Payment Terms * Tax Liability * Pre-posting Consolidated

C CMWSUPIND2 - CMWSUPIND2 0 - Due Immediately TAX - TAX No No

Payment Schedules Exist Use Price Incl Tax Use Company Document Address for Tax Use Supplier Document Address for Tax

No No No

Supplier (seller) Delivery Address

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

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address

Delivery Address Reference

1

Single Occurrence

Document Address

Document Address

2

Delivery Information

Supplier Delivery Address Supplier Document Address Ship-Via * Delivery Terms *

1 2 * - test * - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time Internal Destination ID Internal Destination Description Intrastat Exempt

0

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

Company (buyer) Delivery Address

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

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

91000746 - CMWSUPIND2 - CMWIN Planned

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

Order No: 91000746 Supplier: CMWSUPIND2 - CMWSUPIND2 Site: CMWIN - CMWIN Order Code: 1 - NORMAL Receipt Date: 12/24/24, 12:00 AM IST

Not Shared

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

+ Save Cancel New 24

| Invoicing Supplier | Part No | Part Description | Delivery Address | HSN/SAC Code | Tax Calculation Structure | Line No | Release No | Quantity | Purch UoM |
|--------------------|-----------|------------------|------------------|--------------------|---------------------------|---------|------------|----------|-----------|
| CMWSUPIND2 | FURNITURE | FURNITURE | 1 | 663377 - Furniture | INTRA8% | | | 1 | pcs |
| CMWSUPIND2 | PLAS001 | PLAS001 | 2 | 123456 - Plastics | INTER8% | | | 1 | pcs |

Supplier (seller) Document Address

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

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address Document Address

Delivery Information

Supplier Delivery Address: 1 Supplier Document Address: 2 Ship-Via: * - test Delivery Terms: * - TEST

Delivery Terms Location: Route Forwarder External Transport Calendar

Delivery Lead Time: 0 Internal Destination ID Internal Destination Description Intrastat Exempt:

Label Note

Invoicing

Invoicing Supplier: CMWSUPIND2 - CMWSUPIND2 Payment Terms: 0 - Due Immediately Tax Liability: TAX - TAX Pre-posting: No Consolidated: No

Payment Schedules Exist: No Use Price Incl Tax: No Use Company Document Address for Tax: Use Supplier Document Address for Tax:

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

Company (buyer) Document Address

The company (buyer) Document Address available on the **Order Details** tab is validated.

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address

Delivery Address Reference

1

Single Occurrence

Document Address

Document Address

2

Delivery Information

Invoicing

Invoicing Supplier * CMWSUPIND2 - CMWSUPIND2 Payment Terms * 0 - Due Immediately Tax Liability * TAX - TAX Pre-posting No Consolidated No

Payment Schedules Exist No Use Price Incl Tax No Use Company Document Address for Tax Use Supplier Document Address for Tax

Supplier (seller) Document Address

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

Procurement > Order > Purchase Order

Purchase Order

Q Search Advanced Search with Time Zone

Status Order No Coordinator Site Order Date More Favorites Search Saved Searches

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

General

Delivery Address

Document Address

Delivery Information

Supplier Delivery Address 1 Supplier Document Address 2 Ship-Via * *- test Delivery Terms * *- TEST

Delivery Terms Location Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time 0 Internal Destination ID Internal Destination Description Intrastat Exempt

Label Note

Invoicing

Invoicing Supplier * CMWSUPIND2 - CMWSUPIND2 Payment Terms * 0 - Due Immediately Tax Liability * TAX - TAX Pre-posting No Consolidated No

Payment Schedules Exist No Use Price Incl Tax No Use Company Document Address for Tax Use Supplier Document Address for Tax

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

Purchase Order No Part Lines

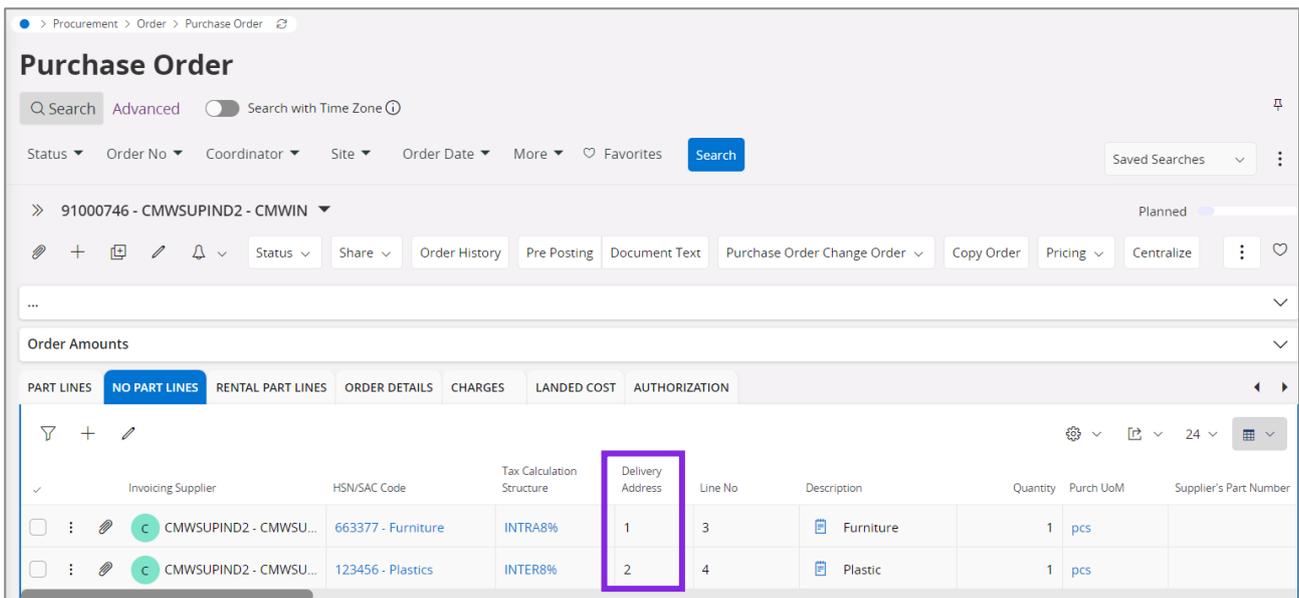
- 1) A new column is added to the **Purchase Order/No Part Lines** tab:

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

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

Company (buyer) Delivery Address

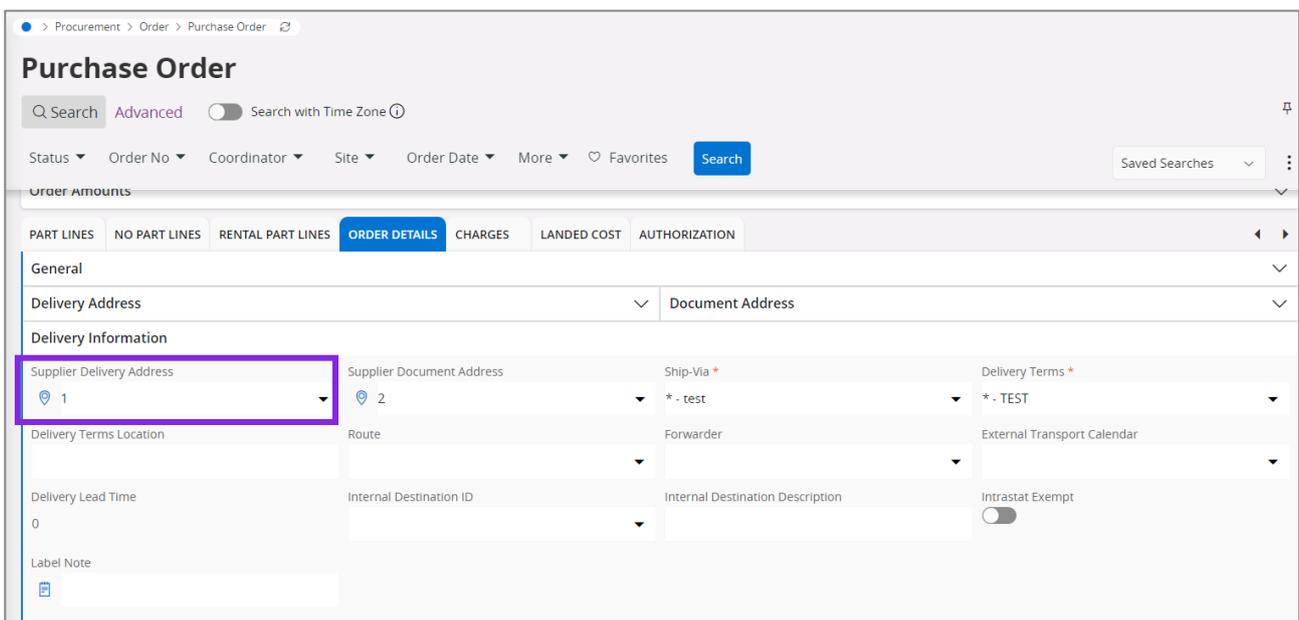
Company (buyer) Delivery Address available on Purchase Order No Part Line is validated.



| Invoicing Supplier | HSN/SAC Code | Tax Calculation Structure | Delivery Address | Line No | Description | Quantity | Purch UoM | Supplier's Part Number |
|-----------------------|--------------------|---------------------------|------------------|---------|-------------|----------|-----------|------------------------|
| CMWSUPIND2 - CMWSU... | 663377 - Furniture | INTRA8% | 1 | 3 | Furniture | 1 | pcs | |
| CMWSUPIND2 - CMWSU... | 123456 - Plastics | INTER8% | 2 | 4 | Plastic | 1 | pcs | |

Supplier (seller) Delivery Address

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



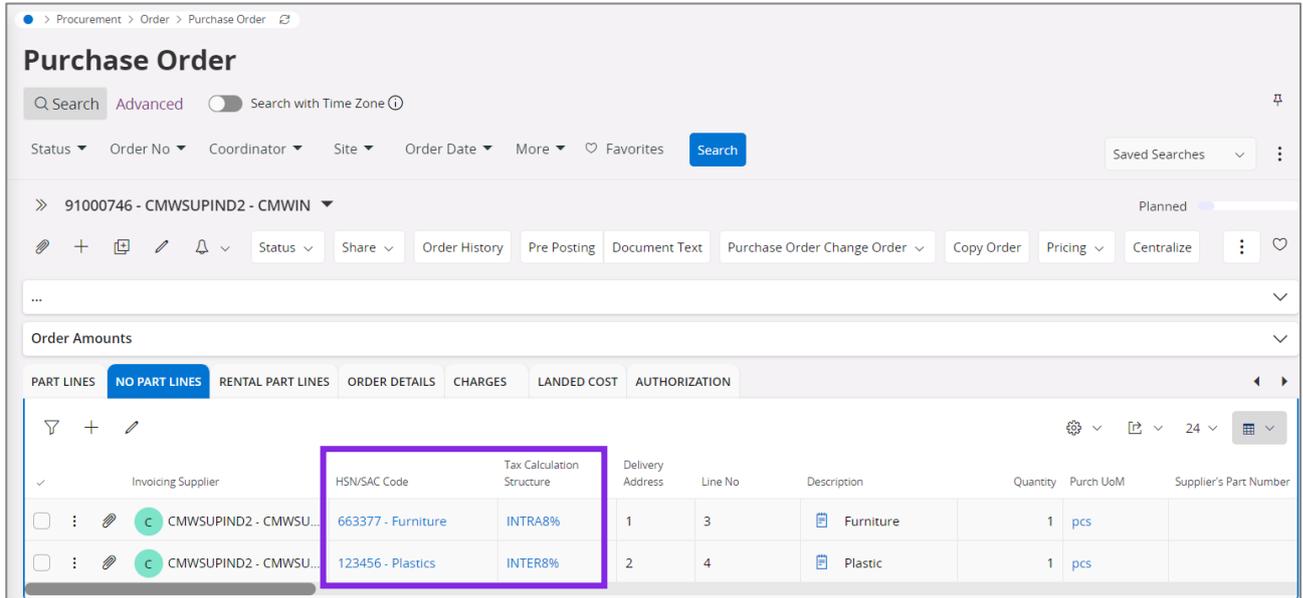
Supplier Delivery Address

Supplier Document Address: 2

Ship-Via: * - test

Delivery Terms: * - TEST

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



The screenshot shows the 'Purchase Order' interface for order 91000746. The 'NO PART LINES' tab is active, displaying a table with the following data:

| HSN/SAC Code | Tax Calculation Structure | Delivery Address | Line No | Description | Quantity | Purch UoM | Supplier's Part Number |
|--------------------|---------------------------|------------------|---------|-------------|----------|-----------|------------------------|
| 663377 - Furniture | INTRA8% | | 3 | Furniture | 1 | pcs | |
| 123456 - Plastics | INTER8% | | 4 | Plastic | 1 | pcs | |

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

Company (buyer) Document Address

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

Supplier (seller) Delivery Address

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

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

Company (buyer) Delivery Address

Company (buyer) Delivery Address available on Purchase Order No Part Line is validated.

Supplier (seller) Document Address

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

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

Company (buyer) Document Address

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

Supplier (seller) Document Address

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

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

- Delivery Address in No Part Lines
- Supplier Delivery Address in PO header
- HSN/SAC Code

Purchase Order Rental Lines

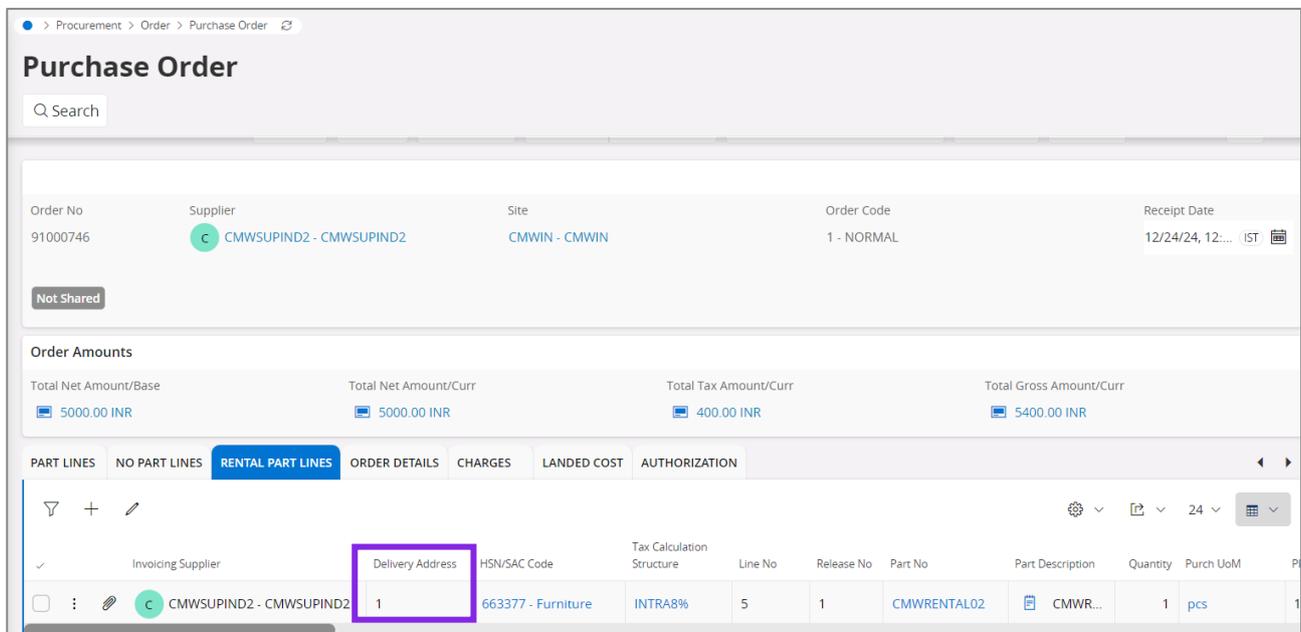
1) A new column is added to the **Purchase Order/Rental Part Lines** tab:

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

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

Company (buyer) Delivery Address

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



The screenshot displays the 'Purchase Order' interface. At the top, it shows the order number (91000746), supplier (CMWSUPIND2 - CMWSUPIND2), site (CMWIN - CMWIN), order code (1 - NORMAL), and receipt date (12/24/24, 12:00:00 IST). Below this, the 'Order Amounts' section shows: Total Net Amount/Base (5000.00 INR), Total Net Amount/Curr (5000.00 INR), Total Tax Amount/Curr (400.00 INR), and Total Gross Amount/Curr (5400.00 INR). The 'RENTAL PART LINES' tab is selected, showing a table with columns: Invoicing Supplier, Delivery Address, HSN/SAC Code, Tax Calculation Structure, Line No, Release No, Part No, Part Description, Quantity, and Purch UoM. The first row shows: CMWSUPIND2 - CMWSUPIND2, 1, 663377 - Furniture, INTRA8%, 5, 1, CMWRENTAL02, CMWR..., 1, pcs. The 'Delivery Address' field '1' is highlighted with a red box.

Supplier (seller) Delivery Address

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

Procurement > Order > Purchase Order

Purchase Order

Q Search

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

General

Currency * INR Buyer * NLEFR - Nicolas Leclercq Coordinator * HH DEDEMO07 - Harald Hess Supplier Contact

Project id Order Date 12/24/2024 Revision No 0 Supplier's Order No

Purchase Code Total Weight 0 Total Volume 0 Language Code * en - English

Schedule Order No Document Text Note

Delivery Address Document Address

Delivery Information

Supplier Delivery Address 1 Supplier Document Address 2 Ship-Via * - test Delivery Terms * - TEST

Delivery Terms Location Route Forwarder External Transport Calendar

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

Procurement > Order > Purchase Order

Purchase Order

Q Search

91000746 - CMWSUPIND2 - CMWIN Planned

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

Order No 91000746 Supplier CMWSUPIND2 - CMWSUPIND2 Site CMWIN - CMWIN Order Code 1 - NORMAL Receipt Date 12/24/24, 12:00 A... IST

Not Shared

Order Amounts

Total Net Amount/Base 5000.00 INR Total Net Amount/Curr 5000.00 INR Total Tax Amount/Curr 400.00 INR Total Gross Amount/Curr 5400.00 INR

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

| Invoicing Supplier | Delivery Address | HSN/SAC Code | Tax Calculation Structure | Line No | Release No | Part No | Part Description | Quantity | Purch UoM | Planned Receipt Date | Planned |
|-------------------------|------------------|--------------------|---------------------------|---------|------------|-------------|------------------|----------|-----------|----------------------|---------|
| CMWSUPIND2 - CMWSUPIND2 | 1 | 663377 - Furniture | INTRA8% | 5 | 1 | CMWRENTAL02 | CMWR... | 1 | pcs | 12/24/24, 12:00 AM | 12/24 |

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

Company (buyer) Document Address

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

Supplier (seller) Delivery Address

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

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

Company (buyer) Delivery Address

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

Supplier (seller) Document Address

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

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

Company (buyer) Document Address

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

Supplier (seller) Document Address

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

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

Purchase Order Charges

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

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

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

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

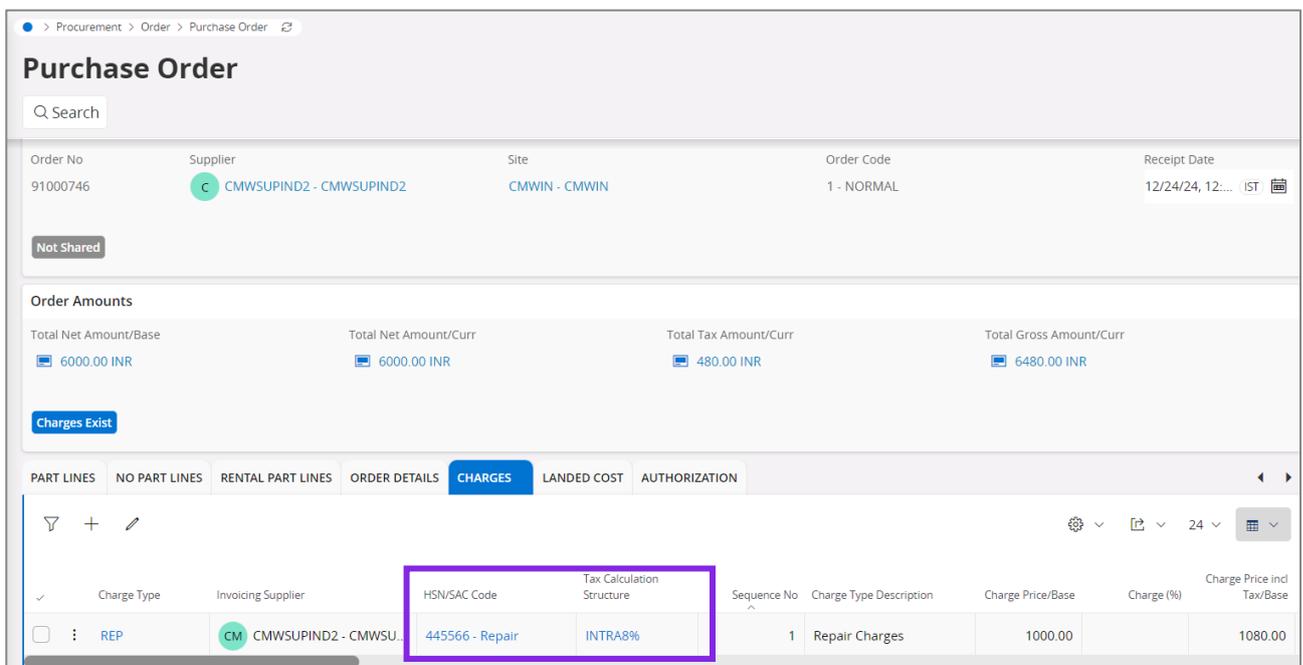
Scenario-01: Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

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

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

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

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



The screenshot shows the 'Purchase Order' interface with the 'CHARGES' tab selected. The 'HSN/SAC Code' is '445566 - Repair' and the 'Tax Calculation Structure' is 'INTRA8%'. The 'Charge Type' is 'REP' and the 'Invoicing Supplier' is 'CMWSUPIND2 - CMWSU...'. The 'Charge Price/Base' is '1000.00' and the 'Charge Price incl Tax/Base' is '1080.00'.

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

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

| Company (buyer) Document Address | Supplier (seller) Delivery Address |
|--|--|
| The company (buyer) Document Address available on the Order Details tab is validated. | <ul style="list-style-type: none"> If Invoicing Supplier on the charge line is the same as header Supplier = Supplier Delivery Address available on Order Details tab is validated. If the Invoicing Supplier on the charge line is <u>not</u> the same as header |

| | |
|--|--|
| | Supplier = Invoicing Supplier's default delivery address is validated. |
|--|--|

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

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

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

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

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

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

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

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

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

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

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

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

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

If the state of **Company Delivery Address** gets changed via **Single Occurrence** option when **Use Company Document Address for Tax** toggle is disabled, the **Tax Calculation Structure** is re-fetched on all PO Lines.

6.6.4 PURCHASE ORDER CHANGE ORDER (POCO)

HSN/SAC Codes and tax fetching logic have been introduced.

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

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

Update PO from the POCO

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

6.6.5 PURCHASE REQUISITION

HSN/SAC Codes and tax fetching logic have been introduced;

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

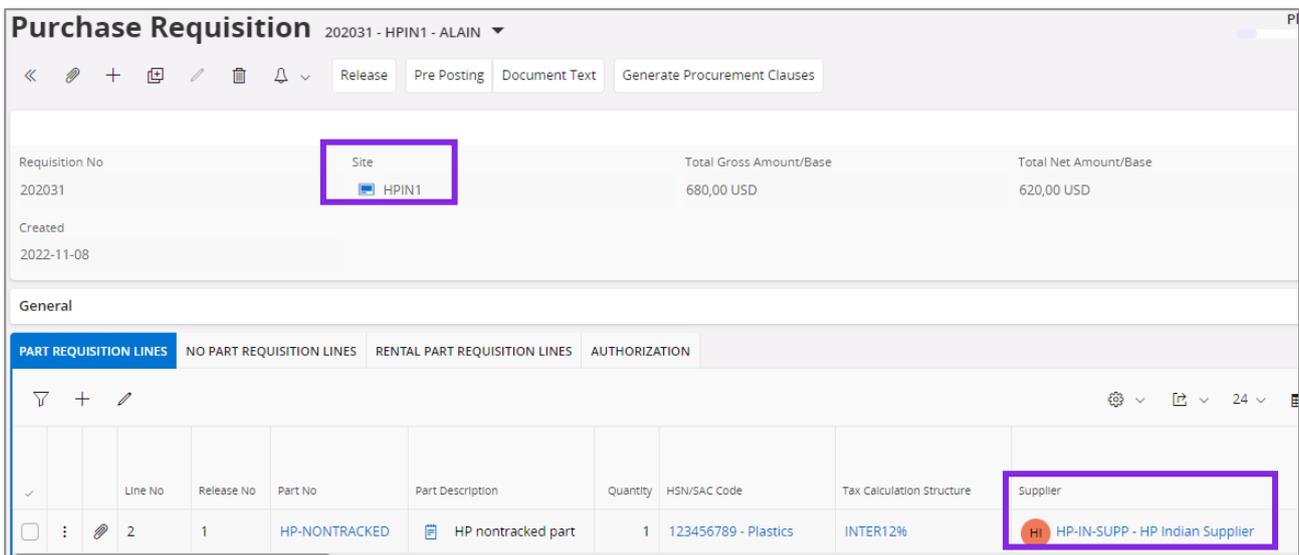
Purchase Requisition Part Lines

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

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

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

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



Purchase Requisition 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

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

General

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

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

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

Purchase Requisition 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

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

General

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

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

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

Purchase Requisition No Party Lines

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

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

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

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

Purchase Requisition 202031 - HPIN1 - ALAIN

Release Pre Posting Document Text Generate Procurement Clauses

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

General

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

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

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

Purchase Requisition 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

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

General

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

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

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

Purchase Requisition Rental Lines

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

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

Purchase Requisition 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

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

Created
2022-11-08

General

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

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

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

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

Purchase Requisition 202031 - HPIN1 - ALAIN Planned

Release Pre Posting Document Text Generate Procurement Clauses

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

Created
2022-11-08

General

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

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

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

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

If the state of **Company Delivery Address** gets changed via **Single Occurrence** option when **Use Company Document Address for Tax** toggle is disabled, the **Tax Calculation Structure** is re-fetched on all POCO Lines.

6.6.6 ORDER QUOTATION

HSN/SAC Codes and tax fetching logic have been introduced;

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

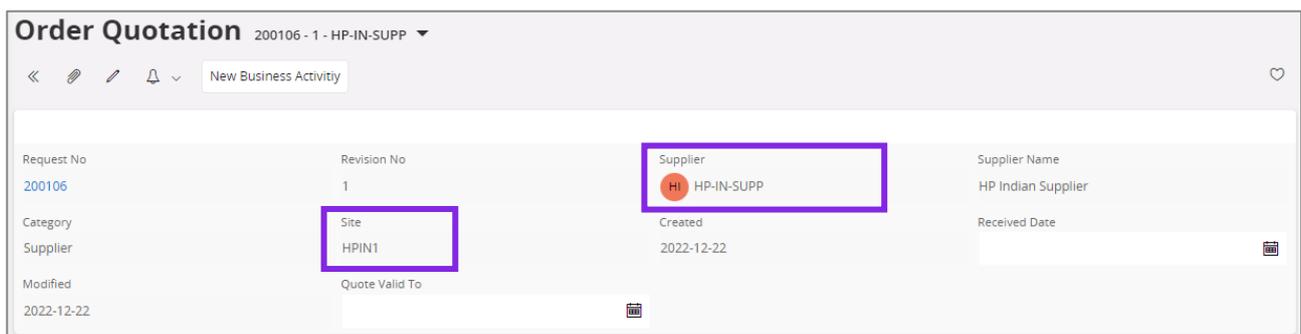
Order Quotation Lines

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

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

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

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



Order Quotation 200106 - 1 - HP-IN-SUPP

« 📄 📝 🔔 New Business Activity

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

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

Order Quotation 200106 - 1 - HP-IN-SUPP

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

Details

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

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

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

Order Quotation No Part Lines

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

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

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

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

Order Quotation 200106 - 1 - HP-IN-SUPP

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

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

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

⏪ 📎 ✎ 🔔 ▾ New Business Activity

| | | | |
|------------------------|------------------|---------------------------|-----------------------------------|
| Request No 200106 | Revision No 1 | Supplier HI HP-IN-SUPP | Supplier Name HP Indian Suppli |
| Category Supplier | Site HPIN1 | Created 2022-12-22 | Received Date |
| Modified 2022-12-22 | Quote Valid To | | |

Details

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

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

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

6.6.7 MANUAL SUPPLIER INVOICE

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

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

Financials > Supplier Invoice > New Manual Supplier Invoice

PO Reference: [] Receipt Reference: [] Sub Contract Reference: [] Invoice Advice Reference: [] Project ID: [] Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV Series ID: SI Invoice No: INV865 Currency: INR Currency Rate: 1 Invoice Date: 12/24/2024 Arrival Date: 12/24/2024 Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately Due Date: 12/24/2024 Plan Pay Date: 12/24/2024 Payment Reference: [] Automatic Payment Authorization: No Authorizer ID: []

Advance Invoice: Gross Amount: [] Net Amount: [] Tax Amount: []

More Information

Reference Series: [] Reference Invoice No: [] Invoice Recipient: CHWGLK - CHWGLK Supplier Invoice Address: SUPP DOC GA Supplier Delivery Address: SUPP DEL DL Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL Use Company Invoice Address for Tax: Use Supplier Invoice Address for Tax: Use Project Address for...: No Reference Supplier: [] Preliminary Code: []

National Bank Code: [] Nature of Business: [] Creator Reference: [] Tax Currency Rate: 1 Parallel Currency Rate: 0.02

Delivery Date: 12/24/2024 Tax Invoice Series ID: [] Tax Invoice No: [] Tax Invoice Date: [] Customs Declaration D...: [] Correction Reason ID: []

Correction Reason: [] Branch: [] Supplier Branch: [] E-Invoice Reference Number: []

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information — Line Information — Posting Information

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|------------|-----------|------------|----------|--------------|------------|------------|
| CMWIND1 | CMWSUPIND2 | SI | INV865 | INR | | | |

Line Information

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Am... | Cost Amount |
|--------------|------------|------------|--------------------------|-------------|
| 10500.00 | 10000.00 | 500.00 | 0.00 | 10000.00 |

Lines

+ [Done] [Cancel New] 24

| (1) Line ID | Deliv... Type | Income Type Ident... | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax (%) | Tax Recel... | Gross Amount | Net Amount | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-d Ta. |
|-------------|---------------|----------------------|----------|----------------|---------------------------|--------------------|---------|--------------|--------------|------------|------------|-----------------------------------|---------------------------------|-----------|
| [x] | | | | 102039 - Ba... | BATTERY_INTRA | No | | | 10500.00 | 10000.00 | 500.00 | 500.00 | 10.00 | |

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

*Example 1: Once the toggle **Use Company Invoice Address for Tax** is enabled, the comparison will now change to the state in the **Supplier Delivery** address that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in the **Company Invoice Address** is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.*

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: 1 | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV865 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: *

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

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | **Company Invoice Address: COM DOC UP**

Delivery Address: COM DEL DL | **Use Company Invoice Address for Tax:** | Use Supplier Invoice Address for Tax: | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

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

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|------------|-----------|------------|----------|--------------|------------|------------|
| CMWIND1 | CMWSUPIND2 | SI | INV865 | INR | | | |

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

+ 24

| (1) Line ID | Deliv... Type | Income Type Ident... | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax (%) | Tax Meth... Tax Recel... | Gross Amount | Net Amount | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Cost Amount |
|-------------|---------------|----------------------|----------|-----------------|---------------------------|--------------------|---------|--------------------------|--------------|------------|------------|-----------------------------------|---------------------------------|---------------------------|-------------|
| 1 | | | | 102039 - Battri | BATTERY_INTER | No | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Example 2: Once the toggle **Use Supplier Invoice Address for Tax** is enabled, the comparison will now change to the state in the **Supplier Invoice address** that is GA and the state in **Company Delivery Address** that is DL, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in the **Supplier Invoice Address** is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV865 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 - Due Immediately | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: *

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

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL | Use Company Invoice Address for Tax: | Use Supplier Invoice Address for Tax: | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|------------|-----------|------------|----------|--------------|------------|------------|
| CMWIND1 | CMWSUPIND2 | SI | INV865 | INR | | | |

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

+ 24

| (1) Line ID | Deliv... Type | Income Type Ident... | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax (%) | Tax Meth... Tax Recel... | Gross Amount | Net Amount | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Cost Amount |
|-------------|---------------|----------------------|----------|----------------|---------------------------|--------------------|---------|--------------------------|--------------|------------|------------|-----------------------------------|---------------------------------|---------------------------|-------------|
| 1 | | | | 102039 - Ba... | BATTERY_INTER | No | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

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

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

If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address, Supplier Invoice Address, Delivery Address** (Company Delivery Address), **Company Invoice Address**, and the status of **Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the header level of the **Purchase Order** will be fetched and displayed in **Manual Supplier Invoice** page header level. If the Manual Supplier Invoice is created based on multiple **Purchase Orders** having different supplier/company addresses and statuses of toggles, the default values will be fetched and displayed in **Manual Supplier Invoice** page header level.

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

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

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

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

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

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

6.6.8 POSTING PROPOSAL

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

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

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND2 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV8675 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 10 | Due Date: 1/3/2025 | Plan Pay Date: 1/3/2025 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: *

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

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | **Supplier Delivery Address: SUPP DEL DL** | Company Invoice Address: COM DOC UP

Delivery Address: **COM DEL DL** | Use Company Invoice Address for Tax: | Use Supplier Invoice Address for Tax: | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

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

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
|---------|------------|-----------|------------|----------|--------------|------------|------------|
| CMWIND2 | CMWSUPIND2 | SI | INV8675 | INR | | | |

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

+ [Done] [Cancel New]

| (1) Line ID | Deliv... Type | Income Type | Tax Code | HSN/SAC Code | Tax Calculation Structure | Multiple Tax Lines | Tax (%) | Tax Meth... Tax Recei... | Gross Amount | Net Amount | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount |
|-------------|---------------|-------------|----------|------------------|---------------------------|--------------------|---------|--------------------------|--------------|------------|------------|-----------------------------------|---------------------------------|---------------------------|
| 1 | | | | 123456 - Batt... | INTRA8% | No | | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

3. The user can alternatively select the state in the document address/invoice address of the Company and Supplier instead of the state in delivery address of the company via enabling the toggles **Use Company Invoice Address for Tax** and **Use Supplier Invoice Address for Tax** editable at Manual Supplier Invoice Level.

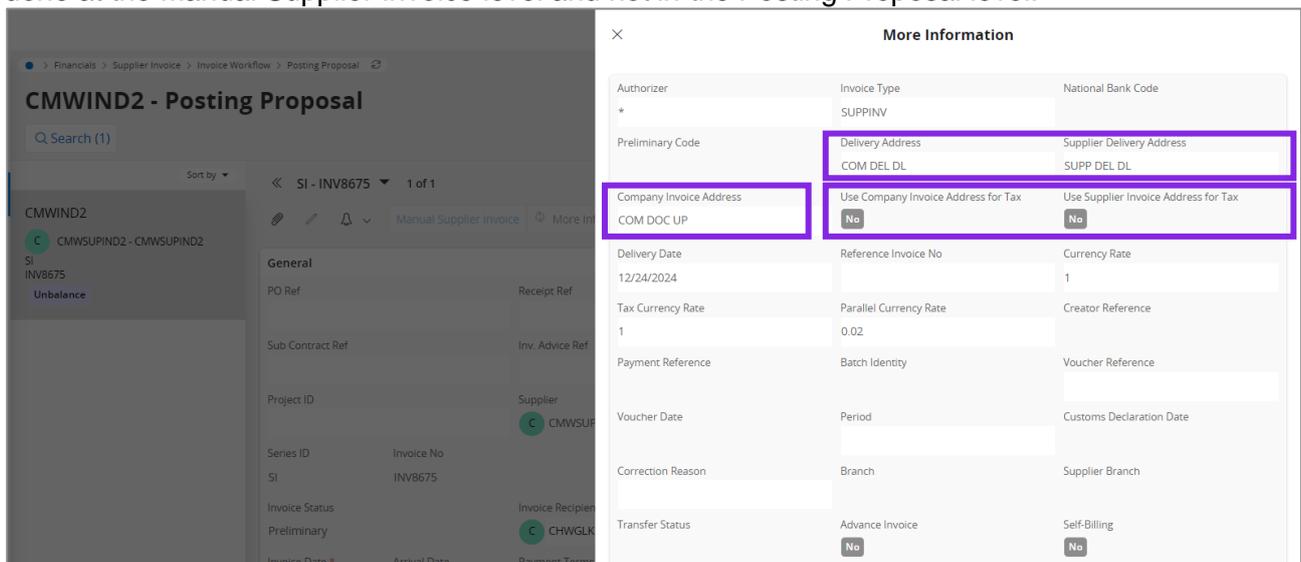
*Example 1: Once the toggle **Use Company Invoice Address for Tax** is enabled at Manual Supplier invoice level, the comparison will now change to the state in the **Supplier Delivery Address** that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Company Invoice Address** is DL, then the transaction will remain as an Intrastate transaction even after the toggle is enabled.*

*Example 2: Once the toggle **Use Supplier Invoice Address for Tax** is enabled at Manual Supplier invoice level, the comparison will now change to the state in the **Supplier invoice Address** that is GA and the state in **Company Delivery Address** that is DL, the same transaction is now classified*

as an Interstate transaction at header level and the Tax Structure specified for Interstate transactions in **HSN/SAC Groups** page will be fetched when the HSN/SAC Code is entered to invoice line as per below screenshot. Assume if the state in **Supplier Invoice Address** is DL, then the transaction will remain as an Intradate transaction even after the toggle is enabled.

The relevant Tax Structure must be re fetched accordingly, even after changes are done to the Invoice line elements like HSN/SAC Code at Posting Proposal Line Level.

However, information such as addresses, Use Company Invoice Address for Tax toggle and Use Supplier Invoice Address for Tax toggle, available in **More Information** section of **Posting Proposal** page, is not editable. Accordingly, if the user requires to change the above information, that must be done at the Manual Supplier Invoice level and not in the Posting Proposal level.



If the Manual Supplier Invoice is created based on a **Purchase Order**, the **Supplier Delivery Address**, **Supplier Invoice Address**, **Delivery Address** (Company Delivery Address), **Company Invoice Address**, and the status of **Use Company Invoice Address for Tax** toggle and **Use Supplier Invoice Address for Tax** toggle in the header level of the **Purchase Order** will be fetched and displayed in **Manual Supplier Invoice** page header level. If the Manual Supplier Invoice is created based on multiple **Purchase Orders** having different supplier/company addresses and statuses of toggles, the default values will be fetched and displayed in **Manual Supplier Invoice** page header level.

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

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

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

If the **Tax Structure** fetched is with **Allow Manual Amount in Tax Base** toggle enabled, then the user has the option to enter a value in the **Manual tax base amount** column available in the Invoice

Line-item level. If a value is entered in the **Manual Tax Base Amount** Column, the Taxes will be calculated considering the same as the tax base and if the field remains blank, the tax amounts will be calculated based on the net value of the invoice if **Included Price in Tax Base** toggle is also enabled for the selected tax structure line.

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

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

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

6.7 Project Reporting

HSN/SAC Codes and tax fetching logic have been introduced in the Project Reporting flow.

It is possible to define a default HSN/SAC code in the **Report Code Details** page.

| Report Code Details | | | | | | | | | | |
|---------------------|------------------|------------------|----------------------|------------------------|---------------|-------------------------------------|---------|------------|------------|------------|
| Report Code | Report Code Name | Report Code Type | Report Code Group ID | Create Cost Accounting | Invoicability | HSN/SAC Code | Taxable | Tax Code | Valid From | Valid To |
| D01 | Designing | Time | | Yes | Invoicable | 102200 - DESIGN - 102200 - DESIGN | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 |
| IN01 | Install | Time | | Yes | Invoicable | 103300 - INSTALL - 103300 - INSTALL | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 |
| M01 | Make | Cost | | Yes | Invoicable | 102500 - MACHINE - 102500 - MACHINE | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 |

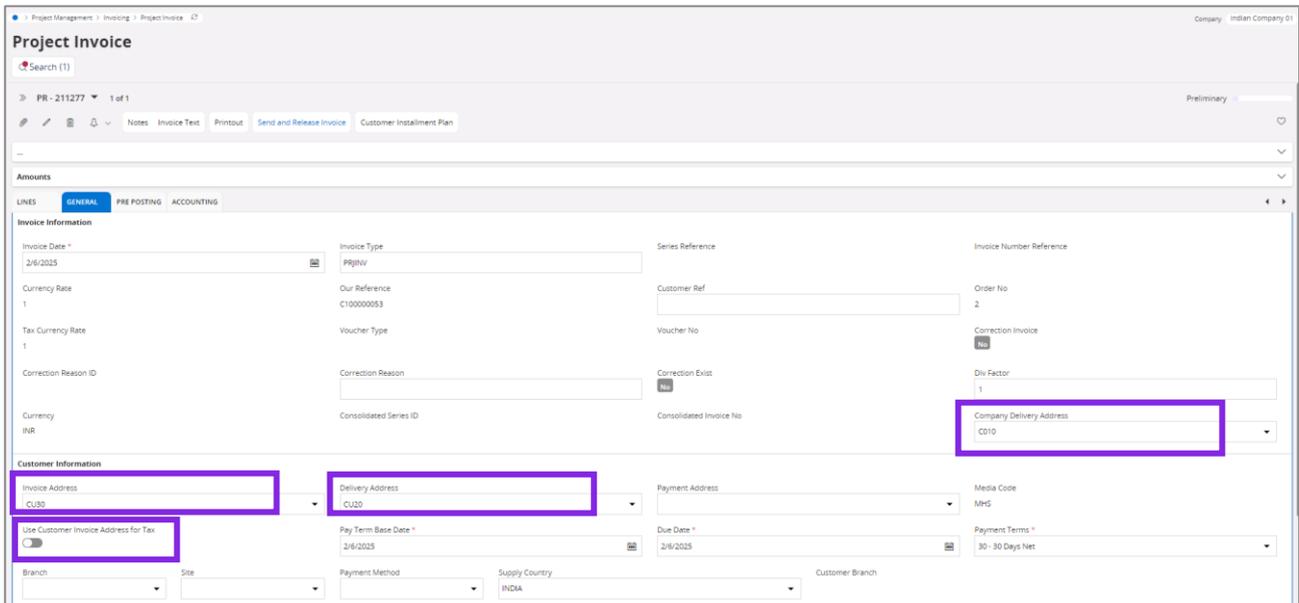
HSN/SAC Codes can be defined on the **Project Invoice/Lines**.

| Project Invoice | | | | | | | | | | | | | | Preliminary | | | | | | |
|--------------------|--------------------------------|-------------------------------|--------------------|-------------|-----------------|-------------|----------|--------|------------|-------------------------------------|----------|---------------------------|--------------------|----------------|------------|---------------------|--------------|----------------------|-----------------|--------|
| Customer | Customer Name | Project | Invoice Series | | | | | | | | | | | | | | | | | |
| UN INDIA | Un India | | PR | | | | | | | | | | | | | | | | | |
| Invoice No: 212714 | Invoice Period Start: 2/1/2024 | Invoice Period End: 2/28/2024 | Notes: No | | | | | | | | | | | | | | | | | |
| Amounts | | | | | | | | | | | | | | | | | | | | |
| Currency: SEK | Gross Amount: 767.00 | Net Amount: 650.00 | Tax Amount: 117.00 | | | | | | | | | | | | | | | | | |
| LINES | | | | | | | | | | | | | | | | | | | | |
| Item ID | Invoice Text | Description | Project | Sub Project | Activity | Report Code | Quantity | Price | Net Amount | HSN/SAC Code | Tax Code | Tax Calculation Structure | Multiple Tax Lines | Tax Percentage | Tax Amount | Withheld Tax Amount | Gross Amount | Report Code Group ID | Total Certified | Certif |
| 1 | Install | DP001 - DP Construction | S1 - s1 | 1 - Design | IN01 - Install | | 2 | 250.00 | 500.00 | 103300 - INSTALL - 103300 - INSTALL | INTRAT | | Yes | | 90.00 | | 590.00 | | | |
| 2 | Designing | DP001 - DP Construction | S1 - s1 | 1 - Design | D01 - Designing | | 1 | 150.00 | 150.00 | 102200 - DESIGN - 102200 - DESIGN | INTRAT | | Yes | | 27.00 | | 177.00 | | | |

When creating a project invoice from project transactions or invoicing plans, the default value for the HSN/SAC Code field is fetched based on the **Report Code** of the project invoice line and the

Invoice Date. It is possible to modify the **HSN/SAC Code** for the invoice lines of project invoices in **Preliminary** status.

Company Delivery Address, Customer Invoice Address, Customer Delivery Address and Use Customer Invoice Address for Tax toggle are available in **Project Invoice/General**.



The states of **Company Delivery Address** (seller) and **Customer Delivery Address** (buyer) defined in **Project Invoice/General** are used to determine whether the transaction is Intra-state or Inter-state.

Select the **Use Customer Invoice Address for Tax** toggle to fetch Indian GST Taxes based on the **Company Delivery Address** (seller) and **Customer Invoice Address** (buyer).

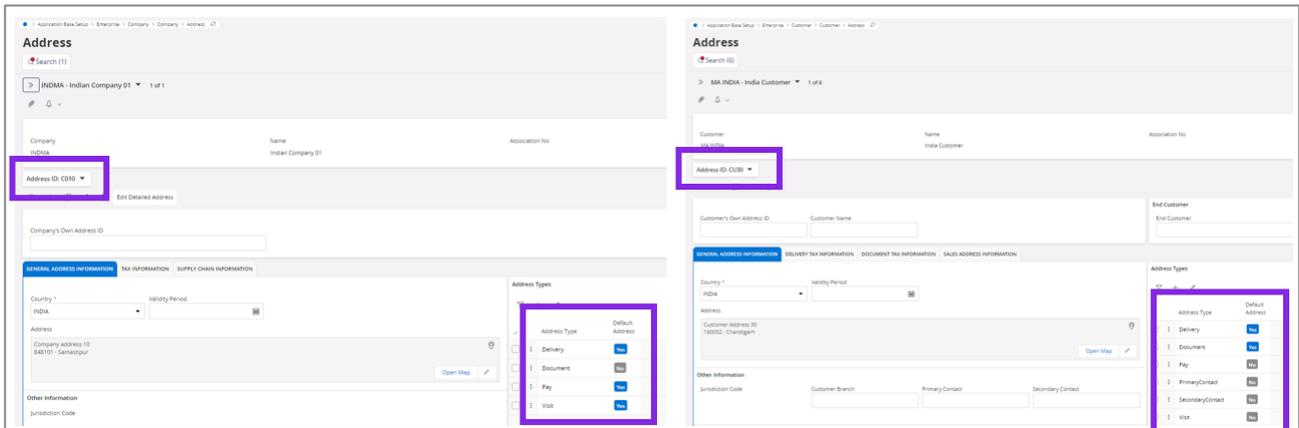
Based on the HSN/SAC code in the Project Invoice Line and the intra-state or inter-state nature of the transaction, the correct tax calculation structure is fetched.

When creating the project invoice, the default addresses defined in the basic data setup for **Company/Address** and **Customer/Address** will be fetched for the address fields. It is possible to modify these address fields and settings on the **Project Invoice/General** page:

- On **Debit Project Invoices** in **Preliminary** status.
- On **Correction Project Invoices**, where the modification only applies to debit lines.

Modifying these address fields and setting is not allowed on credit invoices.

Default addresses defined in the basic data setup



The tax structure will be re-fetched for the below changes in the Project Invoice

- HSN/SAC Code
- Invoice Date
- Company Delivery Address
- Use Customer Invoice Address for Tax toggle
- Customer Delivery Address or Customer Invoice Address depending on the selection for the above toggle

Delimitations

- Multi-Company Project Reporting does not support HSN/SAC Code-based fetching.
- Project Reporting for Contractors does not support HSN/SAC Code-based fetching.

6.8 Sales Contract Management

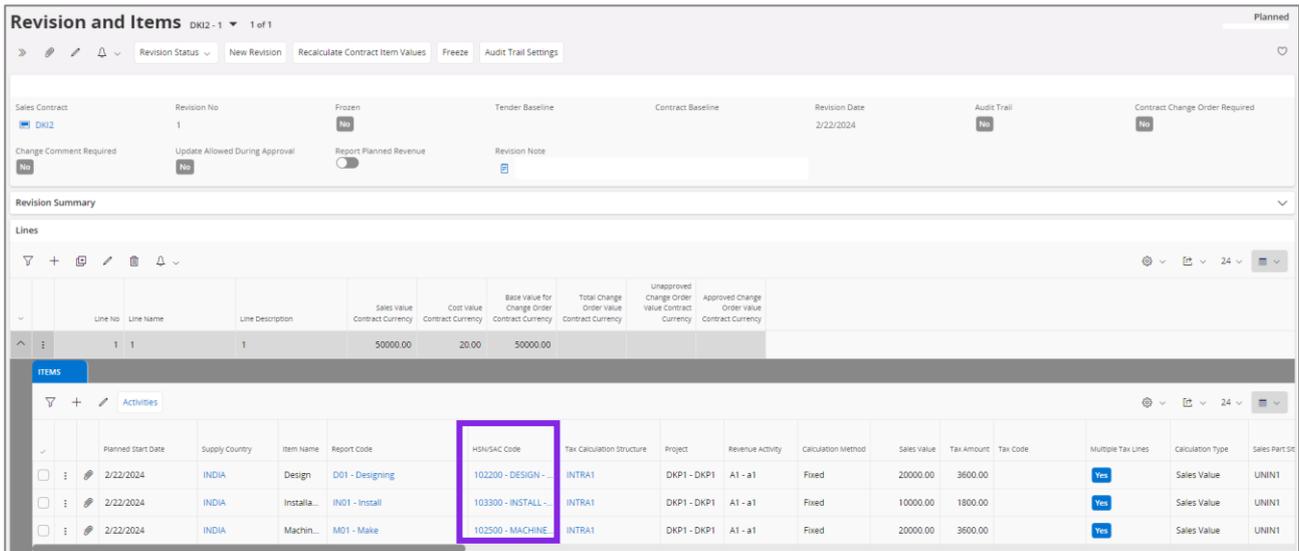
HSN/SAC Codes and tax fetching logic have been introduced in the Sales Contract Management flow. This applies to Sales Contracts, Applications for Payment, and Project Invoices created through the Application for Payment process.

6.8.1 SALES CONTRACT

It is possible to define a default HSN/SAC code in the **Report Code Details** page.

| Report Code Details | | | | | | | | | | | |
|--------------------------|------------------|------------------|----------------------|------------------------|---------------|-------------------------------------|---------|------------|------------|------------|--|
| Report Code | Report Code Name | Report Code Type | Report Code Group ID | Create Cost Accounting | Invoicability | HSN/SAC Code | Taxable | Tax Code | Valid From | Valid To | |
| <input type="checkbox"/> | D01 | Designing | Time | Yes | Invoicable | 102200 - DESIGN - 102200 - DESIGN | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 | |
| <input type="checkbox"/> | IN01 | Install | Time | Yes | Invoicable | 103300 - INSTALL - 103300 - INSTALL | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 | |
| <input type="checkbox"/> | M01 | Make | Cost | Yes | Invoicable | 102500 - MACHINE - 102500 - MACHINE | Yes | 0 - Tax 0% | 2/1/2024 | 12/31/9999 | |

HSN/SAC Code can also be defined in **Sales Contract Revision and Items**.

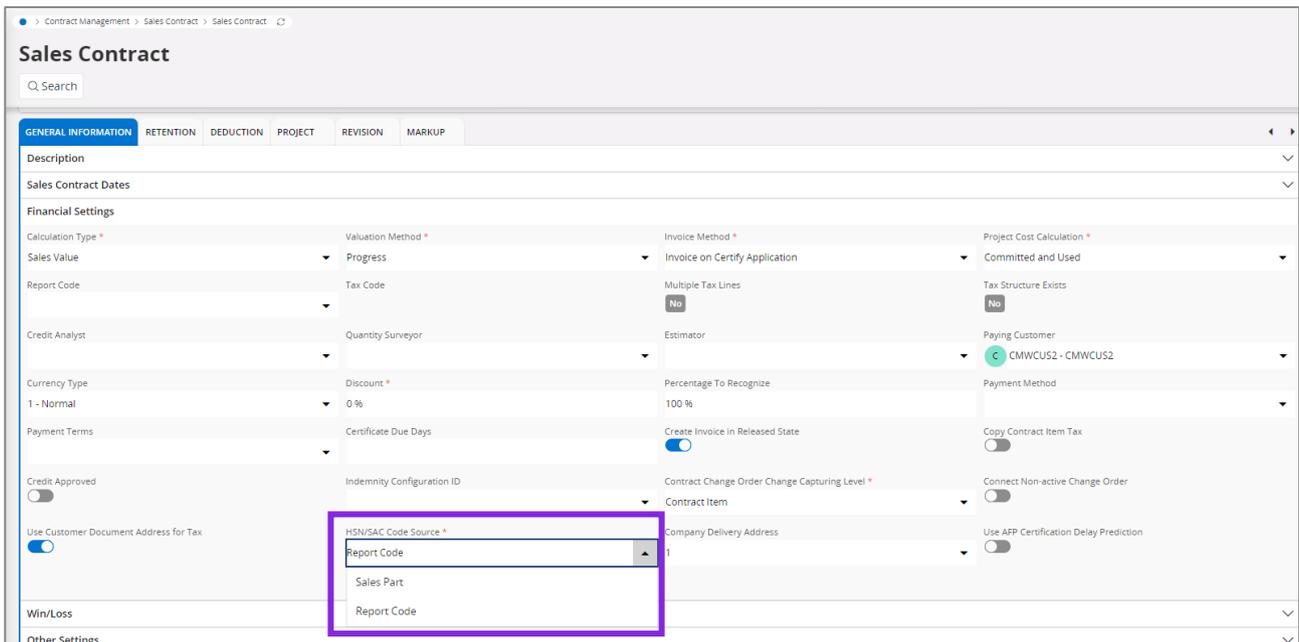


| Line No | Line Name | Line Description | Sales Value Contract Currency | Cost Value Contract Currency | Base Value for Change Order Contract Currency | Total Change Order Value Contract Currency | Unapproved Change Order Value Contract Currency | Approved Change Order Value Contract Currency |
|---------|-----------|------------------|-------------------------------|------------------------------|---|--|---|---|
| 1 | 1 | 1 | 50000.00 | 20.00 | 50000.00 | | | |

| Planned Start Date | Supply Country | Item Name | Report Code | HSN/SAC Code | Tax Calculation Structure | Project | Revenue Activity | Calculation Method | Sales Value | Tax Amount | Tax Code | Multiple Tax Lines | Calculation Type | Sales Part |
|--------------------|----------------|-------------|-----------------|------------------------|---------------------------|-------------|------------------|--------------------|-------------|------------|----------|--------------------|------------------|------------|
| 2/22/2024 | INDIA | Design | DD1 - Designing | 102200 - DESIGN - ... | INTRA1 | DKP1 - DKP1 | A1 - a1 | Fixed | 20000.00 | 3600.00 | | Yes | Sales Value | UNIN1 |
| 2/22/2024 | INDIA | Installa... | IN01 - Install | 103300 - INSTALL - ... | INTRA1 | DKP1 - DKP1 | A1 - a1 | Fixed | 10000.00 | 1800.00 | | Yes | Sales Value | UNIN1 |
| 2/22/2024 | INDIA | Machin... | M01 - Make | 102500 - MACHINE - ... | INTRA1 | DKP1 - DKP1 | A1 - a1 | Fixed | 20000.00 | 3600.00 | | Yes | Sales Value | UNIN1 |

The selected value in **HSN/SAC Code Source** in **Sales Contract/General Information** determines where the HSN/SAC code is fetched from for contract items.

The default value for **HSN/SAC Code Source** is **Report Code**.



Sales Contract

GENERAL INFORMATION | RETENTION | DEDUCTION | PROJECT | REVISION | MARKUP

Description

Sales Contract Dates

Financial Settings

| | | | |
|---------------------------------------|----------------------------|--|--|
| Calculation Type * | Valuation Method * | Invoice Method * | Project Cost Calculation * |
| Sales Value | Progress | Invoice on Certify Application | Committed and Used |
| Report Code | Tax Code | Multiple Tax Lines | Tax Structure Exists |
| Credit Analyst | Quantity Surveyor | Estimator | Paying Customer |
| Currency Type | Discount * | Percentage To Recognize | Payment Method |
| 1 - Normal | 0 % | 100 % | |
| Payment Terms | Certificate Due Days | Create Invoice in Released State | Copy Contract Item Tax |
| | | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Credit Approved | Indemnity Configuration ID | Contract Change Order Change Capturing Level * | Connect Non-active Change Order |
| <input type="checkbox"/> | | Contract Item | <input type="checkbox"/> |
| Use Customer Document Address for Tax | HSN/SAC Code Source * | Company Delivery Address | Use AFP Certification Delay Prediction |
| <input checked="" type="checkbox"/> | Report Code | 1 | <input type="checkbox"/> |
| Win/Loss | Sales Part | | |
| | Report Code | | |

Other Settings

- When the **HSN/SAC Code Source** is set to **Report Code**, the HSN/SAC Code for contract items is fetched based on the **Report Code** of the Sales Contract item and the **Planned Start Date**. If no value is entered in the **Report Code** field at the item level, the default **Report Code** for the Sales Contract in **Sales Contract/General Information** will be used to fetch the HSN/SAC code.
- When the **HSN/SAC Code Source** is set to **Sales Part**, the HSN/SAC Code for contract items is fetched based on the HSN/SAC Code defined for the **Sales Part** connected to Sales Contract item. If no Sales Part is connected to contract item, then the HSN/SAC Code is fetched based on the Report Code connected to contract item.

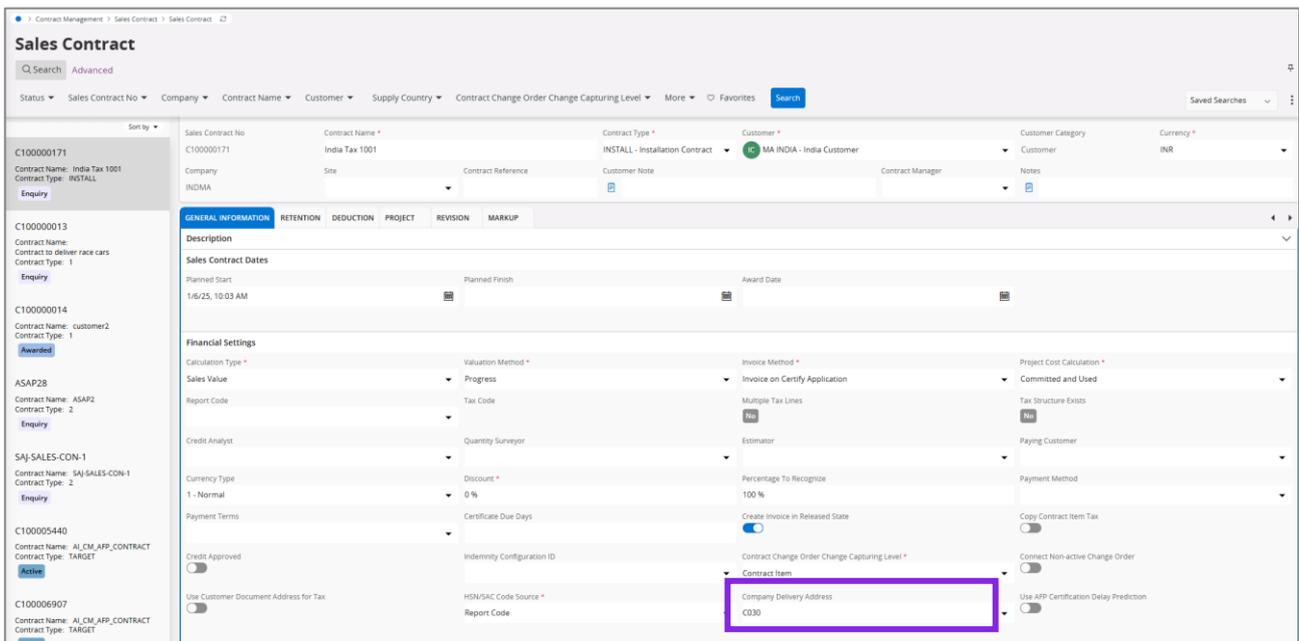
The taxability of the Report Code is considered when fetching tax in Sales Contract Management, and Sales Part taxability is not considered.

It is possible to modify the **HSN/SAC Code** of a contract item. If item **Report Code** or **Sales Part** connected to contract item change, the HSN/SAC code is re-fetched.

6.8.1.1 Seller and Buyer Addresses

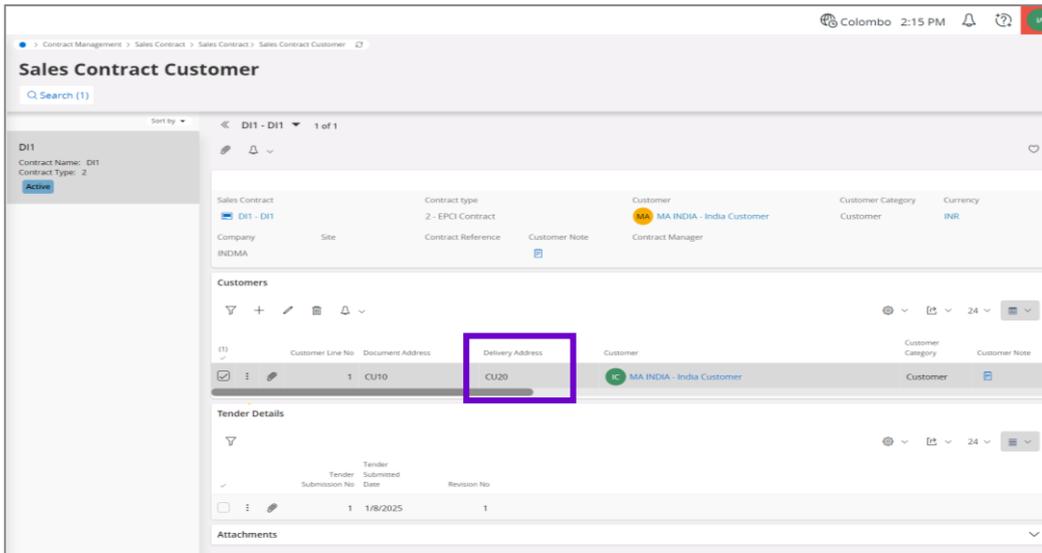
The states of the buyer and seller delivery addresses are used to determine whether the transaction is intra-state or inter-state.

Seller Delivery Address: The **Company Delivery Address** defined in the **Sales Contract** is considered. The default value for the **Company Delivery Address** is fetched from the **Company Default Delivery Address** defined in the basic data set up for **Company/Address**. It is possible to modify the **Company Delivery Address** in all sales contract statuses except for Completed, Closed, or Cancelled.



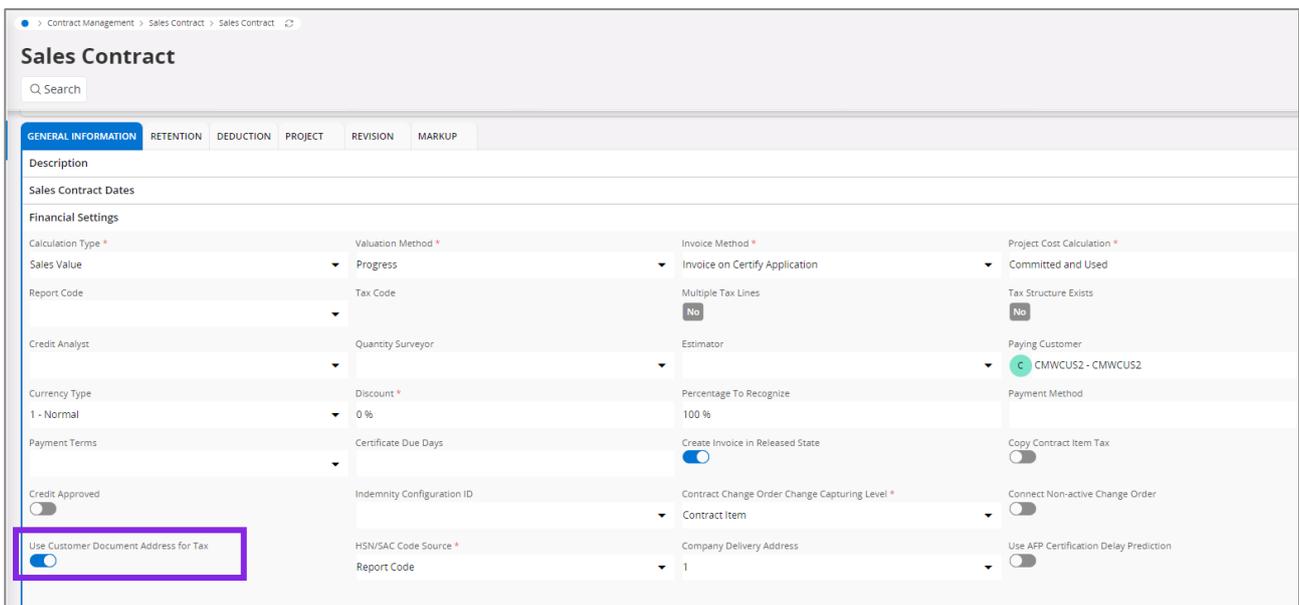
The screenshot displays the 'Sales Contract' management interface. The 'Financial Settings' tab is active, showing various configuration options. The 'Company Delivery Address' field is highlighted with a red box and contains the value '0330'. Other visible fields include 'Report Code', 'HSN/SAC Code Source', and 'Contract Item'.

Buyer Delivery Address: Customer Delivery Address defined in **Sales Contract Customer** is considered. The default value for the **Delivery Address** is fetched from the Customer Default Delivery Address defined in the basic data set up for **Customer/Address**. It is possible to modify and override the default value on the **Sales Contract Customer**.

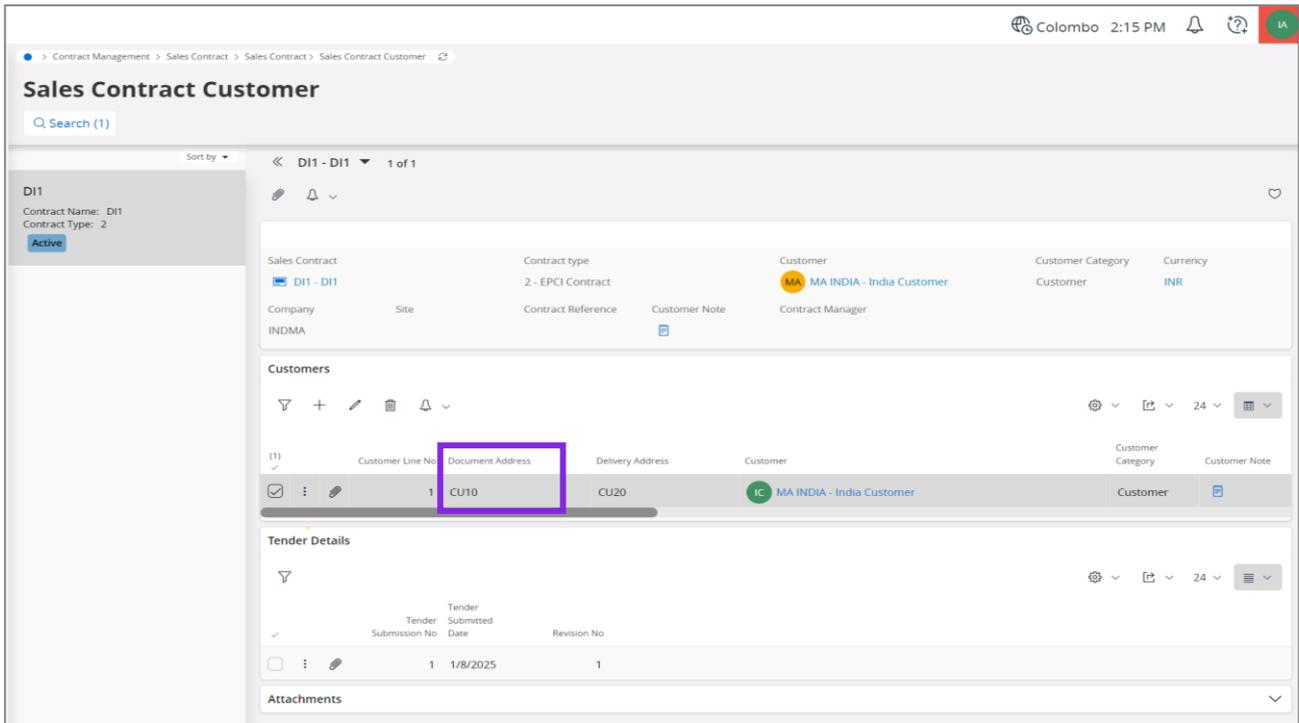


Based on the HSN/SAC code and the intra-state or inter-state nature of the transaction, the correct tax calculation structure is fetched.

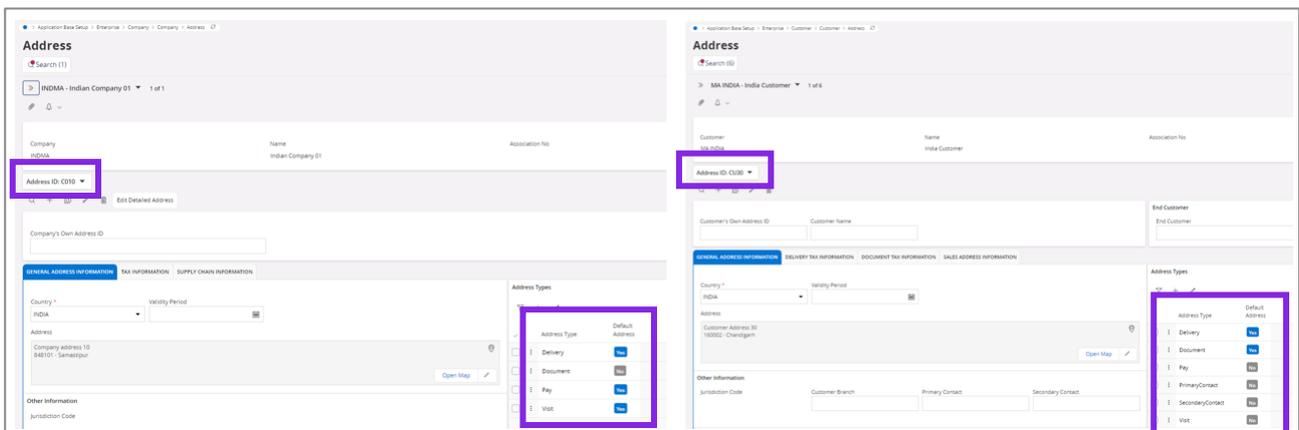
Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on customer document address and company delivery address.



The **Document Address** defined in **Sales Contract Customer** is considered. The default value for Customer Document Address is fetched from the Customer Default Document address defined in the basic data set up for **Customer/Address**. However, it is possible to modify and override the value on the **Sales Contract Customer**.



Default addresses defined in the basic data set up



| Address Type | Default Address |
|------------------|-----------------|
| Delivery | Yes |
| Document | Yes |
| Play | Yes |
| PrimaryContact | Yes |
| SecondaryContact | Yes |
| Van | Yes |

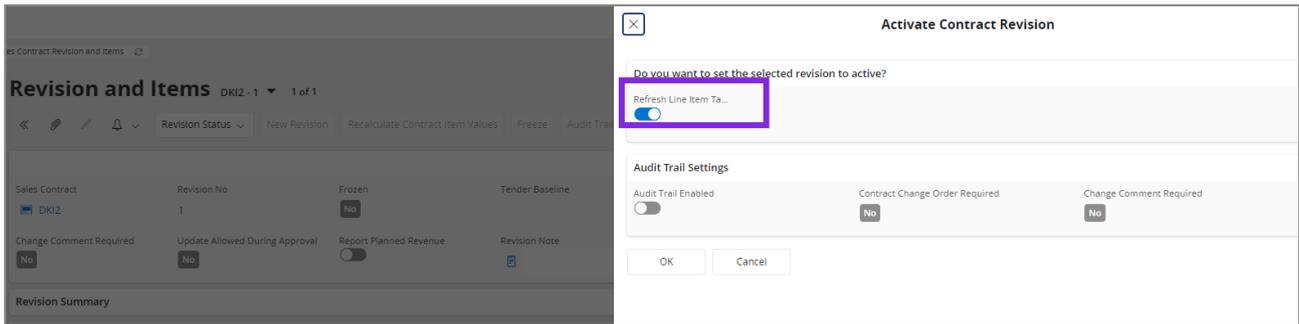
The tax structure will be re-fetched for below changes in the **Sales Contract Revision and Items**.

- HSN/SAC Code
- Planned Start Date

Additionally, the tax will be re-fetched when modifying:

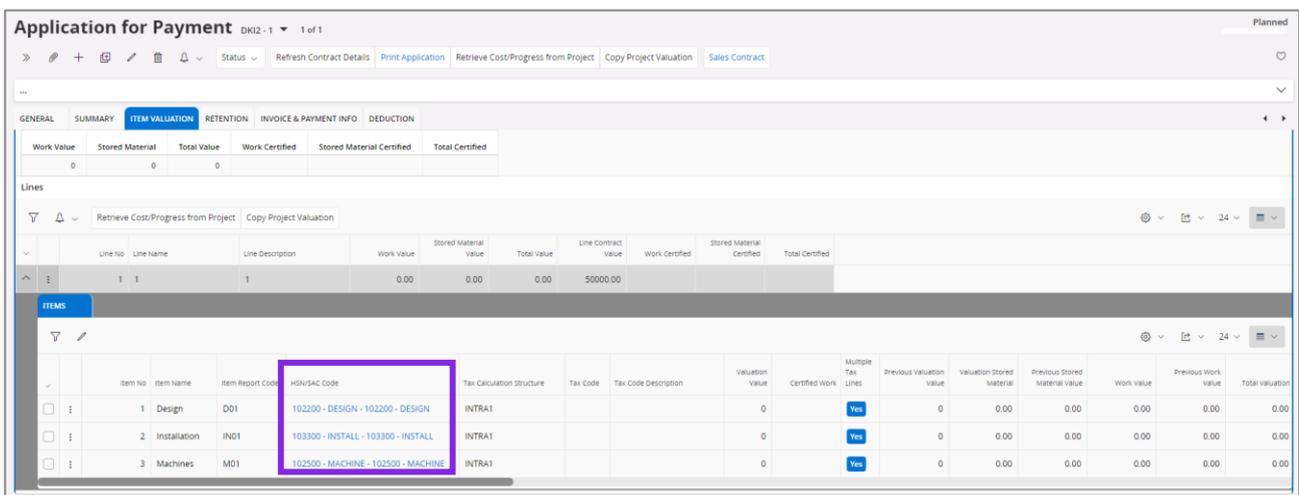
- **Use Customer Document Address for Tax** toggle in **Sales Contract**
- **Company Delivery Address** in **Sales Contract**
- **Document Address** in **Sales Contract Customer**, if the above toggle is ON
- **Delivery Address** in **Sales Contract Customer**, if the above toggle is OFF

When activating a Contract Revision and awarding the Sales Contract, if the **Refresh Line Item Tax** setting is set to YES, the Revision Item HSN/SAC codes are not impacted, but the tax is re-fetched.

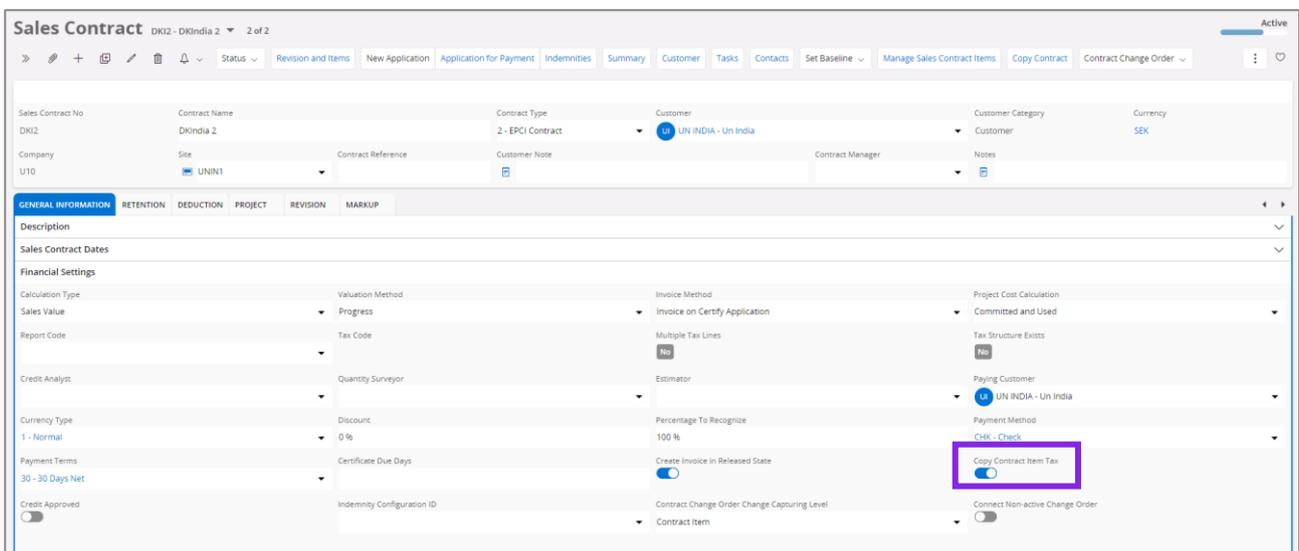


6.8.2 APPLICATION FOR PAYMENT (AFP)

The **HSN/SAC Code** is available in the **Application for Payment/Item Valuation** page. The HSN/SAC code of the contract item is automatically copied to this column.

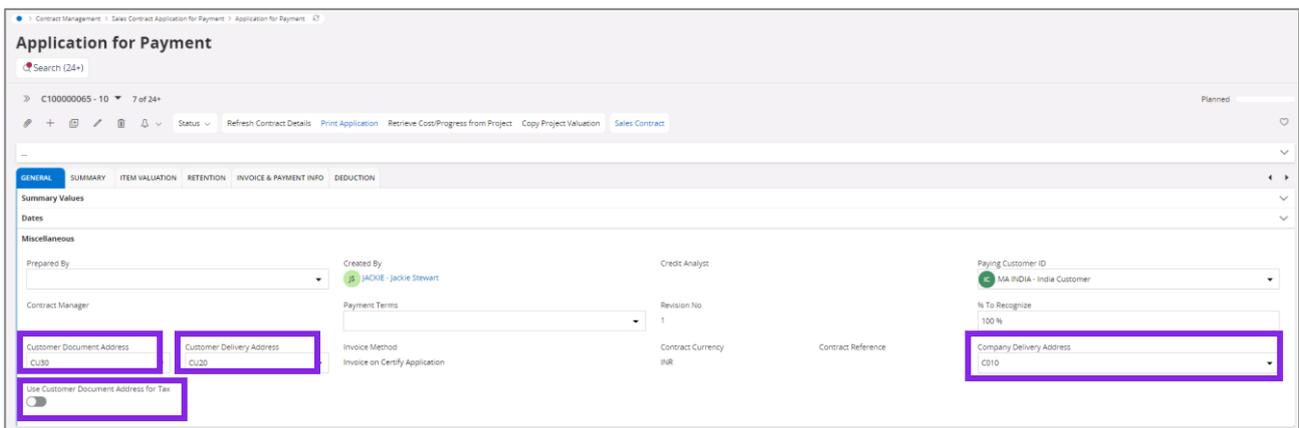


The **Copy Contract Item Tax** setting in the **Sales Contract** is used to determine whether tax should be copied to **Application for Payment Items** from the sales contract item, or if it should be re-fetched based on the latest tax set up.



- If the **Copy Contract Item Tax** is set to YES:
 - The tax information saved in **Sales Contract items**, is copied to **Application for Payment items**.
- If the **Copy Contract Item Tax** is set to NO:
 - Re-fetch Application for Payment item tax information based on the latest tax setup.

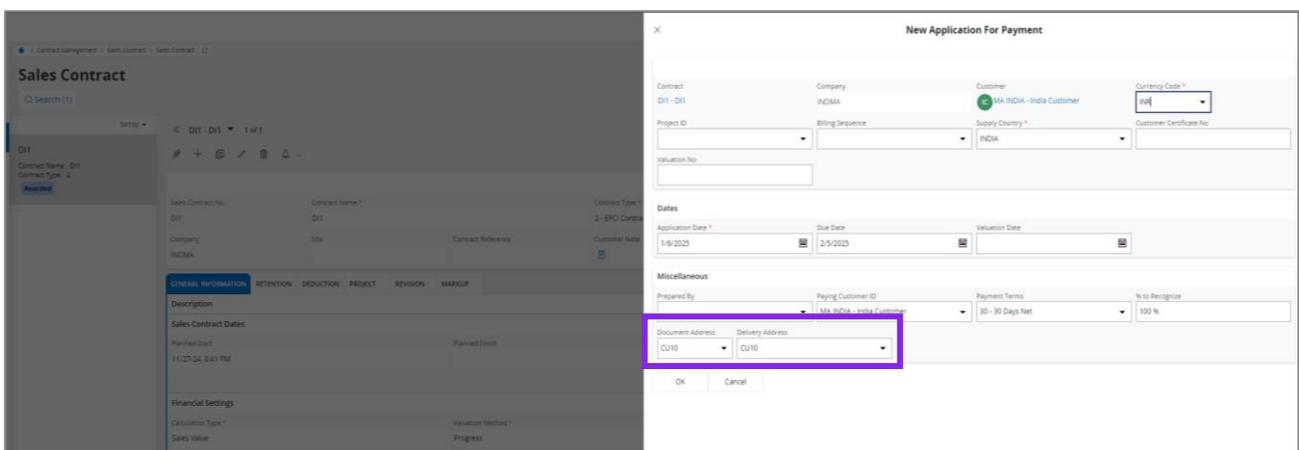
The fields **Company Delivery Address**, **Customer Delivery Address**, **Customer Document Address**, and the **Use Customer Document Address for Tax** toggle are available in the **Application for Payment** page.



When creating a new Application for Payment, the values for these fields and the setting will be copied from the **Sales Contract** and **Sales Contract Customer**.

However, it is possible to modify and override the **Customer Delivery Address** and **Customer Document Address** on the **New Application for Payment** dialog, in which case these new values will be copied to the Application for Payment.

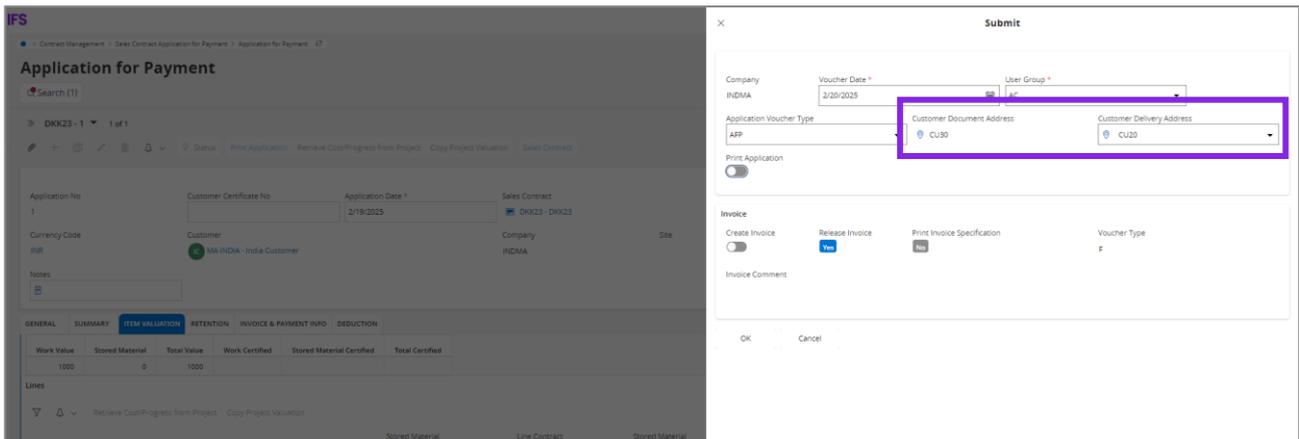
The possibility to modify these addresses depends on the **Copy Contract Item Tax** setting and the **Use Customer Document Address for Tax** setting to make sure the address changes are not causing any unnecessary tax re-fetching in the Application for Payment.



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

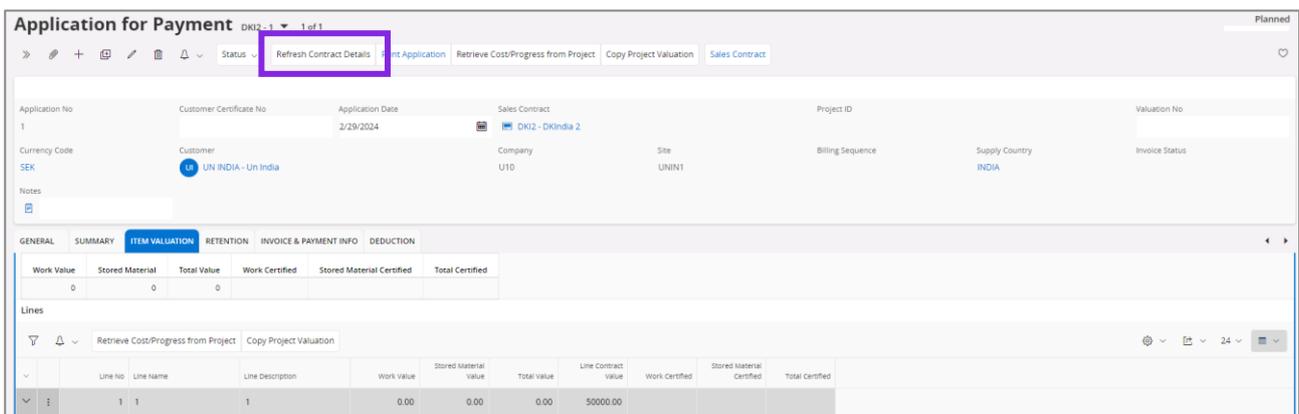
It is possible to modify **Use Customer Document Address for Tax**, **Customer Document Address**, **Company Delivery Address**, and **Customer Delivery Address** on Planned AFPs, only when the **Copy Contract Item Tax** on **Sales Contract** is set to NO, and as a result the AFP item taxes will be re-fetched.

Customer Delivery Address and **Customer Document Address** are available in **Submit**, **Certify Application** and the **Create Invoice** assistants.



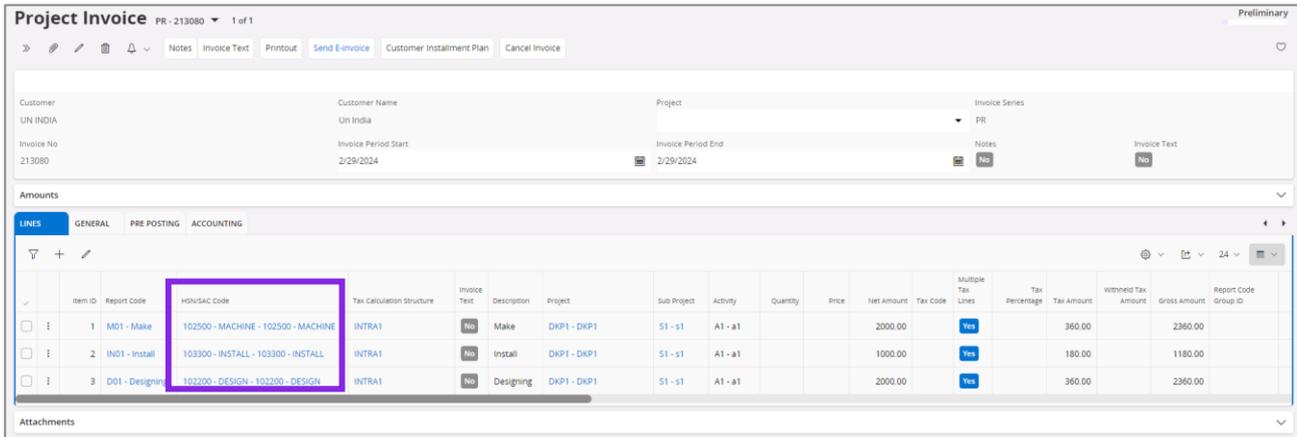
The values for these fields are retrieved from the **Application for Payment**, and it is possible to modify these addresses only when the **Copy Contract Item Tax** is set to **NO** on the **Sales Contract**. When creating a new project invoice, tax is recalculated based on the modified addresses.

If the **Refresh Contract Details** command is executed, all the information on the Application for Payment, including HSN/SAC Codes, tax information, and address information will be reset based on information on the Sales contract and Sales Contract Items.



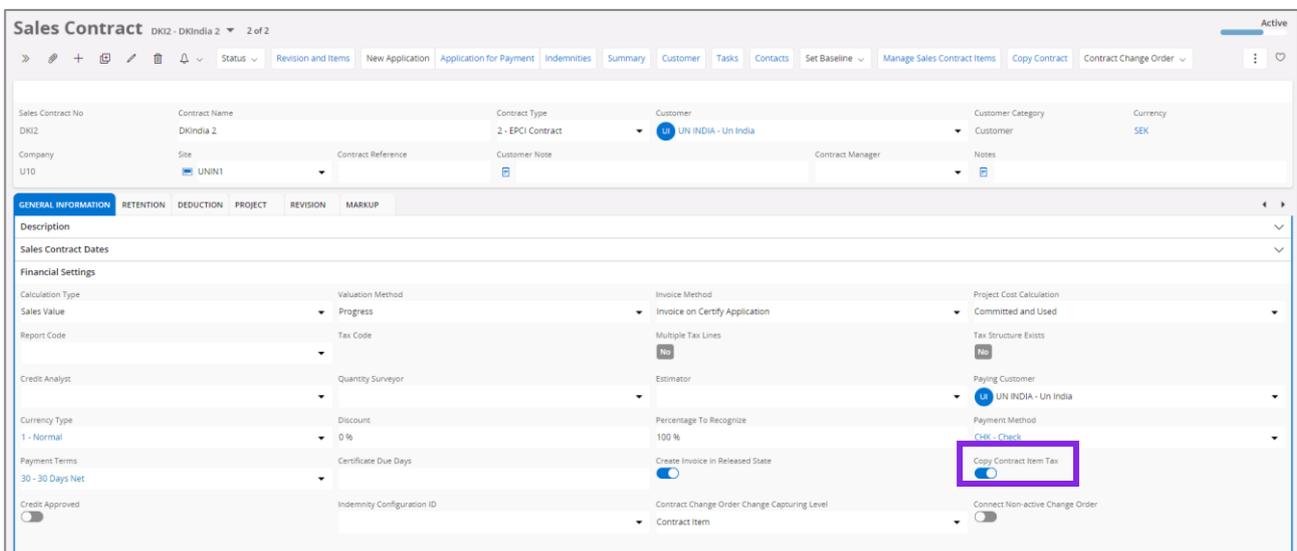
6.8.3 CREATING PROJECT INVOICE THROUGH APPLICATION FOR PAYMENT

When creating a Project Invoice from an Application for Payment, the Project Invoice Lines are created based on the grouping of the Report Code, HSN/SAC Code, and Tax. The **HSN/SAC Code** from the Application for Payment Items is automatically copied to the Project Invoice Lines. It is possible to modify the **HSN/SAC Code** for the invoice lines for Project Invoices in Preliminary status.



| Item ID | Report Code | HSN/SAC Code | Tax Calculation Structure | Invoice Text | Description | Project | Sub Project | Activity | Quantity | Price | Net Amount | Tax Code | Multiple Tax Lines | Tax Percentage | Tax Amount | Withheld Tax Amount | Gross Amount | Report Code Group ID |
|---------|-----------------|-------------------------------------|---------------------------|--------------|-------------|-------------|-------------|----------|----------|-------|------------|----------|--------------------|----------------|------------|---------------------|--------------|----------------------|
| 1 | MD1 - Make | 102500 - MACHINE - 102500 - MACHINE | INTRAT1 | No | Make | DKP1 - DKP1 | S1 - S1 | A1 - a1 | | | 2000.00 | | Yes | | 360.00 | | 2360.00 | |
| 2 | IND1 - Install | 103300 - INSTALL - 103300 - INSTALL | INTRAT1 | No | Install | DKP1 - DKP1 | S1 - S1 | A1 - a1 | | | 1000.00 | | Yes | | 180.00 | | 1180.00 | |
| 3 | DD1 - Designing | 102200 - DESIGN - 102200 - DESIGN | INTRAT1 | No | Designing | DKP1 - DKP1 | S1 - S1 | A1 - a1 | | | 2000.00 | | Yes | | 360.00 | | 2360.00 | |

The **Copy Contract Item Tax** setting in the **Sales Contract** is used to determine whether tax should be copied to the Project Invoice from the Application for Payment items, or if it should be re-fetched based on the latest tax set up.



| Calculation Type | Valuation Method | Invoice Method | Project Cost Calculation |
|------------------|----------------------------|--|---------------------------------|
| Sales Value | Progress | Invoice on Certify Application | Committed and Used |
| Report Code | Tax Code | Multiple Tax Lines | Tax Structure Exists |
| Credit Analyst | Quantity Surveyor | Estimator | Paying Customer |
| Currency Type | Discount | Percentage To Recognize | Payment Method |
| Payment Terms | Certificate Due Days | Create Invoice in Released State | Copy Contract Item Tax |
| Credit Approved | Indemnity Configuration ID | Contract Change Order Change Capturing Level | Connect Non-active Change Order |
| | | Contract Item | |

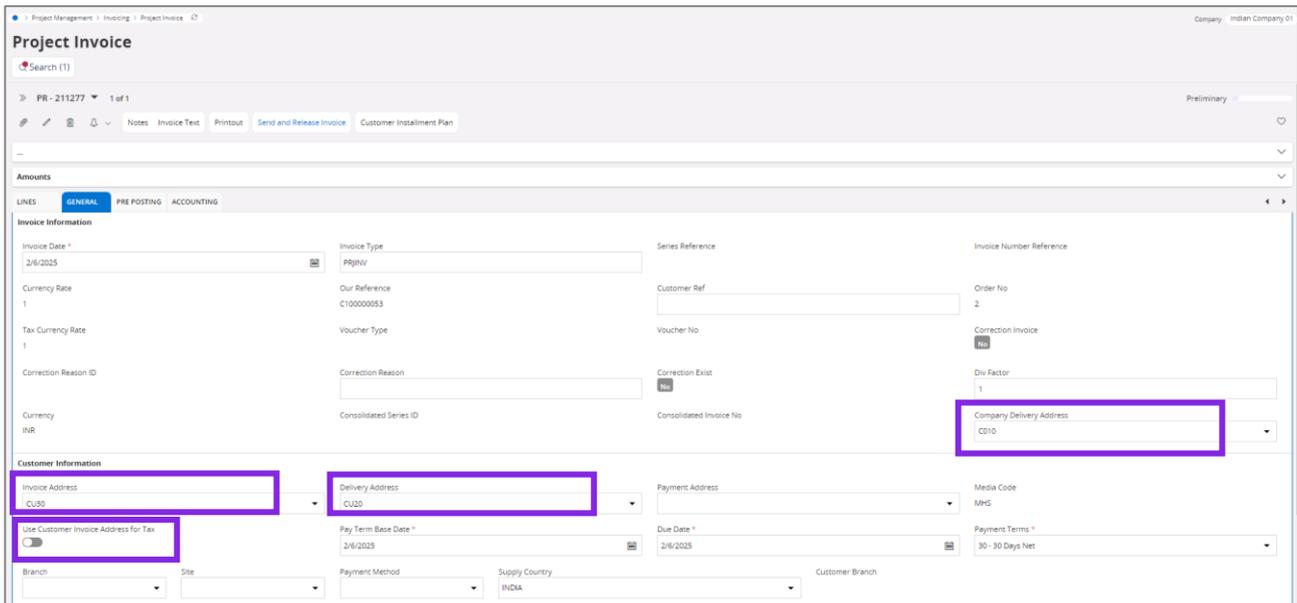
If the Copy Contract Item Tax is set to YES

The tax information saved in Application for Payment items will be copied to Project Invoice Lines.

If the Copy Contract Item Tax is set to NO

The project invoice line tax information will be re-fetched based on the latest tax setup.

Company Delivery Address, Customer Invoice Address, Customer Delivery Address and Use Customer Invoice Address for Tax toggle is available in Project Invoice.



Company Delivery Address and **Customer Delivery Address** defined in **Project Invoice/General** is used to determine whether the transaction is Intra/Inter State.

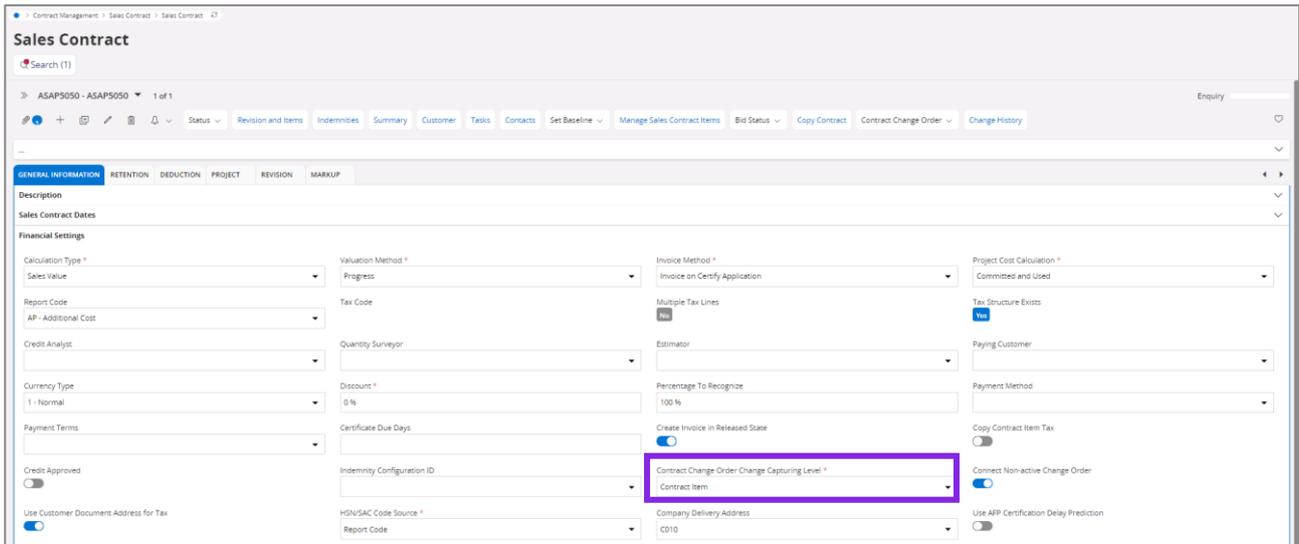
Select the **Use Customer Invoice Address for Tax** toggle to fetch Indian GST Taxes based on the customer **Invoice Address** and **Company Delivery Address**.

When creating the project invoice from the Application for Payment, the values for these fields and the setting will be copied from the Application for Payment, or the values entered in the **Submit, Certify Application and Create Invoice** Assistants.

It is possible to modify these fields for Debit Project Invoices only in Preliminary status, which will result in tax re-fetching in invoice lines. Modifying these address fields and setting is not allowed on Credit Invoices.

6.8.4 SALES CONTRACT CHANGE ORDER

HSN/SAC Codes and tax fetching logic have been introduced in the Sales Contract Change Order, when the **Contract Change Order Change Capturing Level** is Contract Item on the **Sales Contract** page.



Sales Contract

ASAP5050 - ASAP5050 1 of 1

GENERAL INFORMATION RETENTION DEDUCTION PROJECT REVISION MARKUP

Financial Settings

Calculation Type * Sales Value Valuation Method * Progress Invoice Method * Invoice on Certify Application Project Cost Calculation * Committed and Used

Report Code AP - Additional Cost Tax Code Multiple Tax Lines No Tax Structure Exists Yes

Credit Analyst Quantity Surveyor Estimator Paying Customer

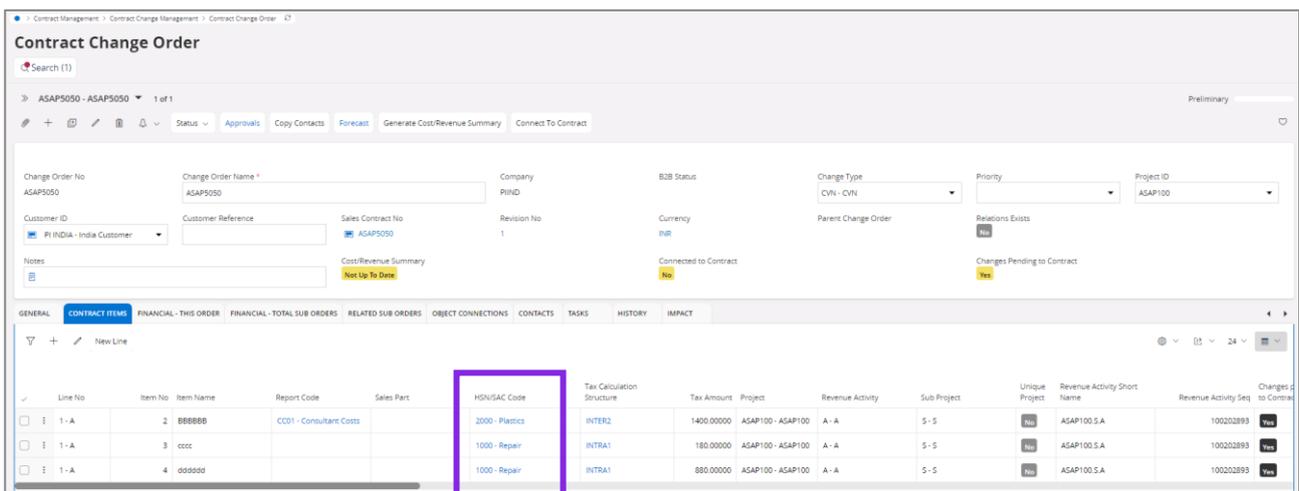
Currency Type 1 - Normal Discount * 0 % Percentage To Recognize 100 % Payment Method

Payment Terms Certificate Due Days Create Invoice in Released State Copy Contract Item Tax

Credit Approved Indemnity Configuration ID Contract Change Order Change Capturing Level * Contract Item Connect Non-active Change Order

Use Customer Document Address for Tax HSN/SAC Code Source * Report Code Company Delivery Address CD10 Use AFP Certification Delay Prediction

It is possible to define **HSN/SAC Code** in **Contract Change Order/Contract Items**, when the Contract Change Order is created for a Sales Contract.



Contract Change Order

ASAP5050 - ASAP5050 1 of 1

Change Order No: ASAP5050, Change Order Name: ASAP5050, Company: PIIND, B2B Status: INR, Change Type: CVN - CVN, Priority: INR, Project ID: ASAP100

Customer ID: PI (INDIA - India Customer), Customer Reference, Sales Contract No: ASAP5050, Revision No: 1, Currency: INR, Parent Change Order, Relations Exists: Yes

Notes, Cost/Revenue Summary: Next Up To Disc, Connected to Contract: No, Changes Pending to Contract: Yes

| Line No | Item No | Item Name | Report Code | Sales Part | HSN/SAC Code | Tax Calculation Structure | Tax Amount | Project | Revenue Activity | Sub Project | Unique Project | Revenue Activity Short Name | Revenue Activity Seq | Changed to Contract |
|---------|---------|-----------|-------------------------|------------|-----------------|---------------------------|------------|-------------------|------------------|-------------|----------------|-----------------------------|----------------------|---------------------|
| 1-A | 2 | BBBBBB | CC01 - Consultant Costs | | 2000 - Plastics | INTER2 | 1400.00000 | ASAP100 - ASAP100 | A - A | S - S | Yes | ASAP100.S.A | 100202893 | Yes |
| 1-A | 3 | cccc | | | 1000 - Repair | INTR1A | 180.00000 | ASAP100 - ASAP100 | A - A | S - S | No | ASAP100.S.A | 100202893 | Yes |
| 1-A | 4 | ddddd | | | 1000 - Repair | INTR1A | 880.00000 | ASAP100 - ASAP100 | A - A | S - S | No | ASAP100.S.A | 100202893 | Yes |

The selected value in **HSN/SAC Code Source** in **Sales Contract/ General Information** is considered to determine from where the HSN/SAC code is fetched to Contract Change Order contract items.

When the **HSN/SAC Code Source** is **Report Code**, the HSN/SAC Code for Contract Change Order contract items is fetched based on the **Report Code** of the contract item, based on the **Planned Start Date**. If no value is entered in the **Report Code** field at the item level, the default **Report Code** for the Sales Contract in **Sales Contract/ General Information** will be considered to fetch the HSN/SAC code.

When the **HSN/SAC Code Source** is **Sales Part**, the HSN/SAC Code for Contract Change Order contract items is fetched based on the HSN/SAC Code defined for the **Sales Part** connected to the contract item. If no Sales Part is connected to contract item, then the HSN/SAC Code is fetched based on the Report Code connected to the contract item.

The taxability of the Report Code is considered when fetching tax in Sales Contract Management and similarly in Sales Contract Change Order, therefore the **Tax Calculation Structure** is fetched only when the relevant Report Code is taxable. Sales part taxability is not considered.

It is possible to modify **HSN/SAC Code** of a contract change order contract item. If item **Report Code** or **Sales Part** connected to contract item change, the HSN/SAC code is re-fetched.

The states of the buyer and seller delivery address are used to determine whether the transaction is Intra/Inter State.

The settings and values for buyer and seller addresses defined in the relevant **Sales Contract** and **Sales Contract Customer** are considered for the Sales Contract Change Order contract items.

Based on the HSN/SAC code and the Intra/Inter-state nature of the transaction, the correct tax calculation structure is fetched.

The tax structure will be re-fetched for following changes in the **Contract Items**.

- HSN/SAC Code
- Planned Start Date

When connecting a Contract Change Order (CCO) to a sales contract revision, the following details are copied from the CCO to the contract revision:

- HSN/SAC Code
- Tax Calculation Structure
- Tax Amount
- Tax Code

Delimitations

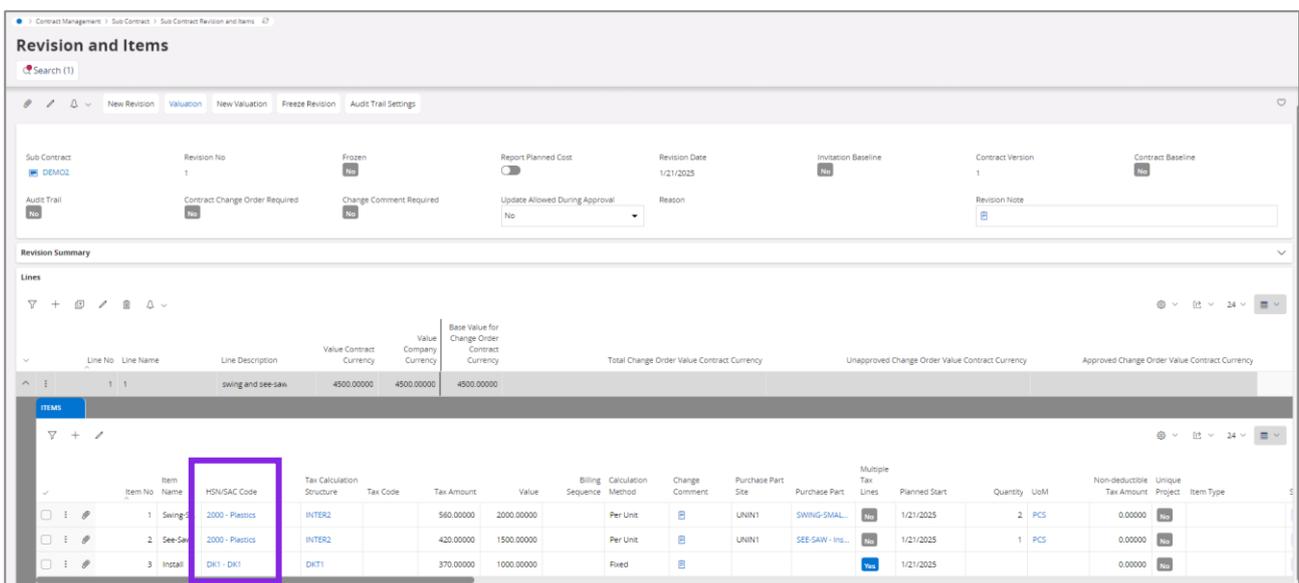
- The Sales Contract Advance Payment flow is not supported.

6.9 Sub Contract Management

HSN/SAC Codes and tax fetching logic have been introduced in the Sub Contract Management flow. This applies to Sub Contracts and Valuations.

6.9.1 SUB CONTRACT

It is now possible to define the **HSN/SAC Code** in **Sub Contract Revision and Items**.



| Line No | Line Name | Line Description | Value Contract Currency | Base Value for Change Order Contract Currency | Total Change Order Value Contract Currency | Unapproved Change Order Value Contract Currency | Approved Change Order Value Contract Currency |
|---------|-------------------|------------------|-------------------------|---|--|---|---|
| 1 | swing and see saw | | 4500.00000 | 4500.00000 | 4500.00000 | | |

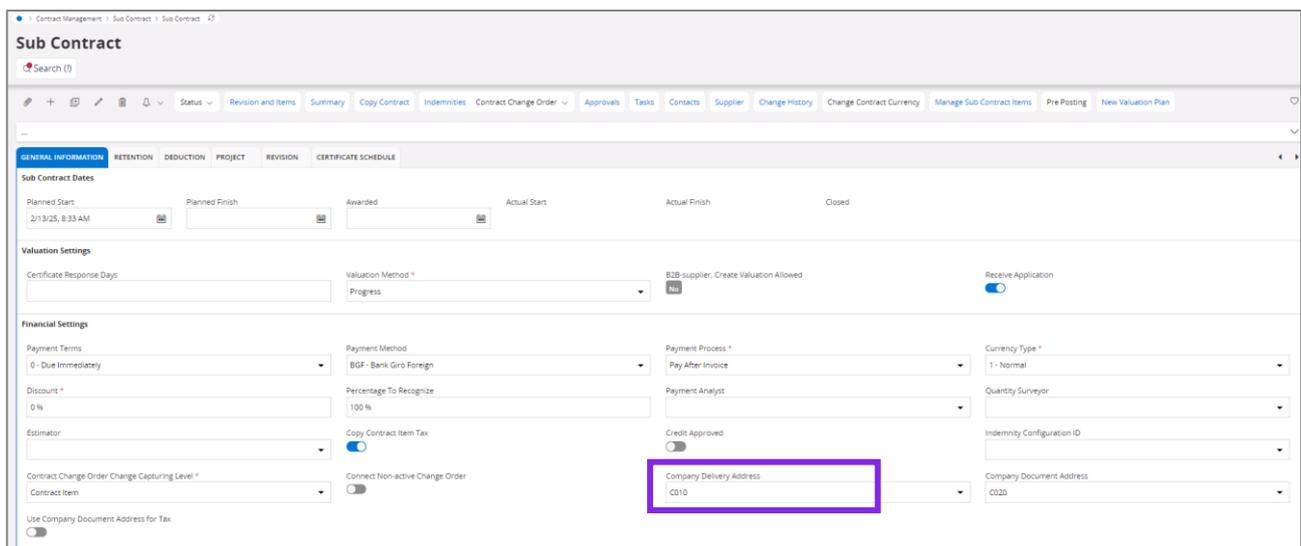
| Item No | Item Name | HSN/SAC Code | Tax Calculation Structure | Tax Code | Tax Amount | Value | Billing Sequence | Calculation Method | Change Comment | Purchase Part Site | Purchase Part | Multiple Tax Lines | Planned Start | Quantity | UoM | Non-deductible Tax Amount | Unique Project | Item Type |
|---------|-----------|-----------------|---------------------------|----------|------------|------------|------------------|--------------------|----------------|--------------------|------------------|--------------------|---------------|----------|-----|---------------------------|----------------|-----------|
| 1 | Swing | 2000 - Plastics | INTER2 | | 560.00000 | 2000.00000 | Per Unit | | | LNIN1 | SWING-DMAL | No | 1/21/2025 | 2 | PCS | 0.00000 | | Yes |
| 2 | See-Saw | 2000 - Plastics | INTER2 | | 420.00000 | 1500.00000 | Per Unit | | | LNIN1 | SEE-SAW - INS... | No | 1/21/2025 | 1 | PCS | 0.00000 | | Yes |
| 3 | Install | DK1 - DK1 | DKT1 | | 370.00000 | 1000.00000 | Fixed | | | | | Yes | 1/21/2025 | | | 0.00000 | | Yes |

The HSN/SAC Code for contract items is fetched based on the HSN/SAC Code defined for the **Supplier for Purchase Part** of the Purchase Part connected to the Subcontract item. If no Purchase Part is connected to the contract item, then the HSN/SAC Code needs to be entered manually.

It is possible to modify **HSN/SAC Code** of a contract item. If the purchase part connected to the contract item change, the HSN/SAC code is re-fetched.

The states of the buyer's and seller's delivery addresses are used to determine whether the transaction is intra-state or inter-state.

Buyer Delivery Address - **Company Delivery Address** defined in the **Sub Contract** is considered. The default value for the **Company Delivery Address** is fetched from the Company Default Delivery Address defined in the basic data set up for **Company/Address**. It is possible to modify and override the default value on the Subcontract.



The screenshot shows the 'Sub Contract' configuration page in IFS. The 'Company Delivery Address' field is highlighted with a red box. The page includes various settings such as 'Sub Contract Dates', 'Valuation Settings', and 'Financial Settings'.

Seller Delivery Address – Supplier Delivery Address defined in Subcontract **Supplier** is considered. The default value is fetched from the Supplier Default Delivery Address defined in the basic data set up for **Supplier/Address**. It is possible to modify and override the default value on the Subcontract **Supplier**.

Contract Management > Sub Contract > Sub Contract > Supplier

Supplier

Search (1)

PBS001 - PBS001 1 of 1

| | | |
|---------------------------------|--------------------------------------|---|
| Sub Contract PBS001 - PBS001 | Contract Type CONS - Construction | Supplier NP-INDIAN - Indian Supplier |
| Contract Manager | Currency INR | Company IN01 |
| | | Site UNIN1 |

Supplier

Supplier Delivery Address Notes

NP-INDIAN - India... SU10

Tender Details

Based on the HSN/SAC code and the Intra/Inter State nature of the transaction, the correct tax calculation structure is fetched.

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

Contract Management > Sub Contract > Sub Contract

Sub Contract

Search (1)

Status Revision and Items Summary Copy Contract Indemnities Contract Change Order Approvals Tasks Contacts Supplier Change History Change Contract Currency Manage Sub Contract Items Pre Posting New Valuation Plan

GENERAL INFORMATION RETENTION DEDUCTION PROJECT REVISION CERTIFICATE SCHEDULE

Sub Contract Dates

| | | | | | |
|-----------------------------------|----------------|---------|--------------|---------------|--------|
| Planned Start 2/13/25, 8:33 AM | Planned Finish | Awarded | Actual Start | Actual Finish | Closed |
|-----------------------------------|----------------|---------|--------------|---------------|--------|

Valuation Settings

Certificate Response Days Valuation Method * Progress B2B Supplier, Create Valuation Allowed Receive Application

Financial Settings

| | | | |
|--------------------------------------|--|--|-------------------------------|
| Payment Terms 0 - Due Immediately | Payment Method BGF- Bank Giro Foreign | Payment Process * Pay After Invoice | Currency Type * 1 - Normal |
| Discount * 0 % | Percentage To Recognize 100 % | Payment Analyst | Quantity Surveyor |
| Estimator | Copy Contract Item Tax | Credit Approved | Indemnity Configuration ID |

Contract Change Order Change Capturing Level *
Contract Item

Connect Non-active Change Order

Company Delivery Address
C010

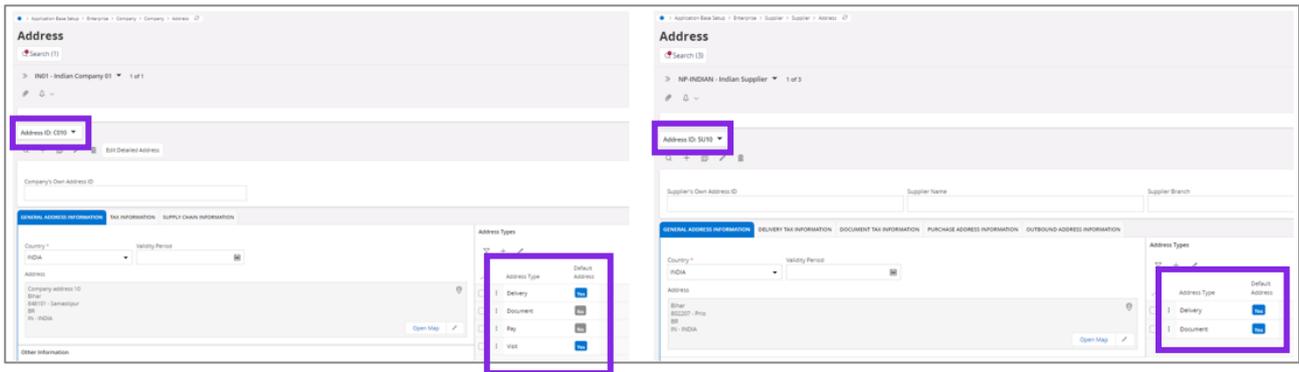
Company Document Address
C020

Use Company Document Address for Tax

The **Company Document Address** defined in the **Subcontract** is considered.

The default value for the **Company Document Address** is fetched from the Company Default Document address defined in the basic data set up for **Company/Address**. However, it is possible to modify and override the value on the Subcontract.

Default addresses defined in the basic data set up



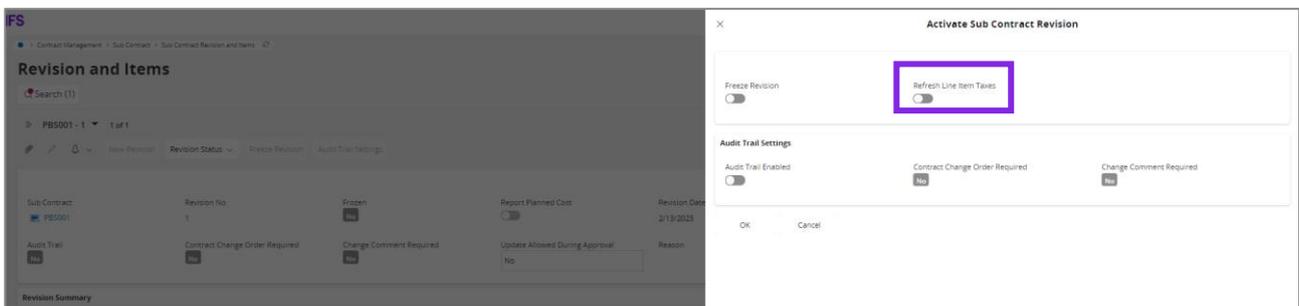
The tax structure will be re-fetched for the following changes in the **Subcontract Revision and Items**.

- HSN/SAC Code
- Planned Start Date

Additionally, the tax will be re-fetched when modifying;

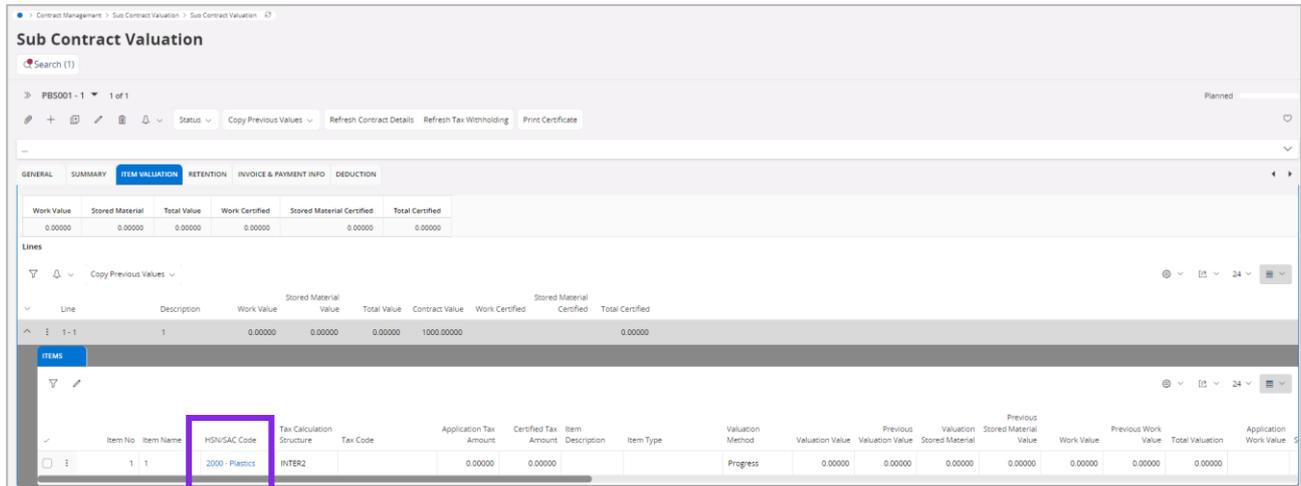
- The **Use Company Document Address for Tax** toggle in the **Sub Contract**
- The **Company Document Address** in the **Sub Contract**, if the above toggle is ON
- The **Company Delivery Address** in the **Sub Contract**, if the above toggle is OFF
- The **Supplier Delivery Address** in the Sub Contract **Supplier**

When activating the Sub Contract Revision and awarding the Sub Contract, if the **Refresh Line Item Taxes** setting is set to YES, Revision Item HSN/SAC codes are not impacted, but the tax is re-fetched.



6.9.2 SUB CONTRACT VALUATION

The **HSN/SAC Code** is available in **Sub Contract Valuation/Item Valuation**. The HSN/SAC code of the contract item is automatically copied to this column.

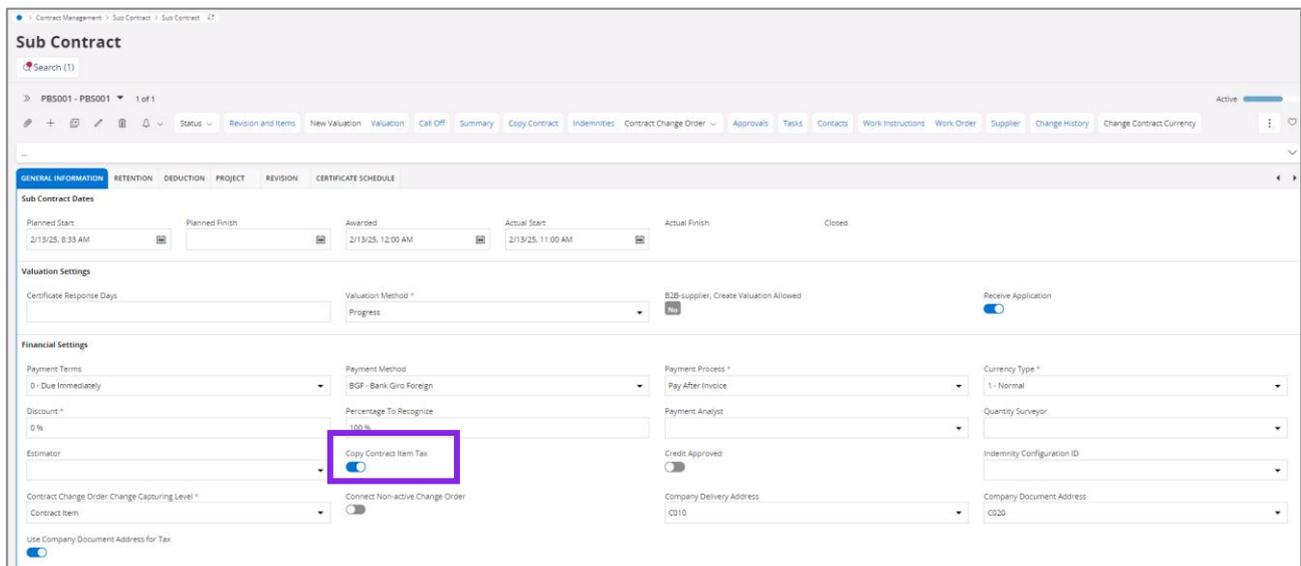


| Work Value | Stored Material | Total Value | Work Certified | Stored Material Certified | Total Certified |
|------------|-----------------|-------------|----------------|---------------------------|-----------------|
| 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |

| Line | Description | Work Value | Stored Material Value | Total Value | Contract Value | Work Certified | Stored Material Certified | Total Certified |
|------|-------------|------------|-----------------------|-------------|----------------|----------------|---------------------------|-----------------|
| 1-1 | 1 | 0.00000 | 0.00000 | 0.00000 | 1000.00000 | | | 0.00000 |

| Item No | Item Name | HSN/SAC Code | Tax Calculation Structure | Tax Code | Application Tax Amount | Certified Tax Amount | Item Description | Item Type | Valuation Method | Valuation Value | Previous Valuation Value | Valuation Stored Material | Previous Stored Material Value | Previous Work Value | Previous Total Valuation | Application Work Value |
|---------|-----------|-----------------|---------------------------|----------|------------------------|----------------------|------------------|-----------|------------------|-----------------|--------------------------|---------------------------|--------------------------------|---------------------|--------------------------|------------------------|
| 1 | 1 | 2000 - Plastics | INTER2 | | 0.00000 | 0.00000 | | | Progress | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 | 0.00000 |

The **Copy Contract Item Tax** setting in the **Sub Contract** is used to determine whether tax should be copied to Sub Contract Valuation Items from the sub contract item, or if it should be re-fetched based on the latest tax set up.



Sub Contract

PBS001 - PBS001 1 of 1

Planned Start: 2/19/25, 8:33 AM | Planned Finish: | Awarded: 2/19/25, 12:00 AM | Actual Start: 2/19/25, 11:00 AM | Actual Finish: | Closed

Valuation Settings

Certificate Response Days: | Valuation Method: Progress | B2B-supplier, Create Valuation Allowed: | Receive Application:

Financial Settings

Payment Terms: 0 - Due Immediately | Payment Method: BGF - Bank Giro Foreign | Payment Process: Pay After Invoice | Currency Type: 1 - Normal

Discount: 0 % | Percentage To Recognize: 100 % | Payment Analyst: | Quantity Surveyor: |

Estimator: | **Copy Contract Item Tax:** | Credit Approved: | Indemnity Configuration ID: |

Contract Change Order Change Capturing Level: | Connect Non-active Change Order: | Company Delivery Address: C010 | Company Document Address: C020

Use Company Document Address for Tax:

If the Copy Contract Item Tax is set to YES

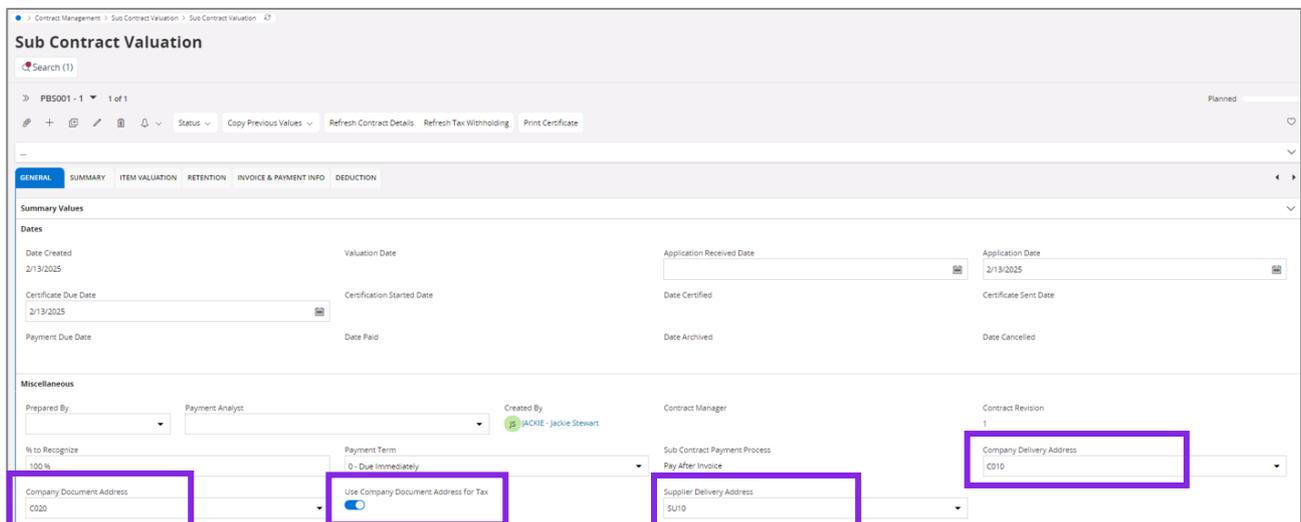
The tax information saved in Sub Contract items will be copied to Valuation items.

If the Copy Contract Item Tax is set to NO

The Valuation Item tax information will be re-fetched based on the latest tax setup.

Company Delivery Address, Company Document Address, Supplier Delivery Address, and the Use Company Document Address for Tax toggle are available in Sub Contract Valuation. When creating the Valuation, the values for these fields and the setting will be copied from the Sub Contract.

It is possible to modify these fields and the setting on Planned Valuations only when the **Copy Contract Item Tax** is set to NO. As a result, the Valuation item taxes will be re-fetched. Select the **Use Company Document Address for Tax** toggle to fetch Indian GST based on the company document address and the supplier delivery address.



Sub Contract Valuation

Search (1)

PBS001 - 1 1 of 1

Status Copy Previous Values Refresh Contract Details Refresh Tax Withholding Print Certificate

GENERAL SUMMARY ITEM VALUATION RETENTION INVOICE & PAYMENT INFO DEDUCTION

Summary Values

Dates

| | | | |
|-----------------------------------|----------------------------|---------------------------|-------------------------------|
| Date Created 2/13/2025 | Valuation Date | Application Received Date | Application Date 2/13/2025 |
| Certificate Due Date 2/13/2025 | Certification Started Date | Date Certified | Certificate Sent Date |
| Payment Due Date | Date Paid | Date Archived | Date Cancelled |

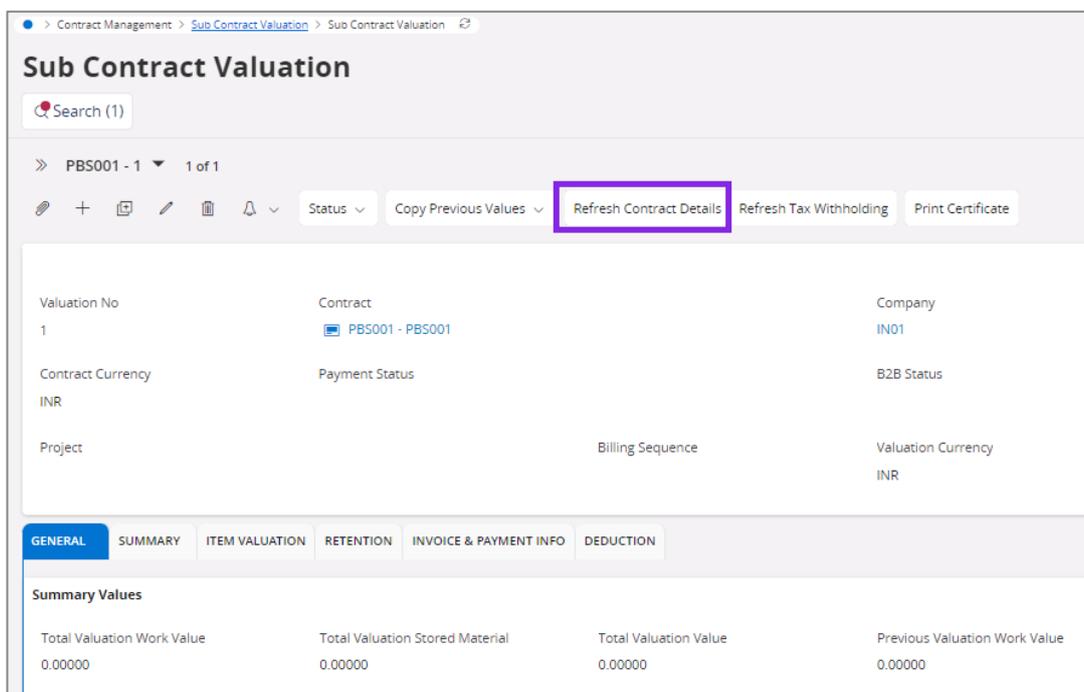
Miscellaneous

Prepared By Payment Analyst Created By JACKIE - Jackie Stewart Contract Manager Contract Revision 1

% to Recognize 100% Payment Term 0 - Due Immediately Sub Contract Payment Process Pay After Invoice Company Delivery Address C010

Company Document Address C020 **Use Company Document Address for Tax** Supplier Delivery Address SU10

If the **Refresh Contract Details** command is executed, all the information on the Sub Contract Valuation, including HSN/SAC Codes, tax information, and addresses will be reset based on the information on the Sub contract and Sub Contract Items.



Sub Contract Valuation

Search (1)

PBS001 - 1 1 of 1

Status Copy Previous Values **Refresh Contract Details** Refresh Tax Withholding Print Certificate

| | | |
|--------------------------|-----------------------------|---------------------------|
| Valuation No 1 | Contract PBS001 - PBS001 | Company IN01 |
| Contract Currency INR | Payment Status | B2B Status |
| Project | Billing Sequence | Valuation Currency INR |

GENERAL SUMMARY ITEM VALUATION RETENTION INVOICE & PAYMENT INFO DEDUCTION

Summary Values

| | | | |
|---------------------------------------|--|----------------------------------|--|
| Total Valuation Work Value 0.00000 | Total Valuation Stored Material 0.00000 | Total Valuation Value 0.00000 | Previous Valuation Work Value 0.00000 |
|---------------------------------------|--|----------------------------------|--|

Delimitations

- Sub Contract Self-billing invoices are not supported for HSN/SAC code-based fetching.
- For Sub Contract Change Orders, the **Contract Change Order Change Capturing Level - Contract Item**, does not support HSN/SAC code-based fetching.

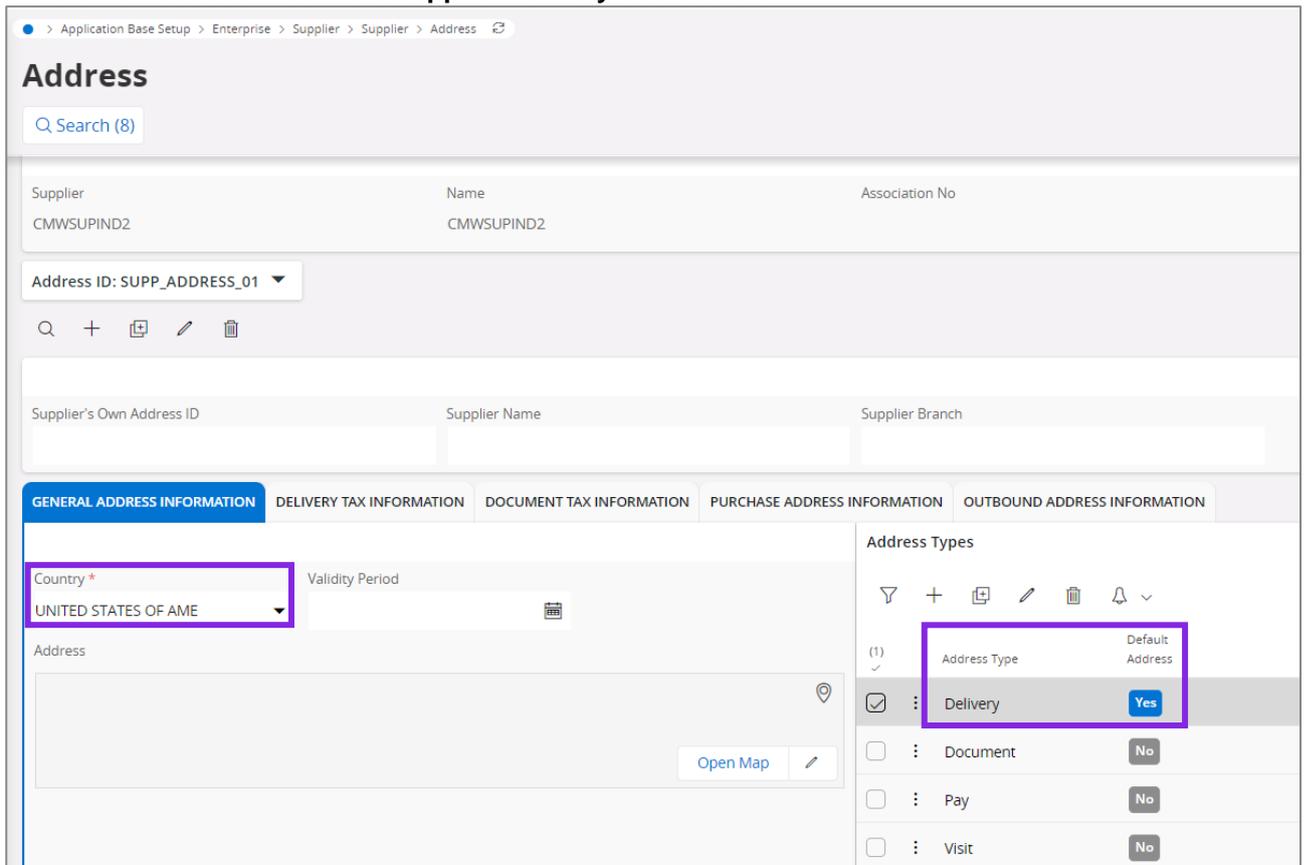
6.10 Export and Import Handling

Exports and Imports are transactions that extends outside geographical boundaries of India and HSN/SAC code-based fetching is not applicable for said transactions as per the Indian GST tax regime. To facilitate Tax Fetching in these scenarios, IFS Cloud, Indian Solution has diverted the Tax Fetching Logic to the IFS Core Tax Fetching Logic so that the user can define taxes applicable for Import and Export transactions in Supplier, Customer, and Company Basic data and fetch them to Import and Export transactions.

Import Transaction

1. The user must set up address-specific or supplier-specific Tax Codes/Tax Structures aligning with the Core Tax Fetching Logic in Company or Supplier Basic data.

*Example: Assume an Import Transaction where the default **Supplier Delivery** address is in the he USA and the Tax Code defined in the **Supplier Delivery** address is 3.*



The screenshot displays the 'Address' configuration interface. At the top, the breadcrumb trail is 'Application Base Setup > Enterprise > Supplier > Supplier > Address'. The main title is 'Address' with a search bar containing 'Search (8)'. Below this, a table lists supplier details: 'Supplier' (CMWSUPIND2), 'Name' (CMWSUPIND2), and 'Association No'. The 'Address ID' is 'SUPP_ADDRESS_01'. A toolbar includes search, add, edit, and delete icons. A table below shows 'Supplier's Own Address ID', 'Supplier Name', and 'Supplier Branch'. The 'GENERAL ADDRESS INFORMATION' tab is active, showing 'Country' as 'UNITED STATES OF AME' and a 'Validity Period' field. The 'Address' field has an 'Open Map' button. On the right, the 'Address Types' panel lists 'Delivery' (checked, 'Yes'), 'Document' (unchecked, 'No'), 'Pay' (unchecked, 'No'), and 'Visit' (unchecked, 'No').

> Application Base Setup > Enterprise > Supplier > Supplier > Address

Address

Search (8)

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: CMWIND1 - Without Posting Proposal Indian Company

Tax Calculation Structure Use Supplier Address for Tax

Taxes

| Tax Code | Tax (%) | Validity Period |
|-----------------------------|---------|-----------------------|
| 3 - Tax with reduction 2... | 6 | 1/1/2020 - 12/31/2049 |

Tax Exempt Information

The state in **Company Delivery Address** is DL(Delhi) and the country is India.

Application Base Setup > Enterprise > Company > Company > Address

Address

Search (3)

| | | |
|---------|--------------------------------------|----------------|
| Company | Name | Association No |
| CMWIND2 | With Posting Proposal Indian Company | |

Address ID: COM DEL DL

Country * INDIA Validity Period

Address

No 3
Sri Vihar
- DL
Delhi

Open Map

Address Types

| Address Type | Default Address |
|--|-----------------|
| <input checked="" type="checkbox"/> Delivery | Yes |
| <input type="checkbox"/> Document | No |
| <input type="checkbox"/> Pay | No |
| <input type="checkbox"/> Visit | No |

Other Information

- At transaction entry header levels, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the supplier and the company, to determine whether the transaction is Interstate or Intrastate. When the Supplier delivery address is not in India, the Tax Fetching Logic will shift to Core Tax Fetching logic.

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information Line Information Posting Information

| | | | | | | |
|---------|----------------|-----------------|-------------------|--------------|----------------|------------|
| Company | Voucher Date * | Accounting Year | Accounting Period | User Group * | Voucher Type * | Voucher No |
| CMWIND1 | 12/24/2024 | 2024 | 12 | AC | I | |

| | | | | | |
|--------------|-------------------|------------------------|--------------------------|------------|-------------------------|
| PO Reference | Receipt Reference | Sub Contract Reference | Invoice Advice Reference | Project ID | Supplier * |
| | | | | | CMWSUPIND2 - CMWSUPIND2 |

| | | | | | | | |
|----------------|-------------|--------------|------------|---------------|----------------|--------------|----------------------|
| Invoice Type * | Series ID * | Invoice No * | Currency * | Currency Rate | Invoice Date * | Arrival Date | Pay Term Base Date * |
| SUPPINV | SI | INV857 | INR | 1 | 12/24/2024 | 12/24/2024 | 12/24/2024 |

| | | | | | |
|-----------------|------------|---------------|-------------------|-----------------------------------|---------------|
| Payment Terms * | Due Date | Plan Pay Date | Payment Reference | Automatic Payment Authorization * | Authorizer ID |
| 0 | 12/24/2024 | 12/24/2024 | | No | * |

Advance Invoice Gross Amount Net Amount Tax Amount

More Information

| | | | | | |
|------------------|----------------------|-------------------|--------------------------|---------------------------|-------------------------|
| Reference Series | Reference Invoice No | Invoice Recipient | Supplier Invoice Address | Supplier Delivery Address | Company Invoice Address |
| | | CHWGLK - CHWGLK | SUPP DOC GA | SUPP_ADDRESS_01 | COM DOC UP |

Delivery Address COM DEL DL Use Company Invoice Address for Tax

Use Supplier Invoice Address for Tax

Use Project Address for Tax No Reference Supplier Preliminary Code

- Then, at Transaction line-item level, defined core tax codes or Tax Calculation Structures will be fetched instead of Tax Calculation Structures fetched based on the HSN/SAC Code.

Manual Supplier Invoice Tax Lines

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Amount |
|-------------------------|------------|------------|---------------------------|
| 1060.00 | 1000.00 | 60.00 | 0.00 |
| Total Tax Amount | | | |
| 60.00 | | | |

Tax Line Details

| Tax Code | Tax Type | Tax(%) | Deductible(%) | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Total Tax Amount | Tax Category 1 | Tax Category 2 |
|----------|----------|--------|---------------|------------|-----------------------------------|---------------------------------|---------------------------|------------------|----------------|----------------|
| 3 | Tax | 6 | 100 | 60.00 | 60.00 | 1.20 | 0.00 | 60.00 | | |

OK Cancel

Export Transaction

- The user must set up Address specific or Customer Specific Tax Codes/Tax Structures aligning with the core Tax Fetching Logic in Company or Customer Basic data.

*Example: Assume an Export Transaction where the **Customer Delivery** address is in the USA and the Tax Code defined in the **Customer Delivery** address is 2.*

Application Base Setup > Enterprise > Customer > Customer > Address

Address

Search (5)

| Customer | Name | Association No |
|--------------|--------------|----------------|
| CMWCUSINDIA1 | CMWCUSINDIA1 | |

Address ID: IMPORT USA ADDRESS

Customer's Own Address ID: Customer Name

End Customer: End Customer

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

Country *
UNITED STATES OF AME

Validity Period

Address

Open Map

Address Types

| Address Type | Default Address |
|--|---|
| <input checked="" type="checkbox"/> Delivery | <input checked="" type="checkbox"/> Yes |
| <input type="checkbox"/> Document | <input type="checkbox"/> No |
| <input type="checkbox"/> Pay | <input type="checkbox"/> No |

Application Base Setup > Enterprise > Customer > Customer > Address

Address

Search (5)

Customer's Own Address ID: [] Customer Name: [] End Customer: [] Address Identity: []

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

Company: CMWIND1 - Without Posting Proposal Indian Company

Supply Country: INDIA

Taxes

| ✓ | Tax Code | Tax (%) | Validity Period | Tax Identity per Tax Code | Tax Code Selection |
|--------------------------|------------------------------|---------|-----------------------|---------------------------|--------------------|
| <input type="checkbox"/> | 2 - Tax with reduction 1,... | 12 | 1/1/2020 - 12/31/2049 | | |

Tax Exempt Information

The state in the Company Delivery Address is DL(Delhi) and the country is India.

Application Base Setup > Enterprise > Company > Company > Address

Address

Search (3)

Company: CMWIND2 Name: With Posting Proposal Indian Company Association No: [] Created By: CHWGLK

Address ID: COM DEL DL

Country *
INDIA

Address
No 3
Sri Vihar
- DL
Delhi

Address Types

| ✓ | Address Type | Default Address |
|--------------------------|--------------|-----------------|
| <input type="checkbox"/> | Delivery | Yes |
| <input type="checkbox"/> | Document | No |
| <input type="checkbox"/> | Pay | No |

- At Transaction Entry header levels, IFS Cloud will first validate the country (India) and then the state codes that are mentioned in the delivery addresses of the Customer and the company, to determine whether the transaction is Interstate or Intrastate. When the Customer delivery address is not in India, the Tax Fetching Logic will shift to Core Tax Fetching logic.

Financials > Customer Invoice > New Manual Customer Invoice

New Manual Customer Invoice

Header Information Line Information Posting Information

Company: CMWIND1 Voucher Date: 12/24/2024 Accounting Year: 2024 Accounting Period: 12 User Group: AC Voucher Type: F Voucher No:

Customer: CMWCUSINDIA1 - CMWCUSINDIA1 Series ID: CI Invoice No: INV875 Currency: INR Invoice type: CUSTINV Advance Invoice:

More Information

Invoice Date: 12/24/2024 Delivery Date: 12/24/2024 Pay. Term Base Date: 12/24/2024 Payment Terms: 10 - 10 Days Net Due Date: 1/3/2025 Invoice Address: 2 **Delivery Address: IMPORT USA ADDR...**

Company Delivery Address: COM DEL DL Use Customer Invoice Address for Tax:

Reference Invoice No: Deduction Group: Deduction Amount: 0 Payment Method: Payment Address ID: Payer: CMWCUSINDIA1 Payment Reference:

National Bank Code: Nature of Business: Language Code: English Branch: Customer Branch: Project ID: Tax Invoice Series ID:

- Then, at the Transaction line-item level, defined core tax codes or Tax Calculation Structures will be fetched instead of Tax Calculation Structures fetched based on the HSN/SAC Code.

Manual Customer Invoice Tax Lines

| Gross Amount | Net Amount | Tax Amount |
|--------------|------------|------------|
| 1120.00 | 1000.00 | 120.00 |

Tax Line Details

| Tax Code | Tax Type | Tax(%) | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Tax Category 1 | Tax Category 2 |
|----------|----------|--------|------------|-----------------------------------|---------------------------------|----------------|----------------|
| 2 | Tax | 12 | 120.00 | 120.00 | 2.40 | | |

OK Cancel

Special Notes:

- Although in Indian HSN/SAC Code based tax Fetching Logic, IFS Cloud has supported to fetch Tax Structures based on different delivery and Invoice Addresses, In Core Tax Fetching Logic, address based fetching is only supported for certain fields visible in the core application only. Accordingly, when shifting to core tax fetching logic for Export and Import scenarios in Indian Localization Companies, the user must be aware that only taxes defined under address fields available in the core application, will be fetched as per the Core Tax Fetching Logic and taxes defined in addresses introduced in Indian Localization are not supported for Import and Export Transactions.

*Example: Supplier delivery address field is not available in **Manual Supplier invoice** header level in IFS Cloud core application and therefore, the taxes in default Supplier Delivery address is always fetched. Although this field is visible in Indian Solution and the user can change different addresses under the Supplier delivery address, the taxes in the default Supplier Delivery address is always fetched.*

- Although in Indian HSN/SAC Code based tax Fetching Logic, IFS Cloud has supported to fetch Tax Structures based on different Invoice Addresses using the **Use Customer/Company Invoice address for Tax** toggle, In Core Tax Fetching Logic, tax fetching is not supported based on different Invoice addresses. However, determination of whether a transaction is an Import/Export transaction or not can be determined by using the toggle.

*Example: In Manual Customer Invoice, address based tax fetching is supported for field delivery address only. If the **Use Customer Invoice address for Tax** toggle is enabled, the Indian Tax Fetching will be based on the Invoice address. However, if the Invoice address is outside India, although the IFS Cloud identifies the transaction as an Export transaction and no HSN/SAC Code-based fetching is observed, the core taxes fetched, are not derived from the invoice address and instead will be fetched from the address visible in the delivery address field.*

6.11 Tax Transactions

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

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

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

Accordingly,

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

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

Accordingly,

- **For Procurement Transactions - From State** would be identified from the delivery address of the supplier, mentioned in the invoice and, if the **Use Supplier Invoice Address for Tax** toggle is enabled in the invoice, the **From State** will depict the state in the invoice address/document address of the supplier mentioned in the invoice.

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

Financials > Tax Ledger > Tax Transactions

Company: INDIA

Calculate Income Amount

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

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

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

6.12 HSN/SAC code mandatory in GST Invoices

HSN/SAC Code plays a key role in Business Transactions in India.

It is mandatory for taxpayers to report the HSN/SAC Code in their Tax Reports (GSTR-I) and Sales Invoices based on their Aggregate Annual Turnover (AATO) in the preceding Financial Year.

With the existing functionality, HSN/SAC code is fetching to the Invoice Lines automatically from the Basic Data. But in any case, if the HSN/SAC Code is not connected to the Invoice Lines or Outgoing Tax Document Lines, but the Tax Structure has existed, an error message appears until the user connects the relevant HSN/SAC code in the invoice lines / outgoing tax document line.

- Error Message for Different Invoices: **“HSN/SAC Code is missing in invoice YYY, line XXX”**
- Error Message for Outgoing Tax Document (This will appear when Shipment is Delivered): **“HSN/SAC Code is missing in Outgoing Tax Document YYY, line XXX”**

Use existing LCC Parameter - **HSN/SAC Codes and Intra/Inter State Tax Rates Fetching**

Validate Tax Lines of the Invoice / Outgoing Tax Document - **Tax Category I** for GST Codes

An error message appears if invoice line or Outgoing Tax Document Line does not contain HSN/SAC Code

Customer Invoice CHBELK CUS - CHBELK CUS - 210554 - CUSTORDDEB - D550604 1 of 1 Preliminary

Share Cancel Invoice Posting Installation Plan and Discounts Notes

| | | | | | | |
|-----------------|-----------------------|-----------|------------|----------------------|----------------------------|------|
| Customer No | Customer Address Name | Series ID | Invoice No | Official Document No | Company | Site |
| CHBELK CUS | CHBELK CUS | PR | 210554 | | CHBELK INDIA - CHBELK I... | S IN |
| Invoice Created | Order Created | | | | | |
| 2/12/2024 | 2/12/2024 | | | | | |

Amounts

| | | | | | |
|----------|-------------|-------------|------------|---------------|-------------------|
| Currency | Gross Amt | Net Amt | Tax Amt | Currency Rate | Tax Currency Rate |
| INR | 1965.000000 | 1500.000000 | 465.000000 | 1 | 1 |

LINES GENERAL HISTORY

| HSN/SAC Code | Tax Calculation Structure | Pos | Invoice Item | Description | Invoiced Qty | Sales UoM | Price QTY |
|--------------|---------------------------|-----|--------------|-------------|--------------|-----------|-----------|
| | TS1 INTER - TS1 INTER | 1 | MACHINE | MACHINE | 1 | PCS | |

Attachments

 HSN/SAC code is missing in invoice PR 210554, line 1

The error message is appearing in different invoice flows, Shipment (with related to Outgoing Tax Documents) and Pages as follows.

| Invoice Type | Command | | |
|-----------------------------------|---|---|---|
| | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Customer Order Invoice | Error message raised when click the command | Error message visible in Background Jobs | Error message raised when click the command |
| Collective Customer Order Invoice | Error message raised when click the command | Error message visible in Background Jobs | Error message raised when click the command |
| New Manual Customer Invoice | Error message raised when click Finish button | | |

| Invoice Type | Command | | | |
|-----------------------------------|--|--|--|--|
| | Print / Release | Send | Send E-Invoice | Resend E-Invoice |
| Instant Invoice | Error message raised when clicking the command |
| Customer Order Invoice | Error message raised when clicking the command | Error message visible in Background Jobs | Error message raised when clicking the command | Error message raised when clicking the command |
| Collective Customer Order Invoice | Error message raised when | Error message visible in Background Jobs | Error message raised when | Error message raised when |

| | | | | |
|--|--|--|--|--|
| Project Invoice | clicking the command | | clicking the command | clicking the command |
| | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| New Manual Customer Invoice | Error message raised when clicking Finish button | | | |
| New Manual Supplier Invoice | Error message raised when clicking Finish button | | | |
| Shipment (Related Outgoing Tax Document) | Error message raised when clicking Deliver command in Shipment | | | |

| Page Name | <i>Print Invoice</i> Page | | |
|------------------------|--|--|--|
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Customer Order Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Page Name | <i>Project Invoices</i> Page | | |
| Command | Print | Send | Send E-Invoice |
| Project Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Page Name | <i>Batch Print Customer Invoices</i> Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when clicking the command |
| Page Name | <i>Print Customer Invoices</i> Page | | |
| Command | Print | Send | Send E-Invoice |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when clicking the command |

| Page Name | <i>Print Invoice</i> Page | | |
|-----------------|---|---|---|
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |

| | | | |
|------------------------|--|---|---|
| Customer Order Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Page Name | <i>Batch Print Customer Invoices</i> Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when click the command |
| Page Name | <i>Print Customer Invoices</i> Page | | |
| Command | Print | Send | Send E-Invoice |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when click the command |

6.13 Delimitations

- HSN/SAC codes are not available on the overview and analysis pages. (Except **Supplier Invoice Analysis** and **Customer Invoice Analysis**)
- Self-billing invoices are not supported for HSN/SAC code-based fetching.

7 Address Specific Tax Registration Number

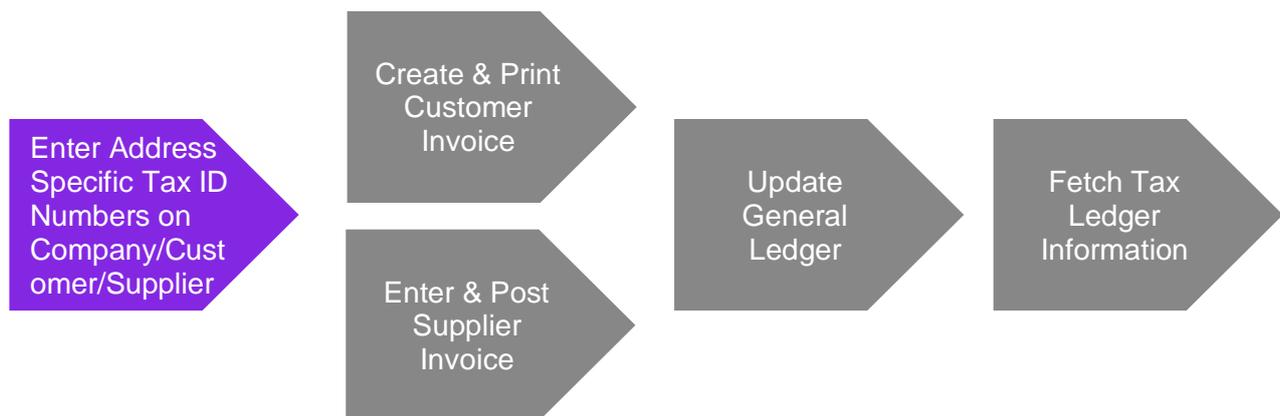
This is a country-specific functionality introduced for India in IFS Cloud 23R1. This functionality is shared with Brazil and France and is introduced to cater to the requirements in India previously handled by the two country-specific functionalities in “Multiple Tax Registration” and “Additional Tax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

7.1 Overview Legal Requirement

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

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

7.2 Process Overview



7.3 Solution Overview

7.3.1 MULTIPLE TAX REGISTRATION IN COMPANY

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

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

7.3.2 ADDITIONAL TAX ID NUMBERS REGISTRATION IN CUSTOMER/SUPPLIER
Permanent Account Number (PAN) and Goods and Services Tax Identification Numbers (GSTIN) for the Customer and Supplier are supported under the *Address Specific Tax ID Numbers* section in basic data.

These different Tax ID numbers are retrieved to the Tax Ledger from different Invoice Types once the user fetches the tax transactions.

7.4 Prerequisites

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

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

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

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

7.5 Set up Basic Data

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

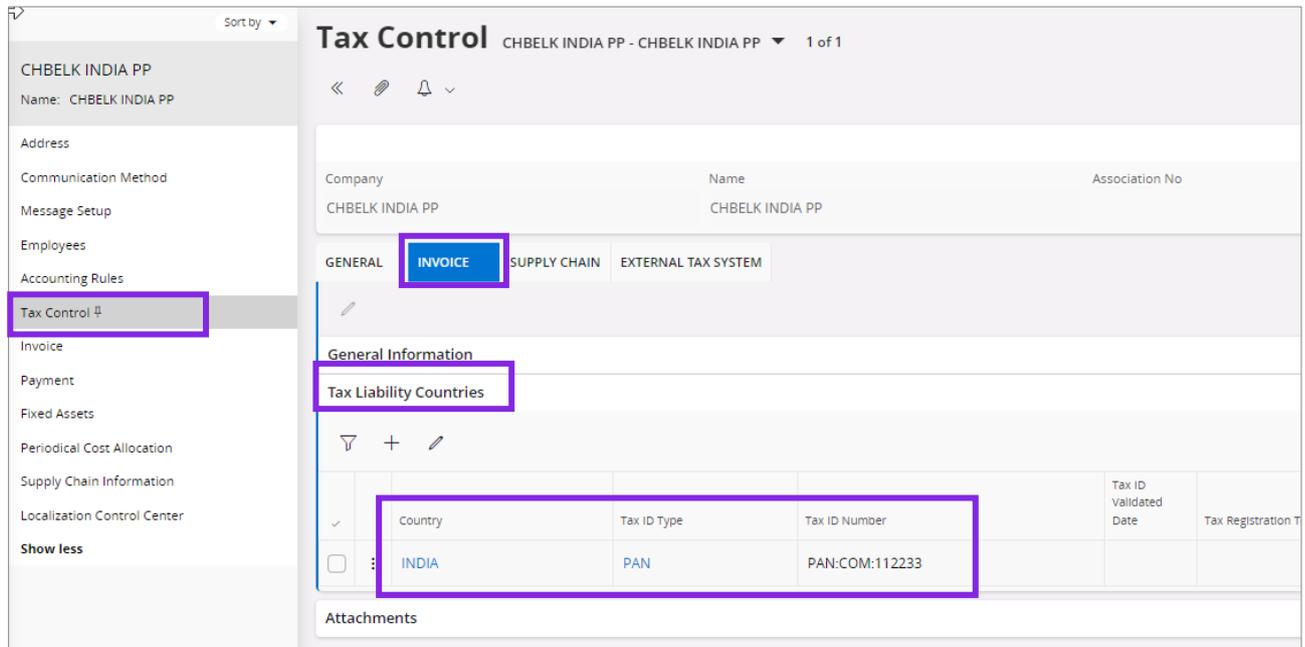
Tax ID Types

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

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

7.5.1 ENTER BASIC DATA IN COMPANY PAGE

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



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

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: [blank]

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

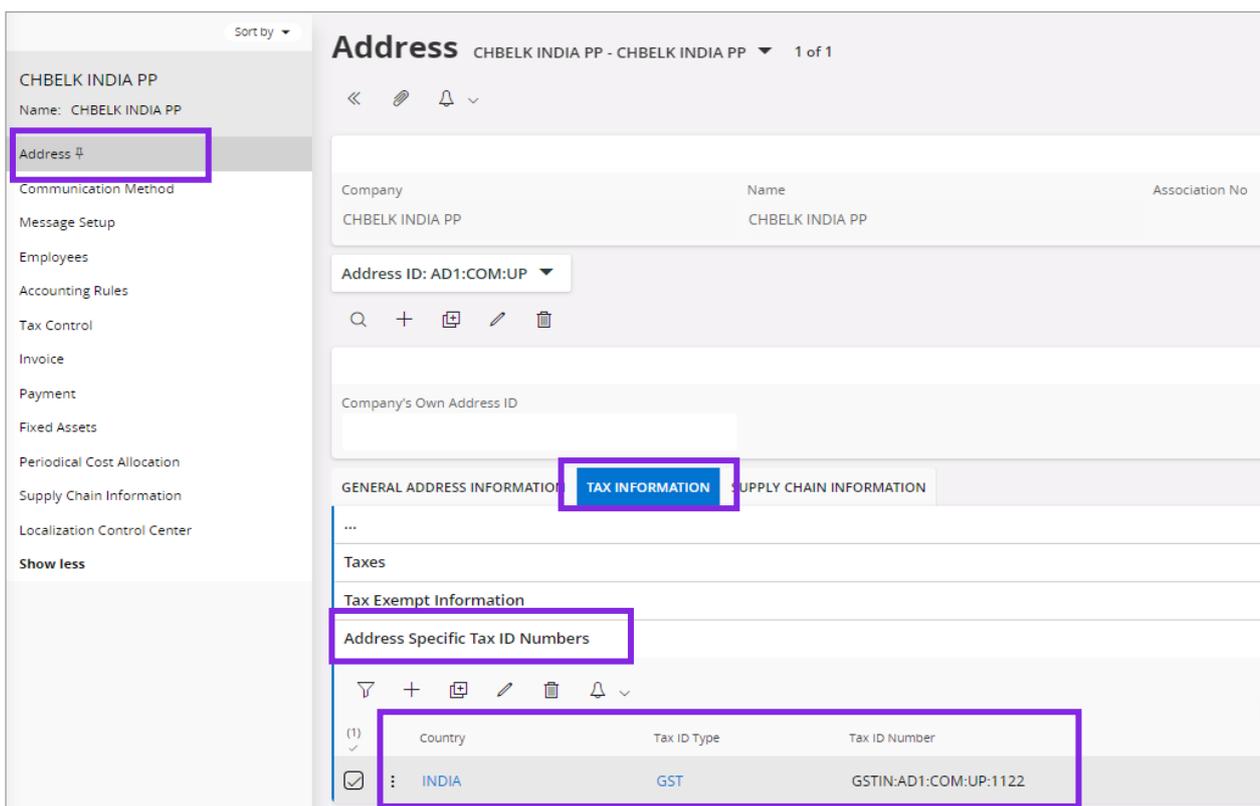
General Information

Tax Liability Countries

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

Attachments

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



Address CHBELK INDIA PP - CHBELK INDIA PP 1 of 1

Company: CHBELK INDIA PP, Name: CHBELK INDIA PP, Association No: [blank]

Address ID: AD1:COM:UP

Company's Own Address ID: [blank]

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

Taxes

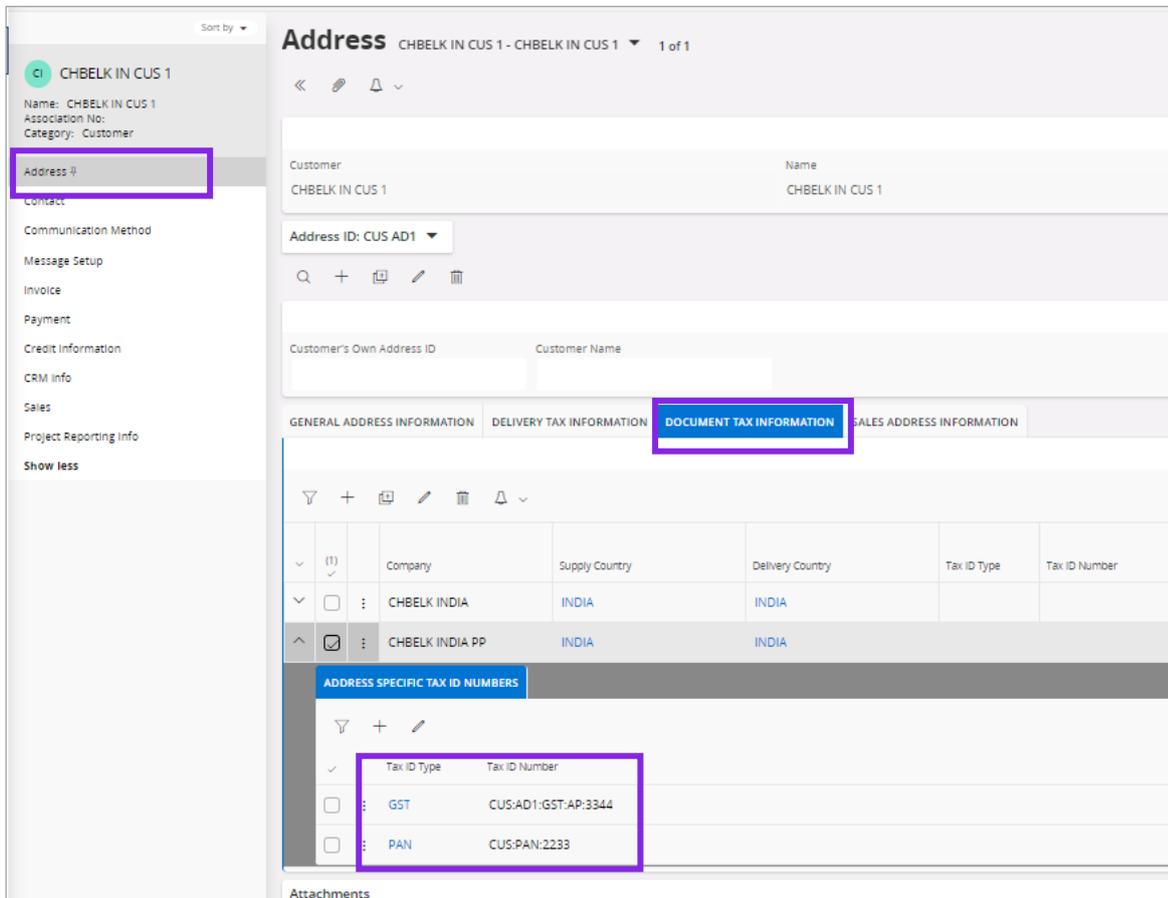
Tax Exempt Information

Address Specific Tax ID Numbers

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

7.5.2 ENTER BASIC DATA IN CUSTOMER / SUPPLIER PAGES

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



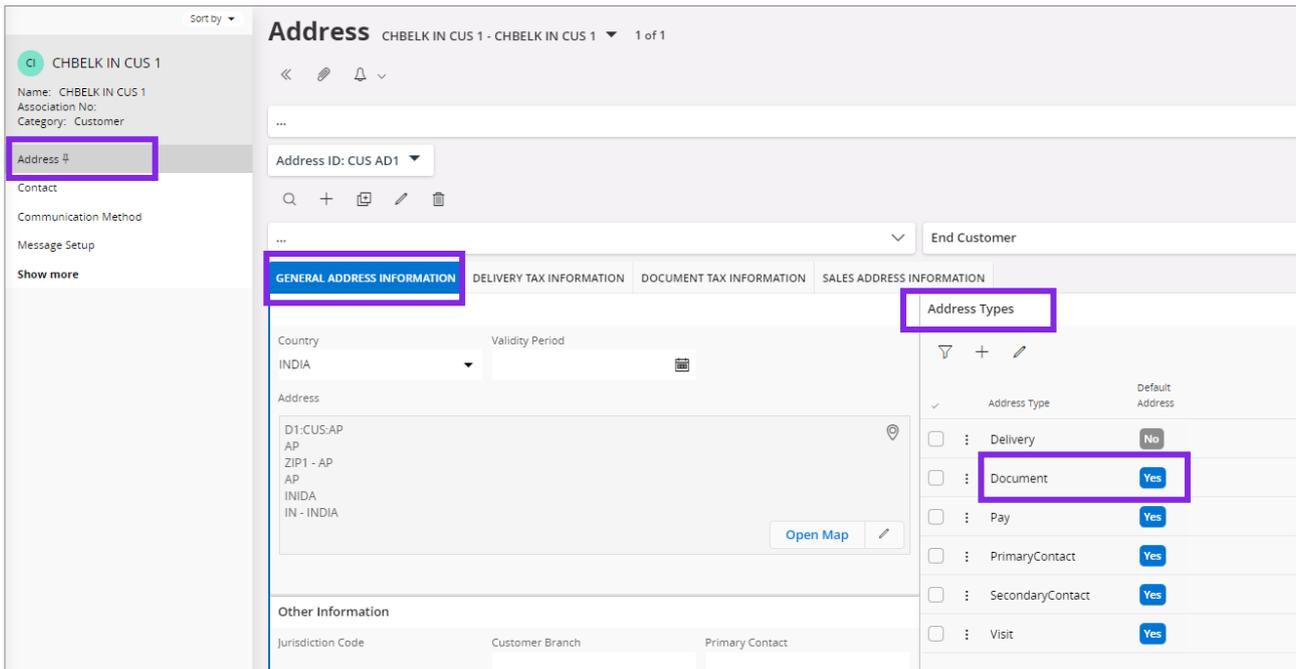
The screenshot displays the 'Address' page for 'CHBELK IN CUS 1'. The left sidebar shows a navigation menu with 'Address #!' highlighted. The main content area shows the 'Address ID: CUS AD1' and a table for 'GENERAL ADDRESS INFORMATION'. Below this, the 'DOCUMENT TAX INFORMATION' tab is active, showing a nested list for 'ADDRESS SPECIFIC TAX ID NUMBERS'.

| (1) | Company | Supply Country | Delivery Country | Tax ID Type | Tax ID Number |
|-------------------------------------|-----------------|----------------|------------------|-------------|---------------|
| <input type="checkbox"/> | CHBELK INDIA | INDIA | INDIA | | |
| <input checked="" type="checkbox"/> | CHBELK INDIA PP | INDIA | INDIA | | |

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

Special Notes:

- Tax ID numbers cannot be entered on the upper level if address-specific tax ID numbers are already entered in the nested list. This is to ensure no duplicate records are entered.
- PAN should be defined under each Address of the Customer/Supplier.
- It is a must to have **Address Type for Document** for each address of the Customer or Supplier to include Tax ID numbers under the *Document Tax Information* for that particular address in Basic Data.



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

Name: CHBELK IN CUS 1
Association No:
Category: Customer

Address ID: CUS AD1

Country: INDIA
Validity Period: [Calendar Icon]

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

Address Types

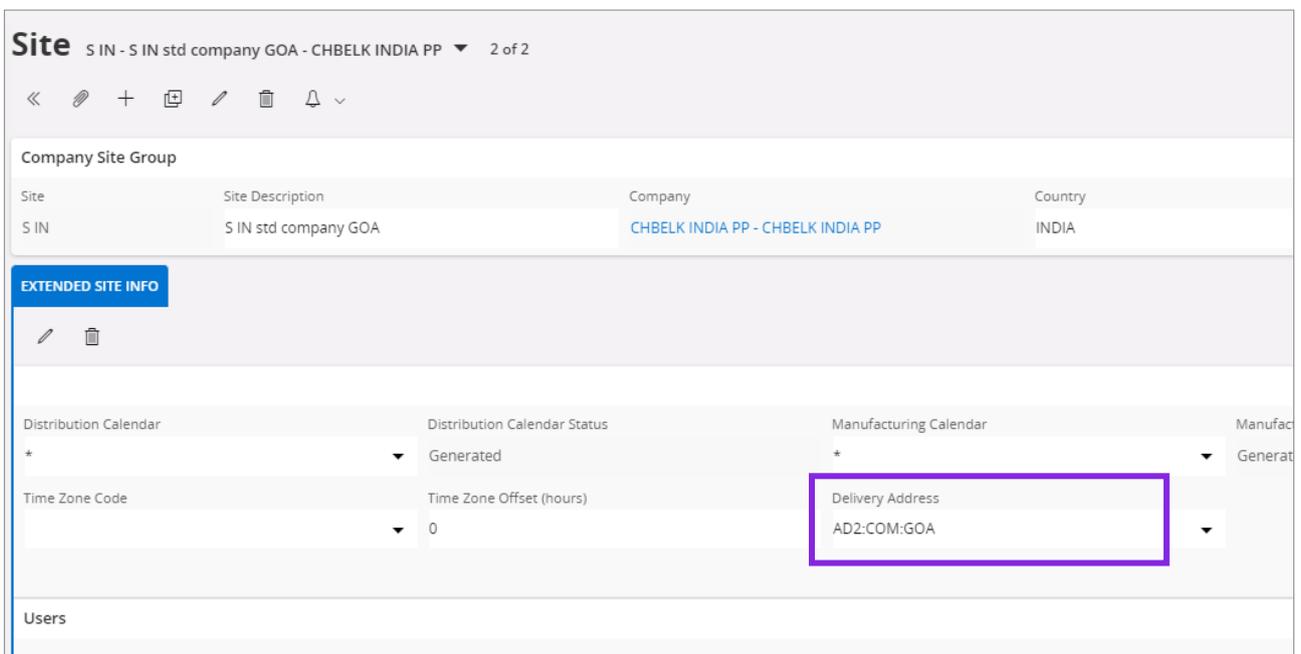
| Address Type | Default Address |
|--|-----------------|
| <input type="checkbox"/> Delivery | No |
| <input checked="" type="checkbox"/> Document | Yes |
| <input type="checkbox"/> Pay | Yes |
| <input type="checkbox"/> PrimaryContact | Yes |
| <input type="checkbox"/> SecondaryContact | Yes |
| <input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

Other Information

| Jurisdiction Code | Customer Branch | Primary Contact |
|-------------------|-----------------|-----------------|
| | | |

7.5.3 ENTER BASIC DATA IN THE SITE

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



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

Company Site Group

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

EXTENDED SITE INFO

Distribution Calendar: *
Distribution Calendar Status: Generated
Manufacturing Calendar: *
Time Zone Code: [Dropdown]
Time Zone Offset (hours): 0

Delivery Address: AD2:COM:GOA

Users

7.5.4 ADDITIONAL BASIC DATA SETUP

- In the **Branches** page, define a separate branch per State.
- In the **Invoice Series** page, define separate invoice series per State.
- In the **Invoice Type** page, context menu *Combinations per Invoice Type*, connect invoice series to invoice type. Use a branch to have different number series for each State.
- On the **Document Footer/Define Footer** tab, define a new footer. Make sure to use the system-defined field "TAX_NO".

- On the **Document Footer/Connect Report** tab, connect the document footer to reports:

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

7.6 Multiple Tax ID Numbers in Customer Invoice Flow

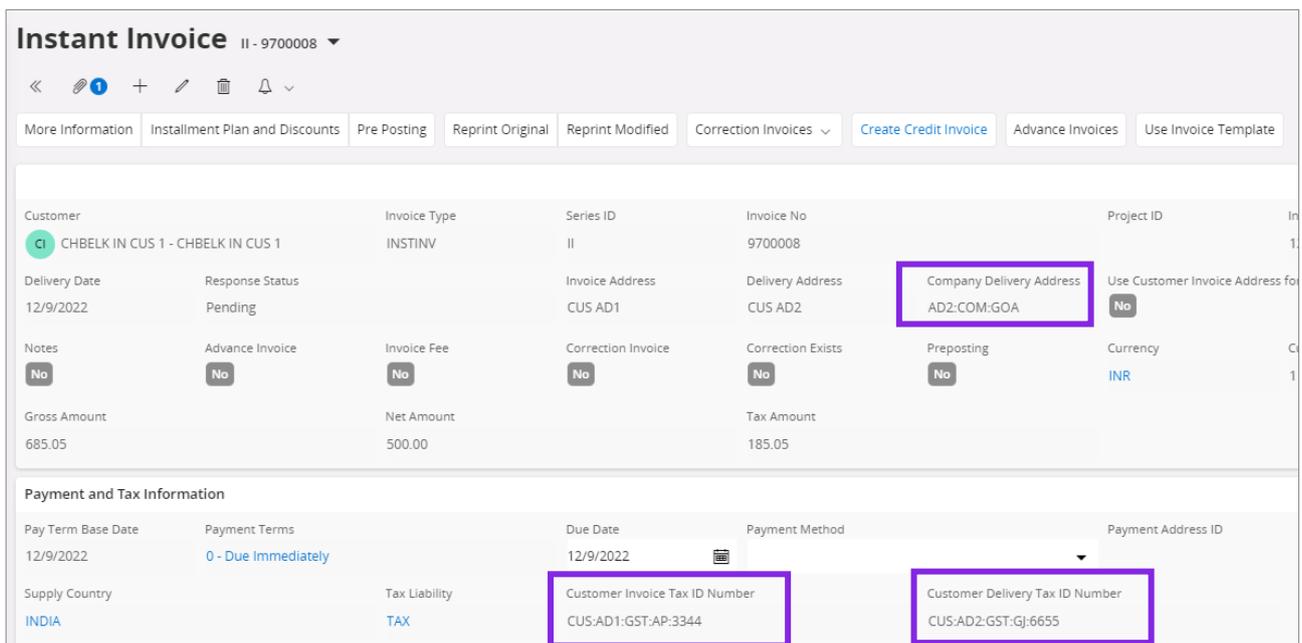
7.6.1 INSTANT INVOICE

Follow the IFS Cloud core processes to create Instant Invoice.

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

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

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



Instant Invoice II - 9700008

Customer: CHBELK IN CUS 1 - CHBELK IN CUS 1
 Invoice Type: INSTINV
 Series ID: II
 Invoice No: 9700008
 Project ID: 1

Delivery Date: 12/9/2022
 Response Status: Pending
 Invoice Address: CUS AD1
 Delivery Address: CUS AD2
 Company Delivery Address: AD2:COM:GOA
 Use Customer Invoice Address for: No

Notes: No
 Advance Invoice: No
 Invoice Fee: No
 Correction Invoice: No
 Correction Exists: No
 Preposting: No
 Currency: INR

Gross Amount: 685.05
 Net Amount: 500.00
 Tax Amount: 185.05

Payment and Tax Information

Pay Term Base Date: 12/9/2022
 Payment Terms: 0 - Due Immediately
 Due Date: 12/9/2022
 Payment Method: [Dropdown]
 Payment Address ID: [Dropdown]

Supply Country: INDIA
 Tax Liability: TAX
 Customer Invoice Tax ID Number: CUS:AD1:GST:AP:3344
 Customer Delivery Tax ID Number: CUS:AD2:GST:GJ:6655

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

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

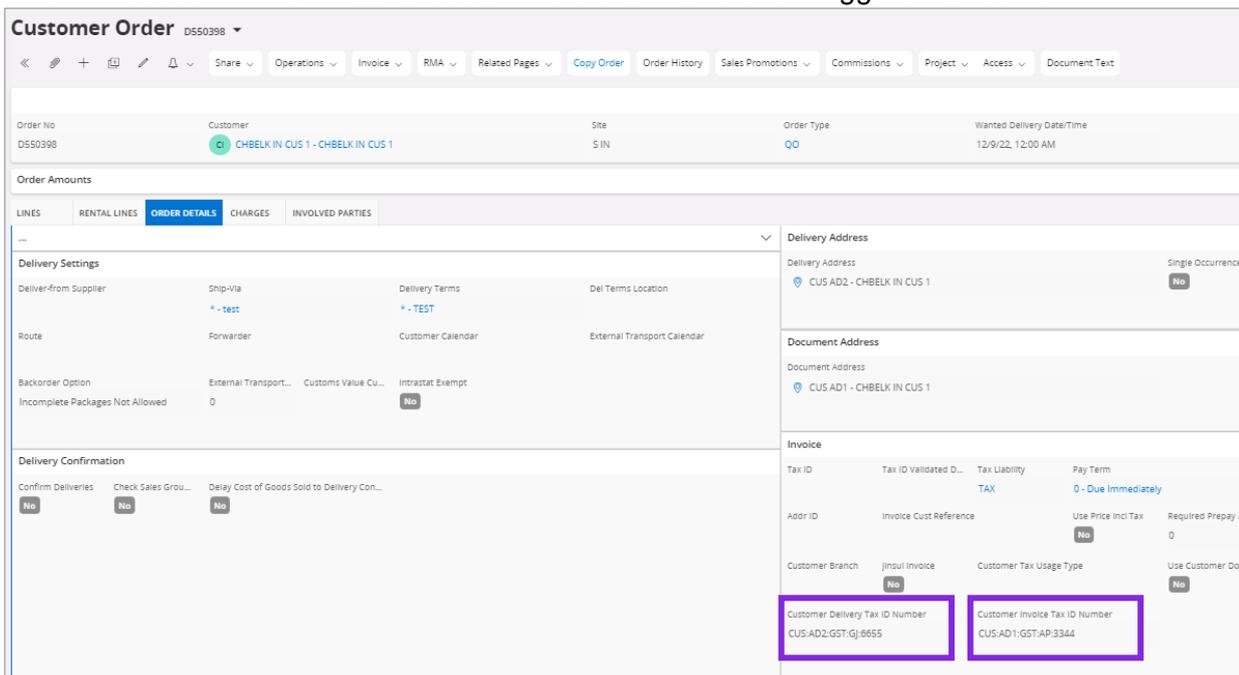
7.6.2 CUSTOMER ORDER

Follow the IFS Cloud core processes to create a Customer Order.

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

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

As long as the Customer Order is not yet invoiced, users can change the Address IDs according to the business requirement and GSTIN numbers of these new fields are changing accordingly. Customer Delivery Tax ID Number is editable when the order has a *"Single Occurrence"* delivery address and the *"Use Document Address for Tax Calculation"* toggle is disabled.



Customer Order D550398

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

Order Amounts

Delivery Settings

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

Delivery Confirmation

| | | |
|--------------------|--------------------|---|
| Confirm Deliveries | Check Sales Gro... | Delay Cost of Goods Sold to Delivery Con... |
| No | No | No |

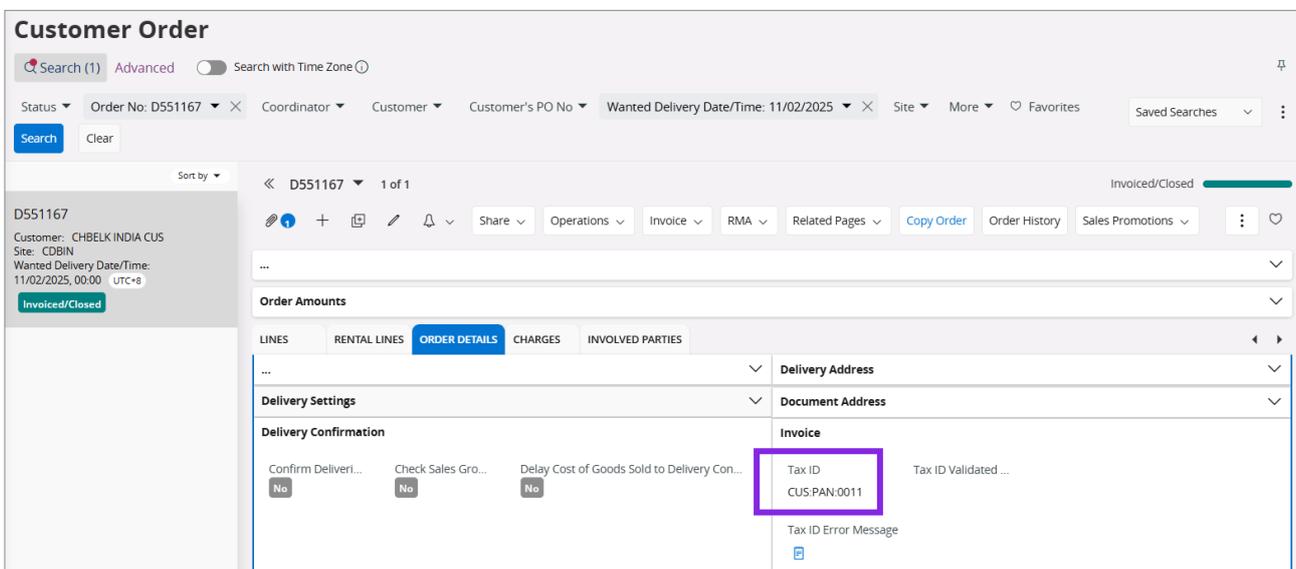
Delivery Address (Single Occurrence: No)
CUS AD2 - CHBELK IN CUS 1

Document Address
CUS AD1 - CHBELK IN CUS 1

Invoice

| | | | |
|--|------------------------|---|-------------------------------|
| Tax ID | Tax ID Validated D... | Tax Liability: TAX | Pay Term: 0 - Due Immediately |
| Addr ID | Invoice Cust Reference | Use Price Incl Tax: No | Required Prepay A: 0 |
| Customer Branch | Insl Invoice: No | Customer Tax Usage Type | Use Customer Doc: No |
| Customer Delivery Tax ID Number: CUS:AD2:GST:GJ:6655 | | Customer Invoice Tax ID Number: CUS:AD1:GST:AP:3344 | |

Customer PAN is displayed in the Tax ID field in the Customer Order. This is editable when the order has a *"Single Occurrence"* delivery address.



Customer Order

Search (1) | Advanced | Search with Time Zone

Status: Order No: D551167 | Coordinator | Customer | Customer's PO No | Wanted Delivery Date/Time: 11/02/2025 | Site | More | Favorites | Saved Searches

Sort by: D551167 | 1 of 1 | Invoiced/Closed

Customer Order Summary:
Order No: D551167
Customer: CHBELK INDIA CUS
Site: CDBIN
Wanted Delivery Date/Time: 11/02/2025, 00:00 UTC+8
Invoiced/Closed

Order Amounts

Delivery Settings

| | | |
|--------------------|--------------------|---|
| Confirm Deliveries | Check Sales Gro... | Delay Cost of Goods Sold to Delivery Con... |
| No | No | No |

Invoice

| | |
|-----------------------|----------------------|
| Tax ID: CUS: PAN:0011 | Tax ID Validated ... |
| Tax ID Error Message | |

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

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

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

Project Invoice PJ - 20010015 ▾

⏪
🔔
🔔
Notes
Printout
Credit Entire Invoice
Create Correction Invoice
Customer Installment Plan

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

Amounts

LINES
GENERAL
PRE POSTING
ACCOUNTING

Invoice Information

Customer Information

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

Note: The same process is applying when creating Credit and Correction Project Invoices.

7.7 Print Multiple Tax ID Numbers on the Invoice PDF

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



INVOICE
 Invoice Date: 1/11/23
 Order Date: 1/11/23

ORIGINAL
 Invoice Number: II9700037
 Order Number: II9700037

Our Reference

 Delivery Address

 CHBELK IN CUS1
 AD2:CUS:GJ
 GJ
 ZIP2-GJ
 GJ
 INDIA
 IN-INDIA

 Delivery Tax ID Number
 CUS:AD2:GST:GJ:6655

Customer Tax Number
 CUS:PAN:2233

Customer Number: CHBELK IN CUS
 Invoice Address

 CHBELK IN CUS1
 D1:CUS:AP
 AP
 ZIP1-AP
 AP
 INDIA
 IN-INDIA

 Invoice Tax ID Number
 CUS:AD1:GST:AP:3344

Permanent Account Number
 PAN:COM:112233

Pay Term Base Date: 1/11/23
 Ref Invoice No:

Delivery Date: 1/11/23

Due Date: 1/11/23
 Ref Net Amount:

Ref Tax Amount:

Terms of Payment: Due Immediately
 Payment Reference:

Payment Method:

Bank Account:

| Pos | Object | Description | Tax Code | Multiple Tax | Sales UoM | Quantity | Price | Amount |
|-----|--------|---------------------|----------|--------------|-----------|----------|---------------------|--------|
| | LG AC | LG Air Conditioners | | Yes | | 1.00 | 500.00 | 500.00 |
| | | | | | | | Total Exclusive Tax | 500.00 |
| | | | | | | | Total Tax | 60.00 |

| Tax Totals | | | | | | | |
|--------------|-------------|---------|------------------|-----------------|------------|---------------|--|
| TaxCode | Description | Tax (%) | Total Net Amount | Tax Base Amount | Tax Amount | | |
| 6 | Tax 5% | 5.00 | 500.00 | 500.00 | 25.00 | | |
| 8 | TAX 7% | 7.00 | 500.00 | 500.00 | 35.00 | | |
| Total | | | | | INR | 560.00 | |

Address: City Office,India

SERIAL NUMBER: CC9900#2023

Tax No: GSTIN:AD1:COM:UP:1122

Page 1

7.8 Multiple Tax ID Numbers in Supplier Invoice Flow

7.8.1 ENTER AND POST SUPPLIER INVOICES WITHOUT PO

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

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

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

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Company: CMWIND1 | Voucher Date: 12/24/2024 | Accounting Year: 2024 | Accounting Period: 12 | User Group: AC | Voucher Type: I | Voucher No:

PO Reference: | Receipt Reference: | Sub Contract Reference: | Invoice Advice Reference: | Project ID: | Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV | Series ID: SI | Invoice No: INV8575 | Currency: INR | Currency Rate: 1 | Invoice Date: 12/24/2024 | Arrival Date: 12/24/2024 | Pay Term Base Date: 12/24/2024

Payment Terms: 0 | Due Date: 12/24/2024 | Plan Pay Date: 12/24/2024 | Payment Reference: | Automatic Payment Authorization: No | Authorizer ID: *

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

More Information

Reference Series: | Reference Invoice No: | Invoice Recipient: CHWGLK - CHWGLK | Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL | Use Company Invoice Address for Tax: | Use Supplier Invoice Address for Tax: | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code:

National Bank Code: | Nature of Business: | Creator Reference: | Tax Currency Rate: 1 | Parallel Currency Rate: 0.02

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

7.8.2 ENTER AND POST SUPPLIER INVOICES WITH PO

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

Procurement > Order > Purchase Order

Purchase Order

Q Search | Advanced | Search with Time Zone

Status: | Order No: 91000770 | Coordinator: | Site: CMWIN - CMWIN | Order Date: | More: | Favorites: | Search | Saved Searches

91000770 - CMWSUPIND2 - CMWIN | Supplier: CMWSUPIND2 - CMWSUPIND2 | Site: CMWIN - CMWIN | Order Code: 1 - NORMAL | Receipt Date: 12/24/24, 12:00 AM | IST

Not Shared

Order Amounts

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

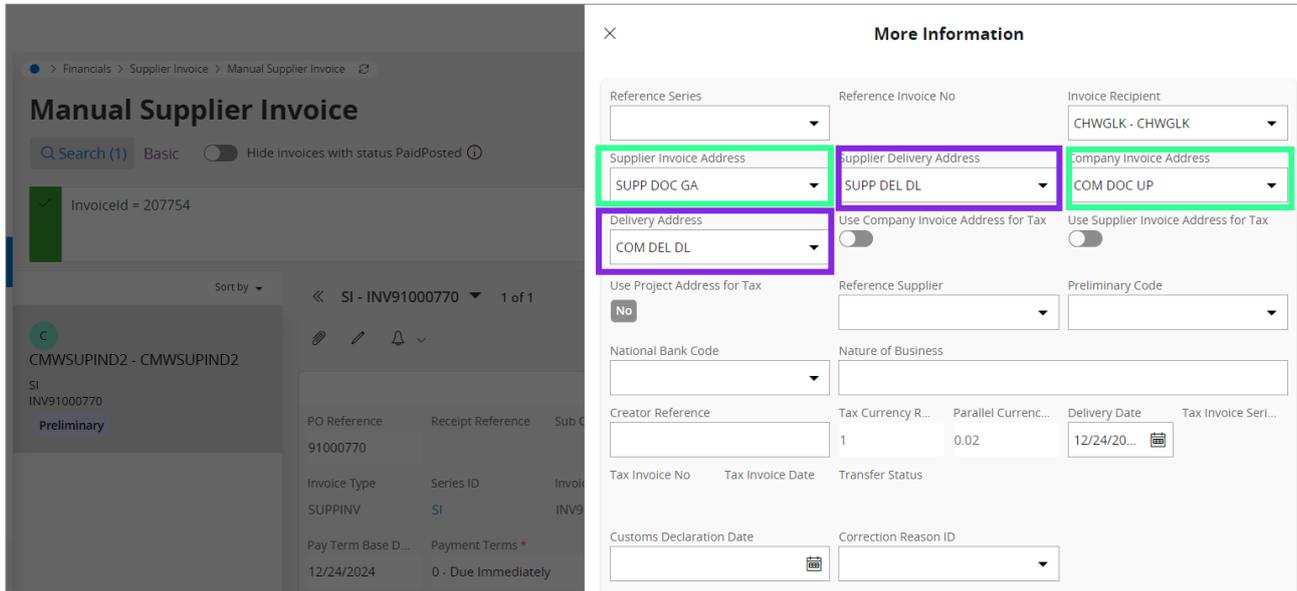
General

Delivery Address: | Reference: | Single Occurrence: | Document Address: COM DOC UP

Delivery Information: | Supplier Delivery Address: SUPP DEL DL | Supplier Document Address: SUPP DOC GA | Ship-Via: *-test | Delivery Terms: *-TEST

Delivery Terms Location: | Route: | Forwarder: | External Transport Calendar:

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



7.9 Update General Ledger

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

7.10 Fetch Tax Ledger Information

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

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

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

7.11 Delimitations

Delimitations in Print Invoice

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

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

Delimitations in Support of Multiple Tax ID Numbers in Tax Ledger

The process has been verified for the following invoices only:

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

8 Indian Reverse Charge

8.1 Overview Legal Requirement

Reverse charge is a mechanism where the recipient of the goods or services is liable to pay Goods and Services Tax (GST) instead of the supplier with respect of notified categories of supply.

Below provisions in Indian GST legislations are applicable for Indian Reverse Charges.

- **Section 2 (82) and Sub Section (3) and (4) of Section 9 of The Central Goods and Services Tax Act, 2017**
- **Sub Section (3) and (4) of Section 5 of The Integrated Goods and Services Tax Act, 2017**

For example, assume a reverse charge transaction of value 10,000 INR and taxes applicable are CGST – 10% and SGST – 5%.

*If the above is a Procurement Transaction, the Company being the recipient of the goods or services records and pays taxes to Government Authorities. Accordingly, the company is only liable to pay 10,000 INR to the supplier, (payable amount excluding taxes.) and the tax applicable (CGST = 1,000 (10,000*10%) and SGST = 500 (10,000*5%), totally amounting to 1,500 INR), must be recorded separately in company accounts.*

*If the above is a Sales Transaction, the Company being the sender of the goods or services doesn't record nor pay taxes to government authorities as the recipient (Customer) will do so. Accordingly, the company is to receive only 10,000 INR from the Customer, (receivable amount excluding taxes.) and the tax applicable (CGST = 1,000 (10,000*10%) and SGST = 500 (10,000*5%), totally amounting to 1,500 INR), is not recorded in Company accounts as the Customer will record the same.*

8.2 Process Overview



8.3 Solution Overview

Complying with the above requirement, upon enablement of an LCC parameter, the user is given the ability to connect Tax Codes with Tax Type, Calculated Tax in Tax Calculation Structures.

Calculated Tax codes are utilized to record accounting entries/postings in compliance with the Reverse Charge entries in the IFS Cloud Core Solution. However, Calculated Tax codes are not allowed to be connected to Tax Calculation Structures in the IFS Cloud Core Solution.

By enabling the use of Calculated Tax Codes in Tax Calculation Structures, IFS Cloud Indian Solution is enabled to handle Reverse Charge treatment in accordance with the HSN/SAC Code

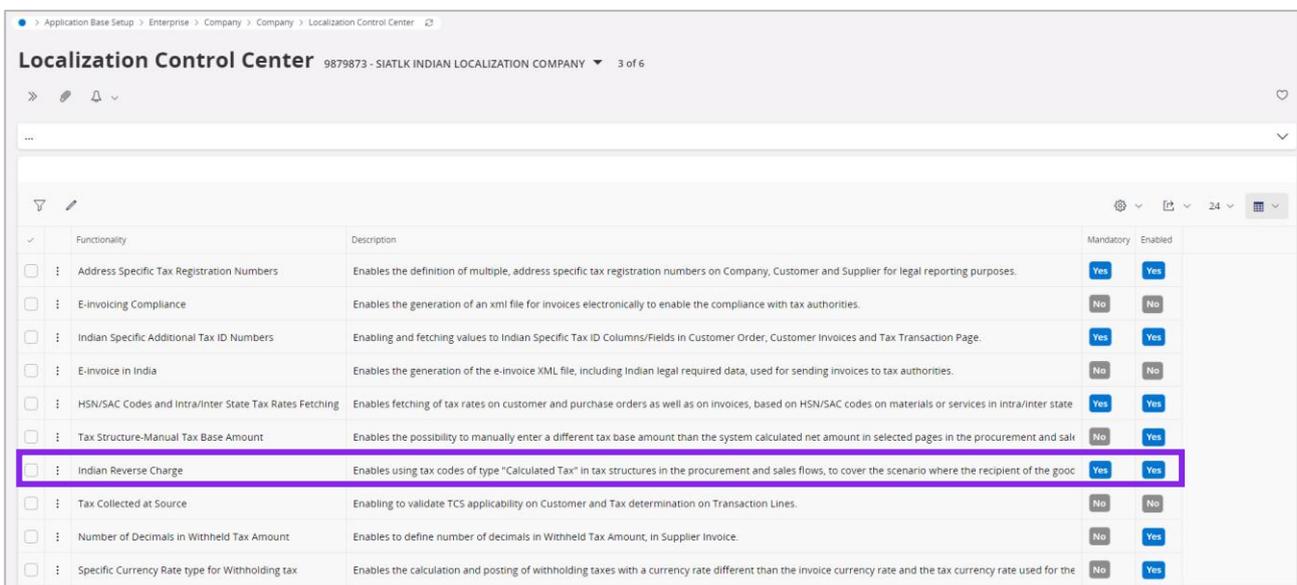
based Indian GST Tax Regime, facilitating the use of multiple tax codes for a single business transaction.

8.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter and the 'Indian Reverse Charge' parameter must be enabled on the **Company/Localization Control Center** tab.
- The Tax Code utilized must be set to 'Calculated Tax' in **Tax Codes /Tax Type** and 'Invoice' in **Tax Codes/ Tax Method Tax Received**.
- A Supplier Invoice Enclosure Series and Number Series must be created in **Invoice Enclosure Series** page to facilitate Self Invoicing.
- A delivery type must be created in **Financials/ Supplier Invoice/ Basic Data/ Delivery Types**. Then **Include in Invoice Enclosure** toggle must be enabled and the **Enclosure Series ID** created in previous step must be linked to the delivery type.

8.5 Enable Localization Control Center Parameter

In order to utilize this functionality, the LCC parameter 'Indian Reverse Charge' in the **Company/Localization Control Center**, must be enabled. However, as this is a mandatory parameter, the parameter is automatically enabled and noneditable.



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

8.6 Create Tax Structures using Tax Codes with Tax Type 'Calculated Tax'.

Upon enablement of the LCC parameter, the user is given the ability to connect Tax Codes with Tax Type and Calculate Tax to Tax Calculation Structures. Thereby, the user can enter tax lines applicable for Reverse Charges, using Calculated Tax Codes in Tax Calculation Structures.

Once the Tax Calculation Structure is set to Active, it can be used in transaction pages directly or can be connected to HSN/SAC basic data, to facilitate automatic tax fetching. ([HSN/SAC Basic data](#))

Note: The Reverse Charge functionality catered by the usage of Tax Type “Calculated Tax” In IFS Cloud, was handled via a Tax Type named “Use Tax” in APPS 9 and 10 GET Solution. This results in a change in the utilized posting controls as shown below.

| Transaction Type | Apps 9, 10 | IFS Cloud 23R2 |
|--------------------------|------------|----------------|
| Procurement Transactions | IP3, IP11 | IP9, IP10 |
| Sales Transactions | IP4 | IP4 |

An upgrade handling is facilitated for the customers shifting their application from Apps 9,10 GET to IFS Cloud 23R2 in order to make sure the smooth data transfer between these two different solutions.

Accordingly, any Tax Calculation Structure created using Tax Type “Use Tax” in Apps 9, 10 GET Solution is set to “Obsolete” status during the upgrade process. The user won’t be able to reactivate those Obsolete Tax Calculation Structures and is expected to create new Tax Calculation Structures using Calculated Tax Codes as used tax codes are no longer valid.

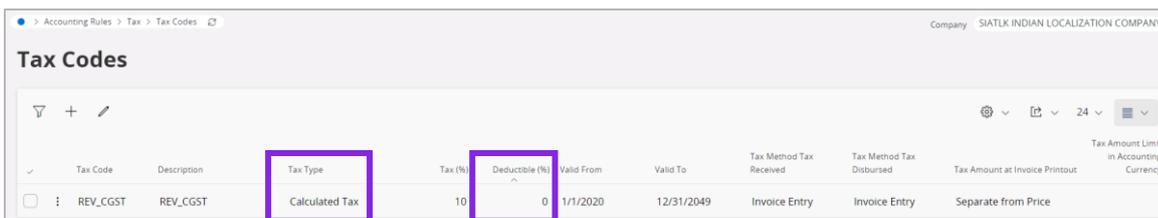
8.7 Procurement Flow

8.7.1 INPUT TAX CREDIT DISCLAIMER

Tax paid on a reverse charge basis will be available for Input Tax Credit (ITC), if such goods and/or services are used, or will be used, for business.

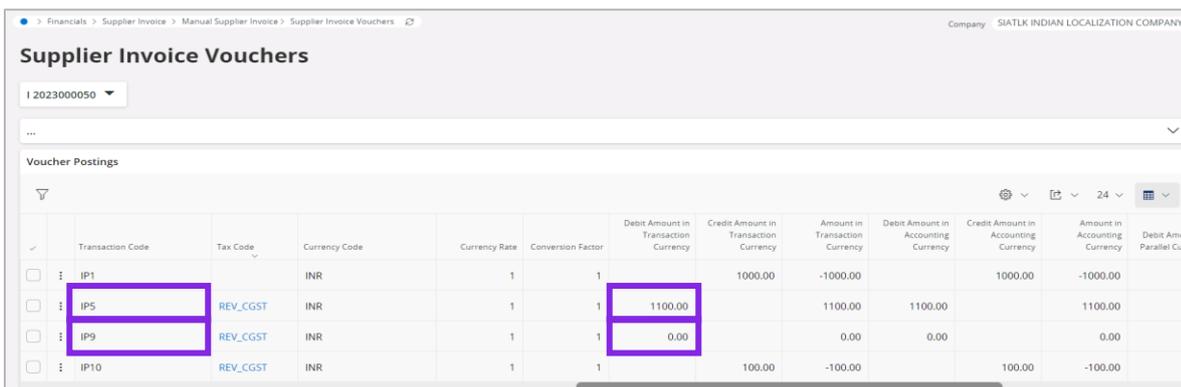
In case when such goods and/or services are not used, or will not be used for business, ITC couldn’t be claimed. In this case the amount of Input tax paid to the government should be identified as a cost to the business organization.

To facilitate this, the core functionality of “Deductible %” could be used. For transactions of this nature, the user can use a 0% deductible “Calculated Tax” tax code.



| 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 |
|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|---|
| REV_CGST | REV_CGST | Calculated Tax | 10 | 0 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | |

When the user uses a 0% deductible Calculated Tax code to post a procurement transaction, an IP9 posting line will be created with a 0 value and the tax amount will be added to the cost posting.



| Transaction Code | Tax Code | Currency Code | Currency Rate | Conversion Factor | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency | Debit Amount in Accounting Currency | Credit Amount in Accounting Currency | Amount in Accounting Currency | Debit Amount in Accounting Currency |
|------------------|----------|---------------|---------------|-------------------|--------------------------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------|-------------------------------------|
| IP1 | | INR | 1 | 1 | | 1000.00 | -1000.00 | | 1000.00 | -1000.00 | |
| IP5 | REV_CGST | INR | 1 | 1 | 1100.00 | | 1100.00 | 1100.00 | | 1100.00 | |
| IP9 | REV_CGST | INR | 1 | 1 | 0.00 | | 0.00 | 0.00 | | 0.00 | |
| IP10 | REV_CGST | INR | 1 | 1 | | 100.00 | -100.00 | | 100.00 | -100.00 | |

8.7.2 PURCHASE ORDER

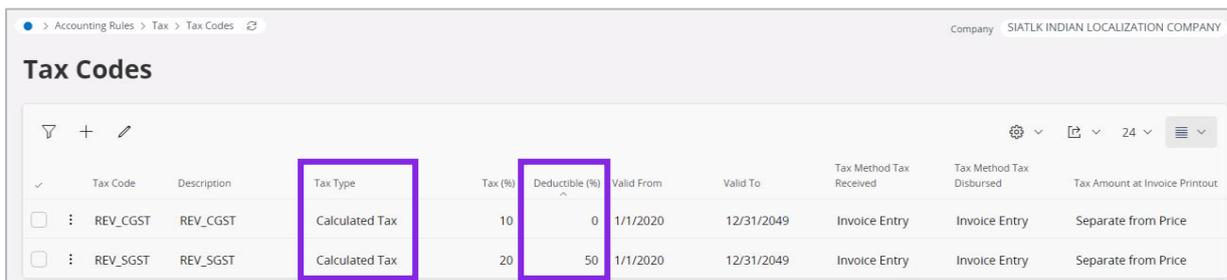
The Tax Calculation Structure with Calculated Tax Codes can be entered to Purchase Order Transaction lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, Reverse Charge Functionality is supported in the below transaction types under Supplier Order flow.

- Purchase Order (Part line, No Part line, Rental Part Line, Charges)
- Purchase Order Change Order ((Part line, No Part line, Rental Part Line, Charges)
- Purchase Requisition (Part Line, No Part Line, Rental Part Line)
- Order Quotation (Part Line, No Part Line)
- Order Quotation Approval

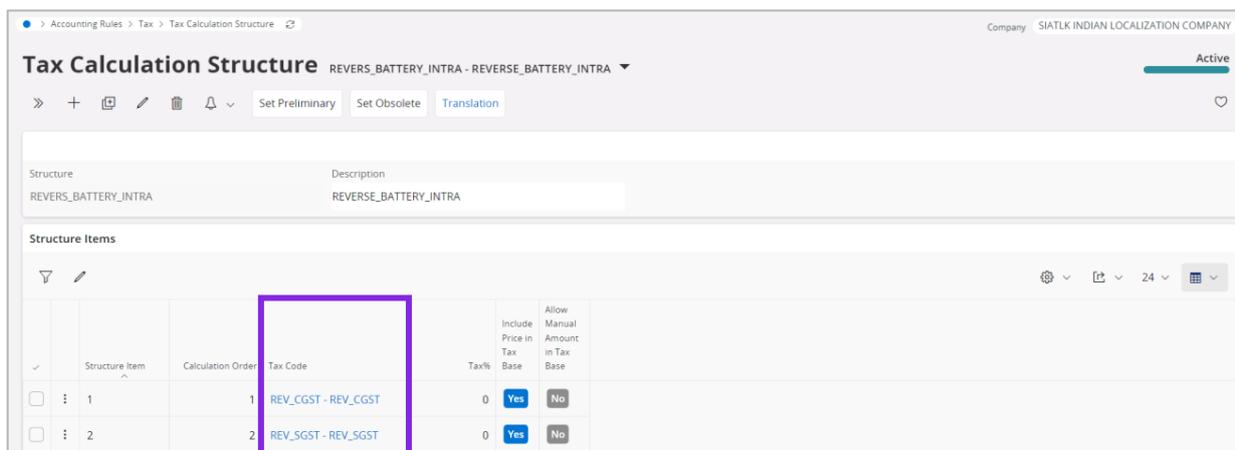
For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.



| Tax Code | Description | Tax Type | Tax (%) | Deductible (%) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout |
|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|
| REV_CGST | REV_CGST | Calculated Tax | 10 | 0 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |
| REV_SGST | REV_SGST | Calculated Tax | 20 | 50 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.



| Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| 1 | 1 | REV_CGST - REV_CGST | 0 | Yes | No |
| 2 | 2 | REV_SGST - REV_SGST | 0 | Yes | No |

- The Tax Calculation Structure is then utilized at a Purchase Order Line-item level and Invoiced via Manual Supplier Invoice.

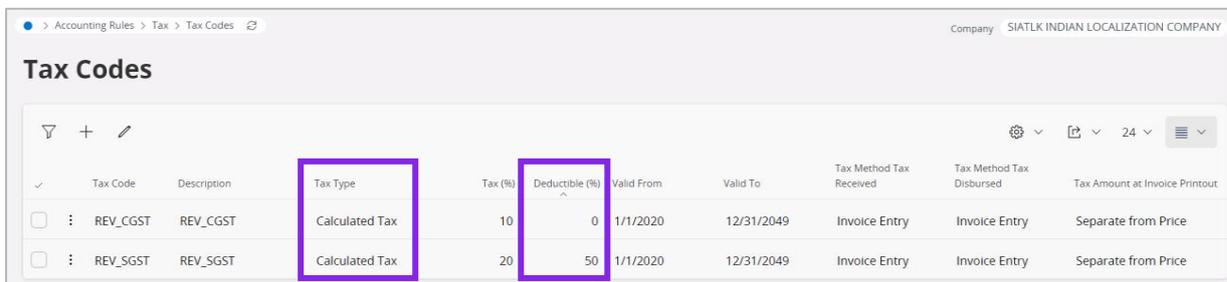
8.7.3 MANUAL SUPPLIER INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered to invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, when the user selects either of the options, Copy Unmatched PO Receipts or Copy Unreceived PO Lines, the Purchase Order lines will be copied to the Manual Supplier Invoice line-item level, along with Tax Structures with Calculated Tax Codes fetched from Purchase Order. The user can also manually change the Tax Structures which will direct to re-calculation of taxes on supplier invoice line level.

For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

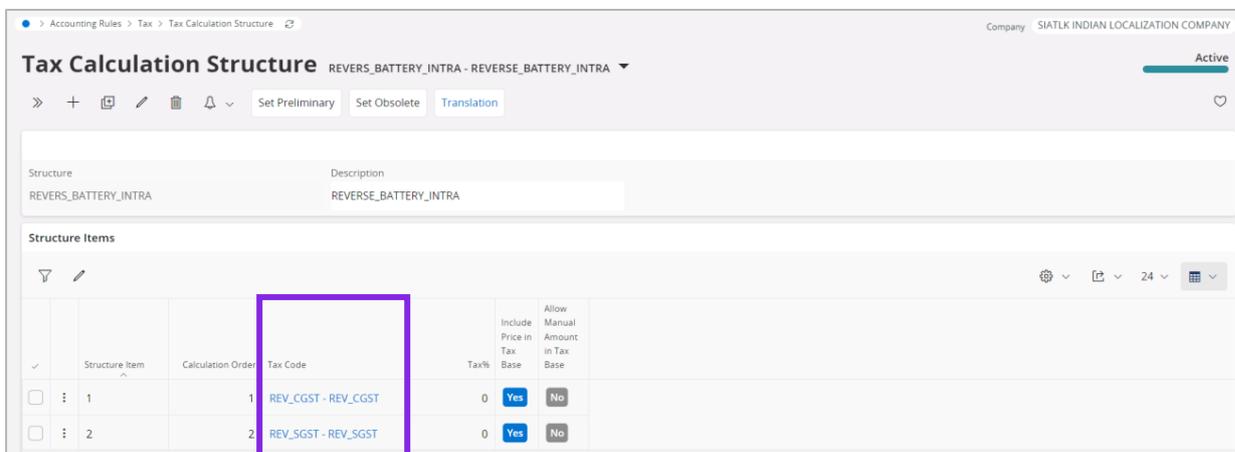
- *The calculated tax codes must be created to facilitate the reverse charge treatment.*



The screenshot shows the 'Tax Codes' configuration page. Two tax codes are listed: REV_CGST and REV_SGST. Both are of type 'Calculated Tax'. The REV_CGST code has a tax rate of 10% and a deductible percentage of 0%. The REV_SGST code has a tax rate of 20% and a deductible percentage of 50%. Both codes are valid from 1/1/2020 to 12/31/2049 and use 'Invoice Entry' as the tax method for both received and disbursed taxes. The tax amount is set to 'Separate from Price'.

| ✓ | Tax Code | Description | Tax Type | Tax (%) | Deductible (%) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout |
|--------------------------|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|
| <input type="checkbox"/> | REV_CGST | REV_CGST | Calculated Tax | 10 | 0 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |
| <input type="checkbox"/> | REV_SGST | REV_SGST | Calculated Tax | 20 | 50 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |

- *The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.*



The screenshot shows the 'Tax Calculation Structure' configuration page for 'REVERS_BATTERY_INTRA - REVERSE_BATTERY_INTRA'. Two structure items are defined, each linking a tax code to a calculation order. The first item links 'REV_CGST - REV_CGST' to calculation order 1, and the second links 'REV_SGST - REV_SGST' to calculation order 2. Both items have a tax rate of 0% and are set to include price in tax base and allow manual amount in tax base.

| ✓ | Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|--------------------------|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| <input type="checkbox"/> | 1 | 1 | REV_CGST - REV_CGST | 0 | Yes | No |
| <input type="checkbox"/> | 2 | 2 | REV_SGST - REV_SGST | 0 | Yes | No |

- *The Tax Calculation Structure is then utilized in a Manual Supplier Invoice Line-item level, directly or via a Purchase Order and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.*

Supplier Invoice Vouchers

2023000051

Company: SIATLK INDIAN LOCALIZATION COMPANY

Voucher Postings

| Transaction Code | Tax Code | Currency Code | Currency Rate | Conversion Factor | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency | Debit Amount in Accounting Currency | Credit Amount in Accounting Currency | Amount in Accounting Currency | Debit Amount in Parallel Currency |
|------------------|----------|---------------|---------------|-------------------|--------------------------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------|-----------------------------------|
| IP5 | | INR | 1 | 1 | 1200.00 | | 1200.00 | 1200.00 | | 1200.00 | |
| IP1 | | INR | 1 | 1 | | 1000.00 | -1000.00 | | 1000.00 | -1000.00 | |
| IP9 | REV_SGST | INR | 1 | 1 | 100.00 | | 100.00 | 100.00 | | 100.00 | |
| IP10 | REV_SGST | INR | 1 | 1 | | 200.00 | -200.00 | | 200.00 | -200.00 | |
| IP9 | REV_CGST | INR | 1 | 1 | 0.00 | | 0.00 | 0.00 | | 0.00 | |
| IP10 | REV_CGST | INR | 1 | 1 | | 100.00 | -100.00 | | 100.00 | -100.00 | |

Indian Reverse Charge is also supported in the creation of Recurring Invoices, Invoice creation Template, Correction Invoices, Credit Invoices, and Collective Invoices so that the user will be able to bring Tax Structures of a base Invoice to a Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice created.

8.7.3.1 Supplier Invoice Enclosure for Self-Invoicing

To claim the Input Tax Credit (ITC) applicable for Reverse Charge transactions, the buyer is required to self-invoice and report the same in periodic tax returns (GSTR-3B and GSTR-2A).

The user can facilitate above requirement, via the use of **Supplier Invoice Enclosure**, function in Manual Supplier Invoice.

In order to create a Self-Invoice, it is required to enter the Invoice Enclosure enabled Delivery Type ([Prerequisites](#)) to invoice lines, when creating the Manual Supplier invoice related to Reverse Charges.

New Manual Supplier Invoice

Company: SIATLK INDIAN LOCALIZATION COMPANY

Supplier: SIATLK_SUPPLIER01

Series ID: SI

Invoice No: INV_0000000051

Currency: INR

Gross Amount: 1000.00

Net Amount: 1000.00

Tax Amount: 0.00

Line Information

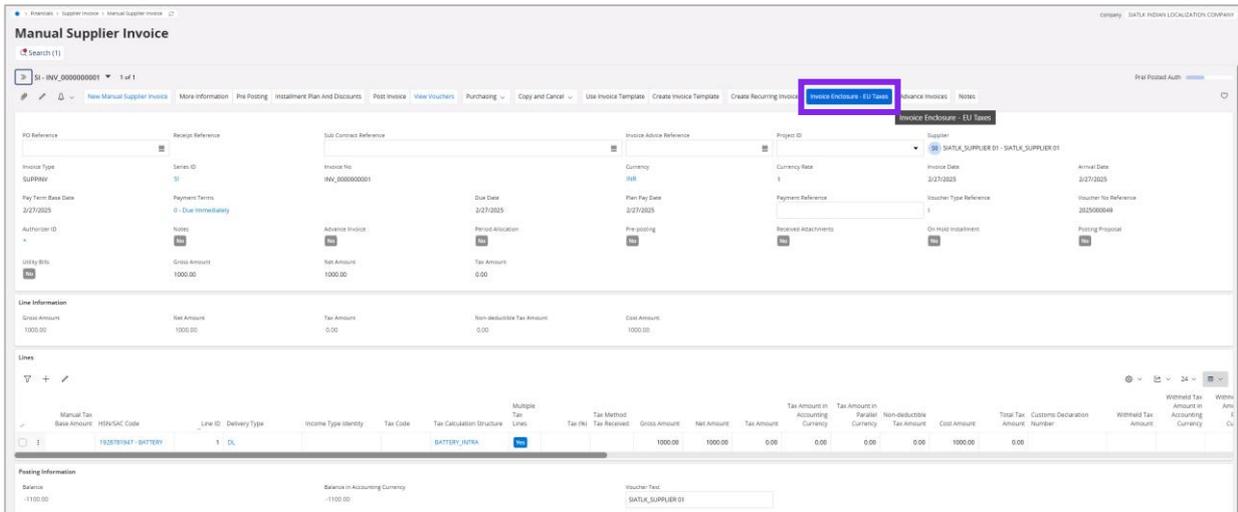
| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Amount | Cost Amount |
|--------------|------------|------------|---------------------------|-------------|
| 1000.00 | 1000.00 | 0.00 | 0.00 | 1000.00 |

Lines

| HSN/SAC Code | Delivery Type | Line ID | Income Type Identity | Tax Code | Tax Calculation Structure | Multiple Tax Lines | Tax Method | Tax (N) | Tax Received | Gross Amount | Net Amount | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Non-deductible Tax Amount | Cost Amount | Total Tax Amount | Customs Declaration Number | Withheld Tax Amount | Withheld Tax Amount in Accounting Currency | Manual Tax Base Amount |
|------------------------|---------------|---------|----------------------|----------|---------------------------|--------------------|------------|---------|--------------|--------------|------------|------------|-----------------------------------|---------------------------------|---------------------------|-------------|------------------|----------------------------|---------------------|--|------------------------|
| 1928791947 - BATTERIES | TK | 1 | | | BATTERIES_INTRA | | | | | 1000.00 | 1000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1000.00 | 0.00 | | | | |

Then once the invoice is created, select command **Invoice Enclosure – EU Taxes** to print the self-invoice applicable for the Reverse Charge Invoice.

Note that the Enclosure Series Number will be assigned upon printing the Enclosure Document.



Adobe Acrobat Document

Sample File >>

Invoice Enclosures - EU Taxes Analysis page enables the user to view and analyze the series of Invoice Enclosures/Self-Invoices created by the company.

Moreover, to facilitate the Tax Reporting of Reverse Charge Transactions, the unique **Enclosure Series ID** and **Enclosure No** is made available in the Tax Transactions page upon **Update GL Vouchers** and **Fetch Tax Ledger Information**.

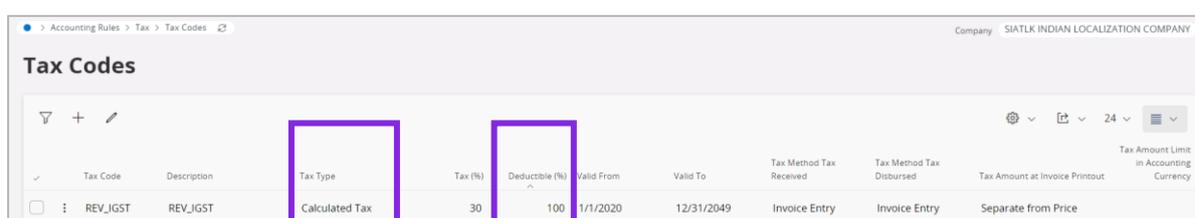
8.7.4 POSTING PROPOSAL

Similar to Manual Supplier Invoices, The Tax Calculation Structure with Calculated Tax Codes can be entered into posting proposal lines either manually or automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, when the user selects either of the options, Copy Unmatched PO Receipts or Copy Unreceived PO Lines, the Purchase Order lines will be copied to Manual Supplier Invoice line-item level and Posting proposal line level, along with Tax Structures with Calculated Tax Codes fetched from Purchase Order. The user can also manually change the Tax Structures which will direct to re-calculation of taxes on supplier invoice line level and Posting proposal line level.

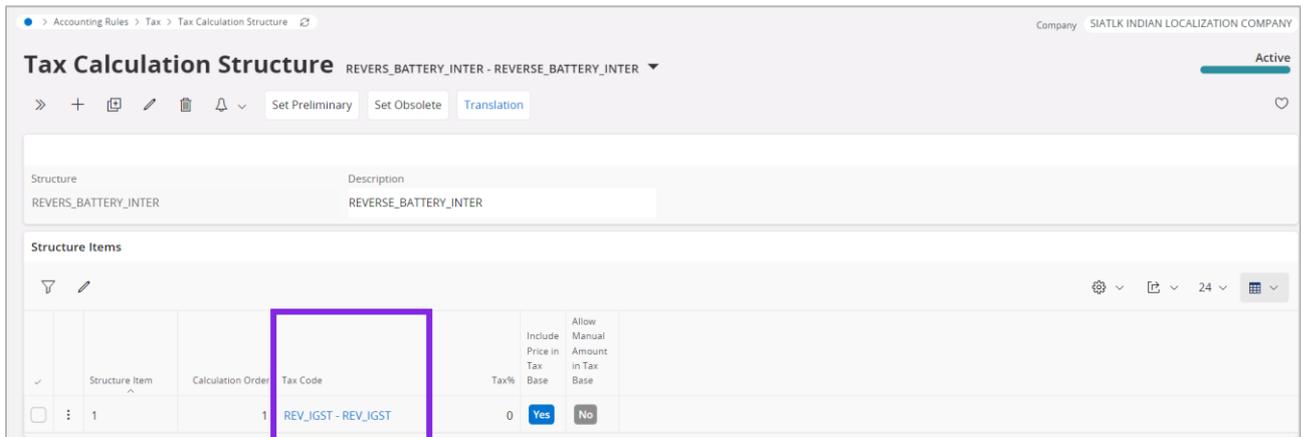
For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are IGST – 30% (100% tax credit available) as the transaction was an Interstate transaction.

- *The calculated tax codes must be created to facilitate the reverse charge treatment.*



| ✓ | 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 |
|--------------------------|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|---|
| <input type="checkbox"/> | REV_IGST | REV_IGST | Calculated Tax | 30 | 100 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | |

- The created Tax Codes must be then connected to a Tax Calculation Structure, as only IGST tax code is applicable for an Interstate transaction.

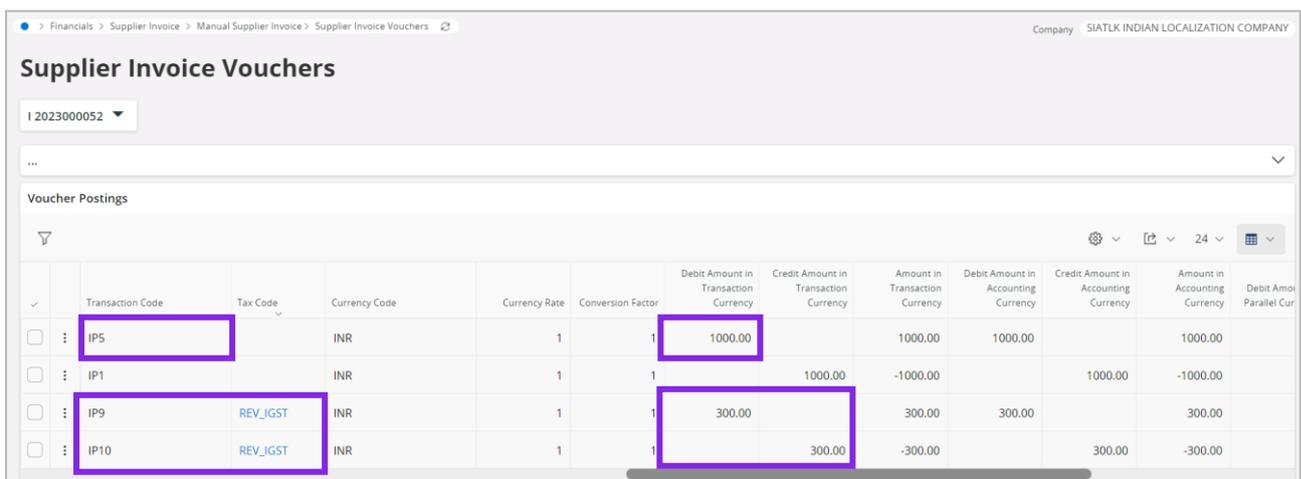


Tax Calculation Structure REVERS_BATTERY_INTER - REVERSE_BATTERY_INTER

Structure: REVERS_BATTERY_INTER | Description: REVERSE_BATTERY_INTER

| Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| 1 | 1 | REV_IGST - REV_IGST | 0 | Yes | No |

- The Tax Calculation Structure is then utilized in a Posting Proposal Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.



Supplier Invoice Vouchers

Voucher Postings

| Transaction Code | Tax Code | Currency Code | Currency Rate | Conversion Factor | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency | Debit Amount in Accounting Currency | Credit Amount in Accounting Currency | Amount in Accounting Currency | Debit Amount in Parallel Cur |
|------------------|----------|---------------|---------------|-------------------|--------------------------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------|------------------------------|
| IP5 | | INR | 1 | 1 | 1000.00 | | 1000.00 | 1000.00 | | 1000.00 | |
| IP1 | | INR | 1 | 1 | | 1000.00 | -1000.00 | | 1000.00 | -1000.00 | |
| IP9 | REV_IGST | INR | 1 | 1 | 300.00 | | 300.00 | 300.00 | | 300.00 | |
| IP10 | REV_IGST | INR | 1 | 1 | | 300.00 | -300.00 | | 300.00 | -300.00 | |

8.8 Sales Flow

8.8.1 CUSTOMER ORDER

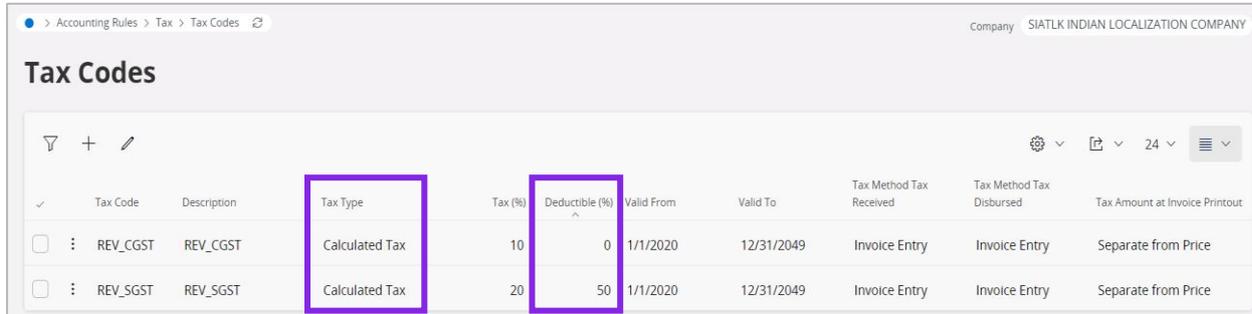
The Tax Calculation Structure with Calculated Tax Codes can be entered into invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

Moreover, Calculated Tax Functionality is supported in the below transaction types under Customer Order flow.

- Sales Quotation (Lines, Rental Lines, Charges)
- Customer Order (Lines, Rental Lines, Charges)
- Customer Invoice
- Return Material Authorization (Return Material Lines, Credit Charges)

For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

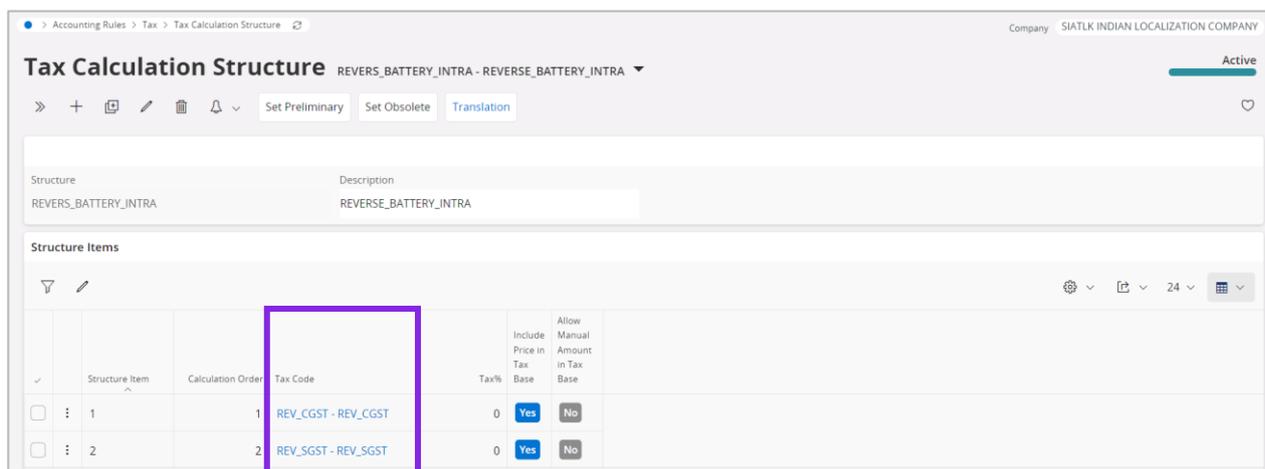
- The calculated tax codes must be created to facilitate the reverse charge treatment.



The screenshot shows the 'Tax Codes' configuration page. Two tax codes are listed: REV_CGST and REV_SGST. Both are of type 'Calculated Tax'. The REV_CGST code has a tax rate of 10% and 0% deductible. The REV_SGST code has a tax rate of 20% and 50% deductible. Both are valid from 1/1/2020 to 12/31/2049.

| ✓ | Tax Code | Description | Tax Type | Tax (%) | Deductible (%) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout |
|--------------------------|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|
| <input type="checkbox"/> | REV_CGST | REV_CGST | Calculated Tax | 10 | 0 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |
| <input type="checkbox"/> | REV_SGST | REV_SGST | Calculated Tax | 20 | 50 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.



The screenshot shows the 'Tax Calculation Structure' configuration page for 'REVERS_BATTERY_INTRA - REVERSE_BATTERY_INTRA'. Two structure items are defined, each linked to a tax code. The first item (order 1) is linked to 'REV_CGST - REV_CGST' with a tax rate of 0%. The second item (order 2) is linked to 'REV_SGST - REV_SGST' with a tax rate of 0%. Both items have 'Include Price in Tax Base' set to 'Yes' and 'Allow Manual Amount in Tax Base' set to 'No'.

| ✓ | Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|--------------------------|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| <input type="checkbox"/> | 1 | 1 | REV_CGST - REV_CGST | 0 | Yes | No |
| <input type="checkbox"/> | 2 | 2 | REV_SGST - REV_SGST | 0 | Yes | No |

- The Tax Calculation Structure is then utilized in a Customer Order Line-item level, and once the Customer Order Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.

Accounting Rules > Voucher > Manual Voucher > Voucher

Company: SIATLK INDIAN LOCALIZATION COMPANY

Voucher

F - 2023000035 1 of 11

Approved

Buttons: New Voucher, New Voucher Template, Instant Update General Ledger, Set Awaiting Approval, Set Not Approved, Notes

Voucher Date: 6/7/2023 | User Group: AC | Voucher Type: F | Voucher No: 2023000035 | Accounting Year: 2023 | Accounting Period: 6 | Accounting Period Description: June 2023

Amount Method: [] | Use Correction Rows: No | Text ID: [] | Text for Voucher and Row: SIATLK CUS 01 INR | Notes: No

VIEW VOUCHER ROWS | GENERAL

Voucher Summary

Voucher Rows

| ✓ | Trans Code | Tax Code | Currency Code | Correction | Currency Debit Amount | Currency Credit Amount | Currency Amount | Currency Rate | Conversion Factor | Accounting Currency | Debit Amount | Credit Amount | Amount |
|--------------------------|------------|----------|---------------|------------|-----------------------|------------------------|-----------------|---------------|-------------------|---------------------|--------------|---------------|----------|
| <input type="checkbox"/> | IP2 | | INR | No | 1000.00 | | 1000.00 | 1 | 1 | INR | 1000.00 | | 1000.00 |
| <input type="checkbox"/> | IP4 | REV_CGST | INR | No | | 0.00 | 0.00 | 1 | 1 | INR | | 0.00 | 0.00 |
| <input type="checkbox"/> | IP4 | REV_SGST | INR | No | | 0.00 | 0.00 | 1 | 1 | INR | | 0.00 | 0.00 |
| <input type="checkbox"/> | MANUAL | | INR | No | | 1000.00 | -1000.00 | 1 | 1 | INR | | 1000.00 | -1000.00 |

8.8.2 INSTANT INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered to invoice lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are CGST – 10% (No tax credit available) and SGST – 20% (50% tax credit available) as the transaction was an Intrastate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.

Accounting Rules > Tax > Tax Codes

Company: SIATLK INDIAN LOCALIZATION COMPANY

Tax Codes

| ✓ | Tax Code | Description | Tax Type | Tax (%) | Deductible (%) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout |
|--------------------------|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|
| <input type="checkbox"/> | REV_CGST | REV_CGST | Calculated Tax | 10 | 0 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |
| <input type="checkbox"/> | REV_SGST | REV_SGST | Calculated Tax | 20 | 50 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price |

- The created Tax Codes must be then connected to a Tax Calculation Structure, as both the tax codes are applicable for an Intrastate transaction.

Accounting Rules > Tax > Tax Calculation Structure

Company: SIATLK INDIAN LOCALIZATION COMPANY

Tax Calculation Structure

REVERS_BATTERY_INTRA - REVERSE_BATTERY_INTRA

Active

Structure: REVERS_BATTERY_INTRA | Description: REVERSE_BATTERY_INTRA

Structure Items

| Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| 1 | 1 | REV_CGST - REV_CGST | 0 | Yes | No |
| 2 | 2 | REV_SGST - REV_SGST | 0 | Yes | No |

- The Tax Calculation Structure is then utilized at an Instant Invoice Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.

Accounting Rules > Voucher > Manual Voucher > Voucher

Company: SIATLK INDIAN LOCALIZATION COMPANY

Voucher

F - 2023000035 | 1 of 11

Approved

Voucher Date: 6/7/2023 | User Group: AC | Voucher Type: F | Voucher No: 2023000035 | Accounting Year: 2023 | Accounting Period: 6 | Accounting Period Description: June 2023

Amount Method: No | Use Correction Rows: No | Text ID: SIATLK CUS 01 INR | Text for Voucher and Row: SIATLK CUS 01 INR | Notes: No

VIEW VOUCHER ROWS | GENERAL

Voucher Summary

Voucher Rows

| Trans Code | Tax Code | Currency Code | Correction | Currency Debit Amount | Currency Credit Amount | Currency Amount | Currency Rate | Conversion Factor | Accounting Currency | Debit Amount | Credit Amount | Amount |
|------------|----------|---------------|------------|-----------------------|------------------------|-----------------|---------------|-------------------|---------------------|--------------|---------------|----------|
| IP2 | | INR | No | 1000.00 | | 1000.00 | 1 | 1 | INR | 1000.00 | | 1000.00 |
| IP4 | REV_CGST | INR | No | | 0.00 | 0.00 | 1 | 1 | INR | | 0.00 | 0.00 |
| IP4 | REV_SGST | INR | No | | 0.00 | 0.00 | 1 | 1 | INR | | 0.00 | 0.00 |
| MANUAL | | INR | No | | 1000.00 | -1000.00 | 1 | 1 | INR | | 1000.00 | -1000.00 |

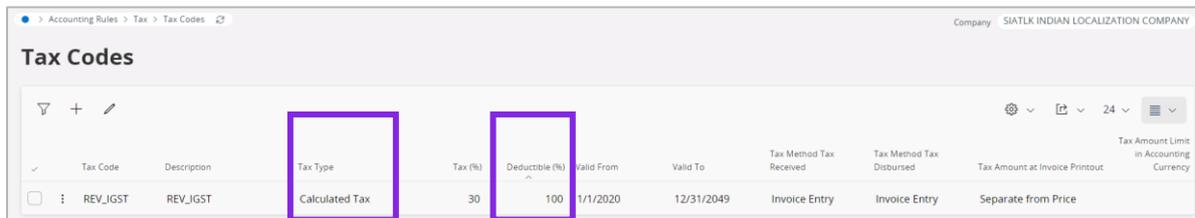
Indian Reverse Charge is also supported in the creation of Recurring Invoices, Correction Invoices, Credit Invoices and Collective Invoices so that the user will be able to bring Tax Structures of a base Invoice to a Recurring Invoice, Correction Invoice, Credit Invoice, or a Collective Invoice created.

8.8.3 MANUAL CUSTOMER INVOICE

The Tax Calculation Structure with Calculated Tax Codes can be entered into invoice lines either manually or automatically fetched using the HSN/SAC based Tax Fetching.

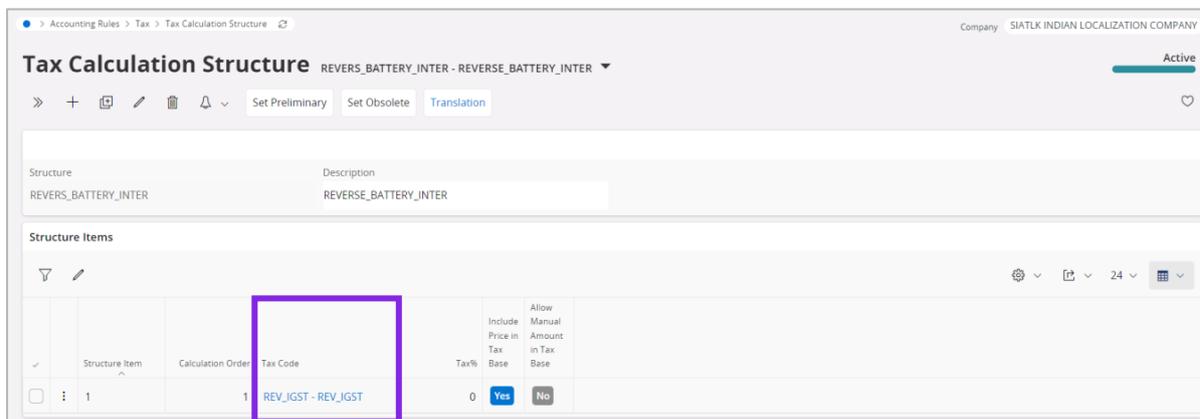
For example, assume the company sells a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are IGST – 30% (100% tax credit available) as the transaction was an Interstate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.



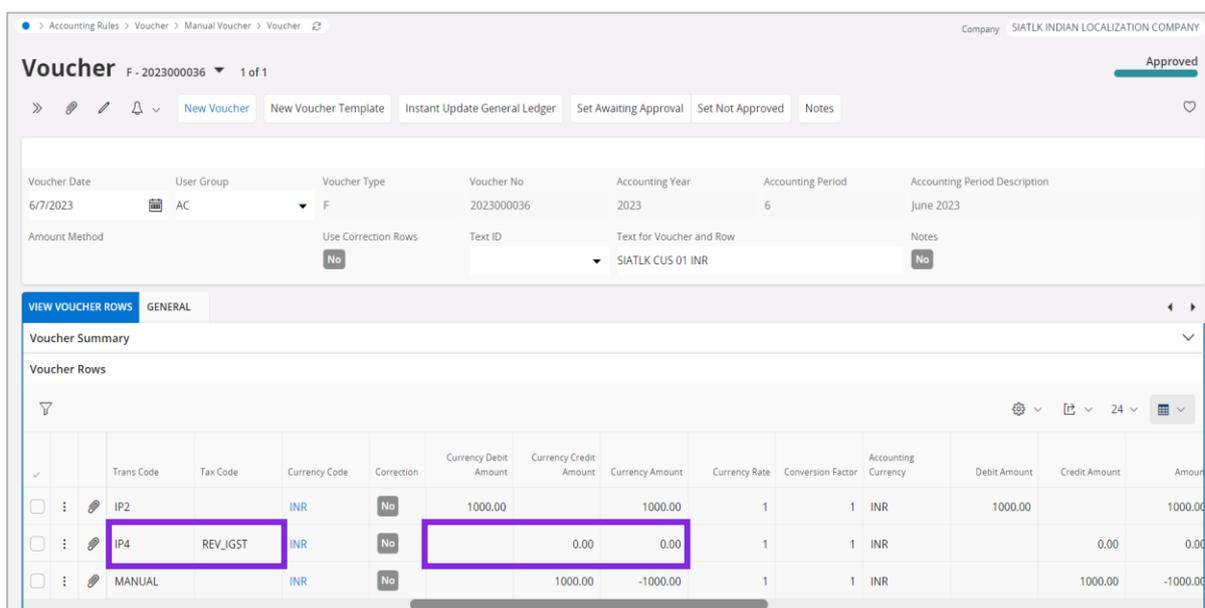
| Tax Code | Description | Tax Type | Tax (%) | Deductible (%) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout | Tax Amount Limit in Accounting Currency |
|----------|-------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|---|
| REV_IGST | REV_IGST | Calculated Tax | 30 | 100 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | |

- The created Tax Codes must be then connected to a Tax Calculation Structure, as only IGST tax code is applicable for an Interstate transaction.



| Structure Item | Calculation Order | Tax Code | Tax% | Include Price in Tax Base | Allow Manual Amount in Tax Base |
|----------------|-------------------|---------------------|------|---------------------------|---------------------------------|
| 1 | 1 | REV_IGST - REV_IGST | 0 | Yes | No |

- The Tax Calculation Structure is then utilized at a Manual Customer Invoice Line-item level, and once the Invoice is Posted, the accounting treatment applicable for the Reverse charge transaction will be posted as follows.



| Trans Code | Tax Code | Currency Code | Correction | Currency Debit Amount | Currency Credit Amount | Currency Amount | Currency Rate | Conversion Factor | Accounting Currency | Debit Amount | Credit Amount | Amount |
|------------|----------|---------------|------------|-----------------------|------------------------|-----------------|---------------|-------------------|---------------------|--------------|---------------|----------|
| IP2 | | INR | No | 1000.00 | | 1000.00 | 1 | 1 | INR | 1000.00 | | 1000.00 |
| IP4 | REV_IGST | INR | No | | 0.00 | 0.00 | 1 | 1 | INR | | 0.00 | 0.00 |
| MANUAL | | INR | No | | 1000.00 | -1000.00 | 1 | 1 | INR | | 1000.00 | -1000.00 |

8.9 Tax Transactions

Once the core process to bring Tax Information to the **Tax Transactions** page is followed, i.e., **Update GL Vouchers** and **Fetch Tax Ledger Information** are performed, the relevant Tax Transactions accumulated under calculated Tax will be visible in the **Tax Transactions** page.

Financials > Tax Ledger > Tax Transactions Company: SIATLK INDIAN LOCALIZATION COMPANY

Tax Transactions

Calculate Income Amount 24

| ✓ | Invoice Type | Branch | Fetchd | Is Report... | Correction | Is Part of Tax Ledger | Include in Tax Proposal | Trans Code | Voucher No | Series ID | Invoice No | Tax Code | Tax Base Amount | Tax Amount |
|--------------------------|--------------|--------|--------|--------------|------------|-----------------------|-------------------------|------------|------------|-----------|------------|----------|-----------------|------------|
| <input type="checkbox"/> | CUSTINV | | Yes | No | No | Yes | Yes | IP4 | 2023000036 | CI | INV82498 | REV_JGST | -1000.00 | 0.00 |
| <input type="checkbox"/> | INSTINV | | Yes | No | No | Yes | Yes | IP4 | 2023000035 | II | 9700015 | REV_CGST | -1000.00 | 0.00 |
| <input type="checkbox"/> | INSTINV | | Yes | No | No | Yes | Yes | IP4 | 2023000035 | II | 9700015 | REV_SGST | -1000.00 | 0.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP9 | 2023000051 | SI | INV184686 | REV_CGST | 0.00 | 0.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP10 | 2023000051 | SI | INV184686 | REV_CGST | -1000.00 | -100.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP9 | 2023000051 | SI | INV184686 | REV_SGST | 500.00 | 100.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP10 | 2023000051 | SI | INV184686 | REV_SGST | -1000.00 | -200.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP9 | 2023000052 | SI | INV810183 | REV_JGST | 1000.00 | 300.00 |
| <input type="checkbox"/> | SUPPINV | | Yes | No | No | Yes | Yes | IP10 | 2023000052 | SI | INV810183 | REV_JGST | -1000.00 | -300.00 |

Note: Although in Apps 9 & 10 solutions, the **Tax Liability Date** of the Reverse Charge related IP3 posting was automatically set to the 1st date of the subsequent month when fetching to the **Tax Ledger**, coming to 23R2, the said alteration is omitted on purpose due to absence of any legal requirement to do so.

8.10 Delimitations

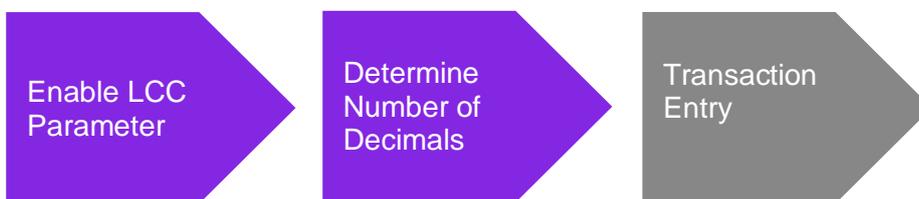
N/A

9 Number of Decimals in Withheld Tax Amount, Supplier Invoice

9.1 Overview Legal Requirement

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

9.2 Process Overview



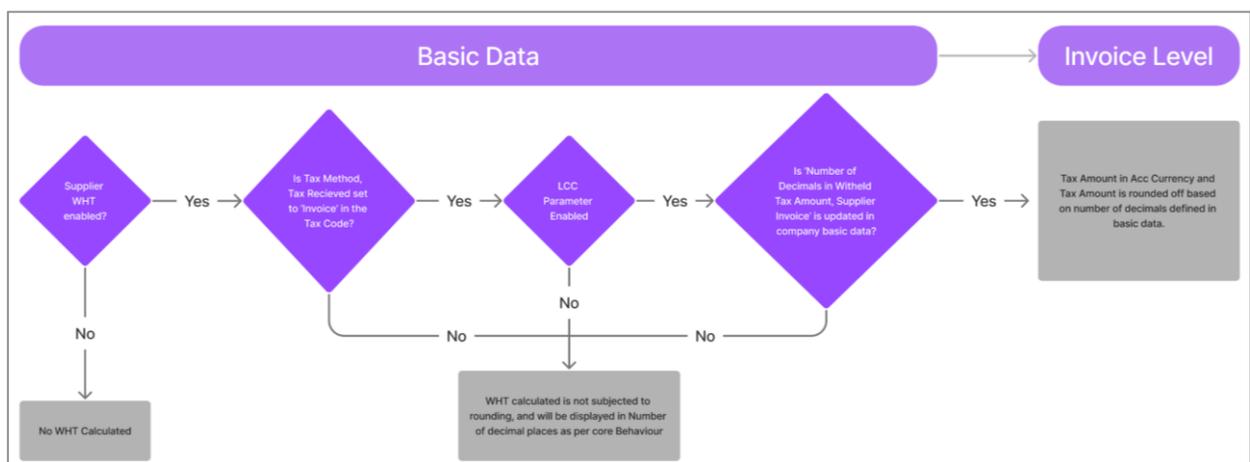
9.3 Solution Overview

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

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

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

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



9.4 Prerequisites

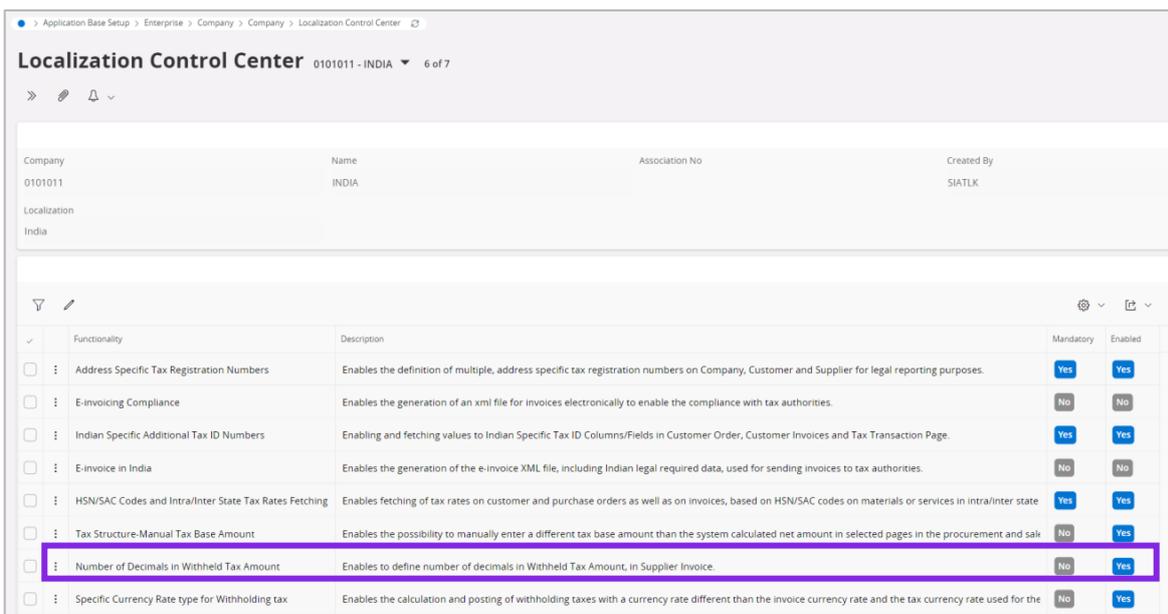
The company must be set-up to use Indian localization, see the [Company Set up](#) chapter and the 'Number of Decimals in Withheld Tax Amount' parameter must be enabled on the **Company/Localization Control Center** tab.

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

9.5 Enable Localization Control Center Parameter

In order to enable this new functionality, navigate to the Company/Localization Control Center and enable the functionality, "Number of Decimals in Withheld Tax Amount".

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



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

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

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

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

Tax Control 0101011 - INDIA

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

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

General Information

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

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

Supplement Tax Withholding: | Post Preliminary Tax Withholding:

Tax Liability Countries

| Country | Tax ID Type | Tax ID Number | Tax ID Validated Date | Tax Registration Text | Branch | Valid From | Valid Until |
|-----------|-------------|---------------|-----------------------|-----------------------|--------|------------|-------------|
| (No data) | | | | | | | |

Attachments

9.7 Invoice Entry

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

Example:

When the Withholding Tax Base is 1,239.87 INR and the Tax Rate is 10%, The Tax Amount must be 123.98. However, as the No. of Decimals to which the Tax Amount should round off is set to 0, the value 123.987 is rounded and shown as 124.00 in both Tax Amount and Tax Amount in Accounting Currency.

Tax Lines, Withholding

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

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

Line Details

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

OK Cancel

Supplier Invoice Vouchers

U 2023000005

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

Voucher Postings

| Transaction Code | Currency Rate | Currency Code | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency | Debit Amount in Accounting Currency | Credit Amount in Accounting Currency | Amount in Accounting Currency | Parallel Currency Rate | Debit Amount in Parallel Currency | Credit Amount in Parallel Currency | Amount in Parallel Currency | Tax Code | Process Code |
|------------------|---------------|---------------|--------------------------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------|------------------------|-----------------------------------|------------------------------------|-----------------------------|------------|--------------|
| IP1 | 1 | INR | 124.00 | | 124.00 | 124.00 | | 124.00 | 2 | 62.00 | | 62.00 | | |
| PP48 | 1 | INR | | 124.00 | -124.00 | | 124.00 | -124.00 | 2 | | 62.00 | -62.00 | WHT INV 01 | |

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

Example:

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

Tax Lines, Withholding

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

| Tax Curr Rate | Gross Amount | Net Amount |
|---------------|--------------|------------|
| 2 | 1234.56 | 1234.56 |

Line Details

| Tax Code | Tax Type | Withholding Base Amount | Tax % | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Use Withholding Amount Table | Report Code | State |
|------------|--------------|-------------------------|-------|------------|-----------------------------------|---------------------------------|------------------------------|-------------|-------|
| WHT INV 01 | Tax Withhold | 1234.56 | 10 | 123.46 | 247.00 | 123.46 | No | | |

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

Supplier Invoice Vouchers

U 2023000006

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

Voucher Postings

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

9.8 Delimitations

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

10 Allow Specific Currency Rates for Supplier Tax Withholding

10.1 Overview Legal Requirement

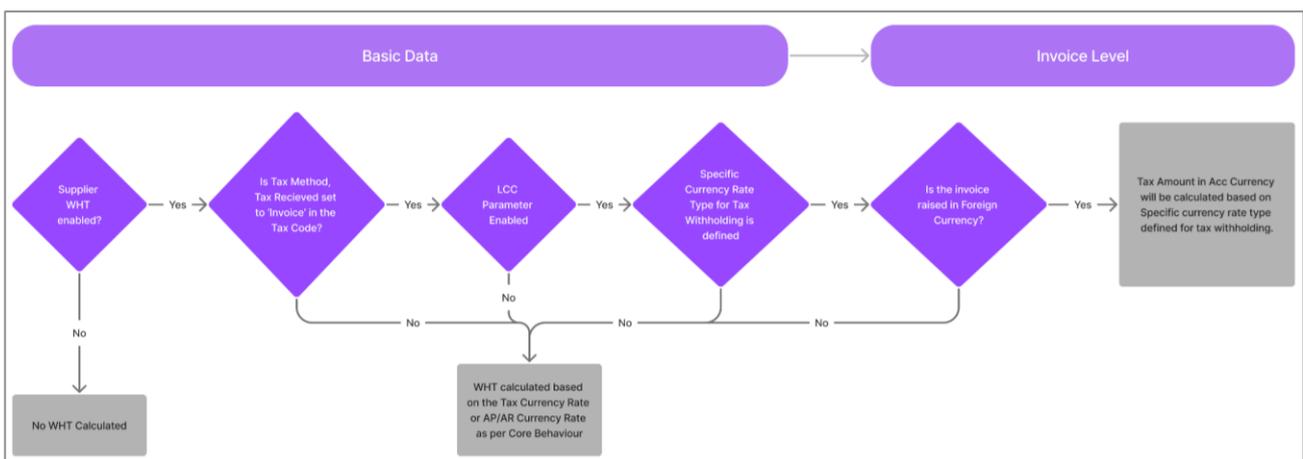
Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting the prescribed percentage. The **Tax Amount in Accounting Currency** levied via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

10.2 Process Overview



10.3 Solution Overview

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



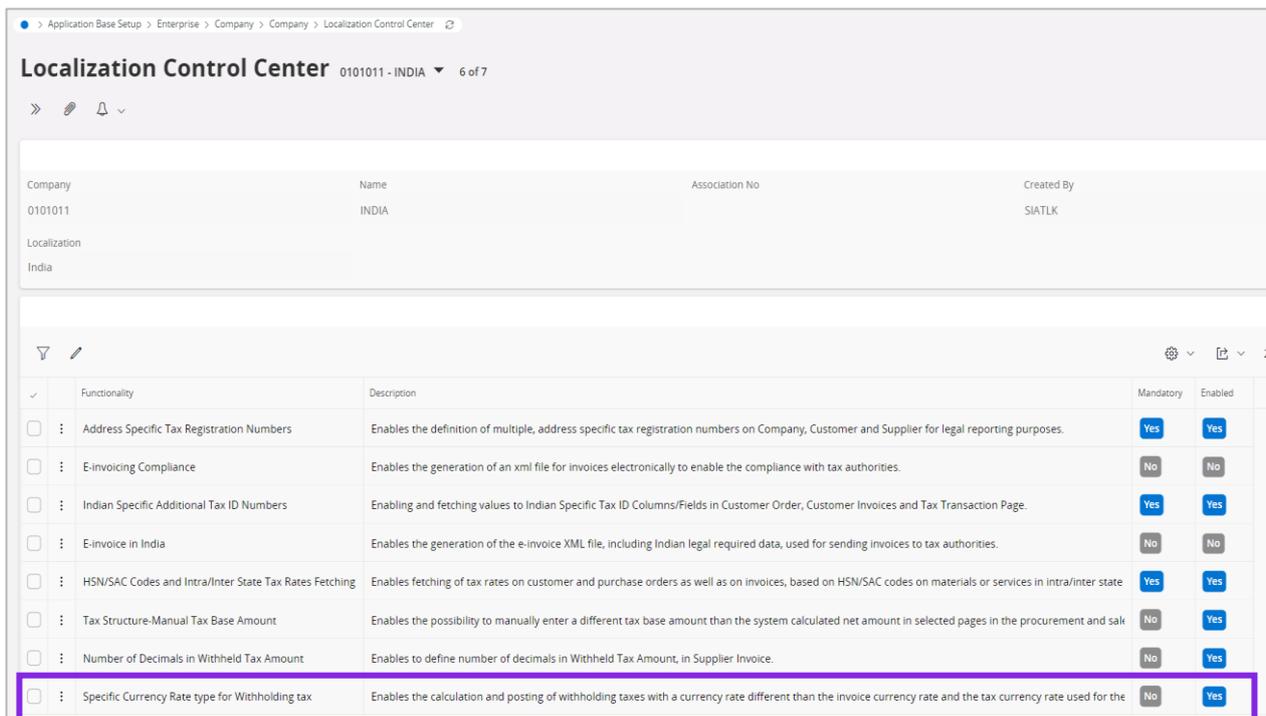
10.4 Prerequisites

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

10.5 Enable Localization Control Center Parameter

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

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



| Company | Name | Association No | Created By |
|--------------|-------|----------------|------------|
| 0101011 | INDIA | | SIATLK |
| Localization | India | | |

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

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

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

Application Base Setup > Enterprise > Company > Company > Accounting Rules 0101011 - INDIA 6 of 7

Accounting Rules

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

GENERAL DATA **CURRENCY RATE TYPE INFORMATION**

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

Default Currency Rate Types for Tax

Allow Specific Currency Rates for Tax Transactions:

Buying Currency Rate for Tax: 3 - TAX Selling Currency Rate for Tax: 3 - TAX

Default Currency Rate Types for Tax, Withholding

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

Attachments

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

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

10.7 Invoice Entry

When creating a Manual Supplier Invoice, the Tax Withholding Currency Rate is defaulted from the **Default Currency Rate Types for Tax, Withholding** defined in company basic data. The Tax Withholding Currency Rate field is added to the More Information section of the **New Manual Supplier Invoice** assistant and **Manual Supplier Invoice** pag

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

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

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

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

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

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

More Information

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

Delivery Address: COM_DELIVERY_DL | Use Company Invoice Address for...: | Use Project Address for Tax: No | Reference Supplier: | Preliminary Code: | National Bank Code: | Nature Of Business:

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

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

Supplier Branch:

More Information

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

Supplier Invoice Address: SUPP DOC GA | Supplier Delivery Address: SUPP DEL DL | Company Invoice Address: COM_DOCUMENT_UP

Delivery Address: COM_DELIVERY_DL | Use Company Invoice Address for Tax Cal...: No | Use Project Address for Tax: No

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

Nature Of Business:

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

Tax Invoice No: | Tax Invoice Date: | Transfer Status:

Customs Declaration Date: | Correction Reason ID: | Correction Reason: | Branch:

Supplier Branch:

OK Cancel

These fields are editable only when,

- Invoice is in foreign currency
- Invoice is not posted (invoice is in Preliminary state)
- Buying Currency Rate for Tax, Withholding is specified

The **Tax Withholding Currency Rate** field is defaulted from the *Default Currency Rates for Supplier Tax Withholding*

The **Tax Curr Rate** field in **Tax lines, withholding** dialog box, fetches the **tax withholding currency rate** specified on the invoice (**New Manual Supplier Invoice Assistant** or **Supplier Invoice More Information** dialog box).

Note that the tax currency rate in the **Tax Lines, withholding** dialog cannot be edited the same as in core. The only places where the currency rate for withholding taxes can be

changed is Tax Withholding Currency Rate field on *New Manual Supplier Invoice Assistant* or *Manual Supplier Invoice*, **More Information** dialog box (When the Invoice is in the “Preliminary” state).

The Tax Amount in Accounting Currency in *Tax Lines, Withholding*, is calculated based on the Specific Currency Rate fetched to the Tax Curr Rate field and the user can edit the field in case of tax codes with ‘Invoice Entry’ as a method when the Buying Currency Rate for Tax, Withholding is specified.

× Tax Lines, Withholding

| | | | |
|---|--|-----------------------|-------------------------------------|
| Supplier SW SIATLK WHT IN - SIATLK WHT SUPPLIER INDIA | Withholding Base Invoice Net Amount | Series ID SI | Invoice No SPECIFIC CURR RATE 01 |
| Tax Curr Rate 5 | Gross Amount 1000.00 | Net Amount 1000.00 | |

Line Details

| ✓ | Tax Code | Tax Type | Withholding Base Amount | Tax % | Tax Amount | Tax Amount in Accounting Currency | Tax Amount in Parallel Currency | Use Withholding Amount Table | Report Code | State |
|--------------------------|------------|--------------|-------------------------|-------|------------|-----------------------------------|---------------------------------|------------------------------|-------------|-------|
| <input type="checkbox"/> | WHT INV 01 | Tax Withhold | 1000.00 | 10 | 100.00 | 500.00 | 100.00 | No | | |

OK
Cancel

Application posts the gain or loss occurred due to the currency rate difference in invoice and the rate used in the withholding tax using posting type PP61 Tax currency loss and PP62 Tax currency profit.

Example:

When the Withholding Tax Base is 1,000 USD, the Accounts Payable Currency Rate of USD is 2.00, the Specific WHT Currency Rate of USD is 4.00 and the Tax Rate is 10%, The Withheld Tax Amount in USD (Transaction Currency) is 100 USD and the Tax Amount in Accounting Currency (INR), will be 400.00 INR (as Specific Currency Rate is utilized). However, the Tax Amount Withheld from the Invoice Value is calculated based on the Accounts Payable Currency Rate and therefore, the value of the IP1 entry will be 200.00 INR. The difference of 200 is handled via a PP61 Entry.

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

Supplier Invoice Vouchers

U 2023000008

| Voucher Type | Voucher No | Date | Year | Period |
|--------------|------------|-----------|------|--------|
| U | 2023000008 | 1/12/2023 | 2023 | 1 |

Voucher Postings

| ✓ | Transaction Code | Currency Rate | Currency Code | Debit Amount in Transaction Currency | Credit Amount in Transaction Currency | Amount in Transaction Currency | Debit Amount in Accounting Currency | Credit Amount in Accounting Currency | Amount in Accounting Currency | Parallel Currency Rate | Debit Amount in Parallel Currency | Credit Amount in Parallel Currency | Amount in Parallel Currency | Tax Code | Process Code |
|--------------------------|------------------|---------------|---------------|--------------------------------------|---------------------------------------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------|------------------------|-----------------------------------|------------------------------------|-----------------------------|------------|--------------|
| <input type="checkbox"/> | IP1 | 2 | USD | 100.00 | | 100.00 | 200.00 | | 200.00 | 2 | 100.00 | | 100.00 | | |
| <input type="checkbox"/> | PP61 | 5 | USD | 0.00 | | 0.00 | 300.00 | | 300.00 | 2 | 0.00 | | 0.00 | WHT INV 01 | |
| <input type="checkbox"/> | PP49 | 5 | USD | 100.00 | | -100.00 | | 500.00 | -500.00 | 2 | | 100.00 | -100.00 | WHT INV 01 | |

10.8 Delimitations

The following invoices are not handled with this functionality:

- Self-billing Invoices
- External Invoices

The functionality described above applies only for tax codes with the tax method 'Invoice Entry'.

Functionality does not apply to customer withholding tax reporting.

11 TCS – Tax Collected at Source

11.1.1 OVERVIEW LEGAL REQUIREMENT

Tax collection at source (TCS) is an extra amount collected as tax by a seller of specified goods from the buyer at the time of sale over and above the sale amount and is remitted to the government account.

Where total turnover is more than Rs.10 crore in the previous financial year and receives sale consideration of any products of more than Rs.50 lakh, such seller must collect TCS upon receiving consideration from the buyer on such amount over and above Rs.50 lakh, as per Section 206C(IH). Such persons must have the Tax Collection Account Number to be able to collect TCS.

- Threshold as of now (2023): TCS to be charged to customers on invoices where the transaction value of the customer is more than **50 Lakhs** in a Financial Year.
- Rate and the Base as of now (2023): **0.1% on Gross Amount (Net Amount + GST)*TCS%** (Without PAN, then 1% is TCS)

Example:

Mr. A buys a scrap of INR 10,000 from Mr. B. Mr. B, being a seller, will be liable to collect TCS @0.1% on scrap sold to Mr. A. Accordingly, it will collect INR 10,010 [INR 10,000 sale consideration + INR 10 TCS].

11.2 Process Overview



11.3 Solution Overview

In the App10 Get solution, TCS was supported under the *Indian E-Invoice* parameter. But in the cloud, a new LCC parameter and new toggle in Customer Basic Data are introduced to support TCS the in transaction flow.

Further, an error message is introduced to notify users if TCS Tax Code is not connected in Invoice Lines, and until the user connects TCS Tax Code to the relevant Tax Structure, the invoice is not get posted.

Once any customer has reached the specified threshold by the Indian Government, the following steps need to be followed to apply TCS in the transactions.

Note: Even though TCS Tax Code is connecting to all relevant Tax Structures, it does not impact in Supplier Invoicing Flow. (TCS Tax Code is not fetching in Purchase Order or Supplier Invoice Lines)

11.3.1 TCS INCLUDED IN E-INVOICE XML

Companies which are following e-invoice mechanism in India, TCS related details need to be included in the e-invoice xml file in order to get accepted by Indian Tax Authority. Therefore, TCS related information is appear under following xml tags.

Aggregate InvoiceRow:

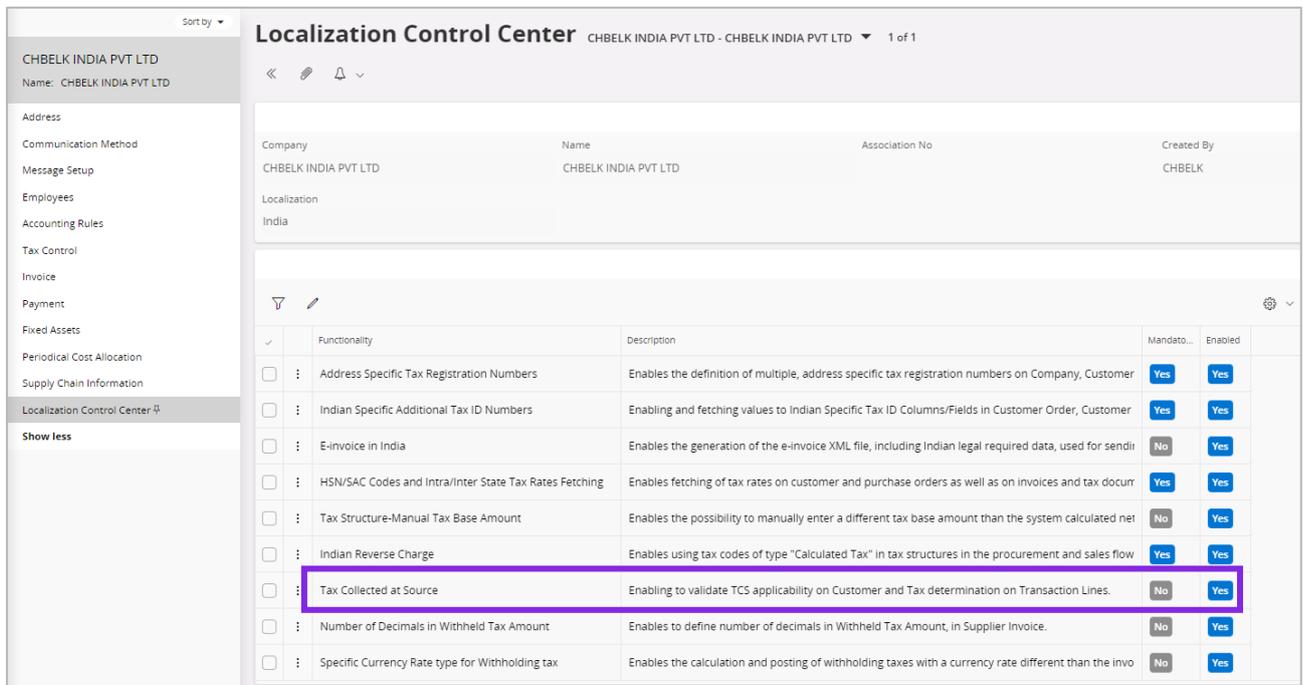
- INTcsRate
- INTcsAmount

Note that the TCS tax amount is not summarized and displayed in the aggregate InvoiceDetails.

11.4 Prerequisites

11.4.1 ENABLE LCC PARAMETER UNDER LOCALIZATION CONTROL CENTER

- Functionality: Tax Collected at Source
- Description: Enabling to validate of TCS applicability on Customer and Tax determination on Transaction Lines



Localization Control Center CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD 1 of 1

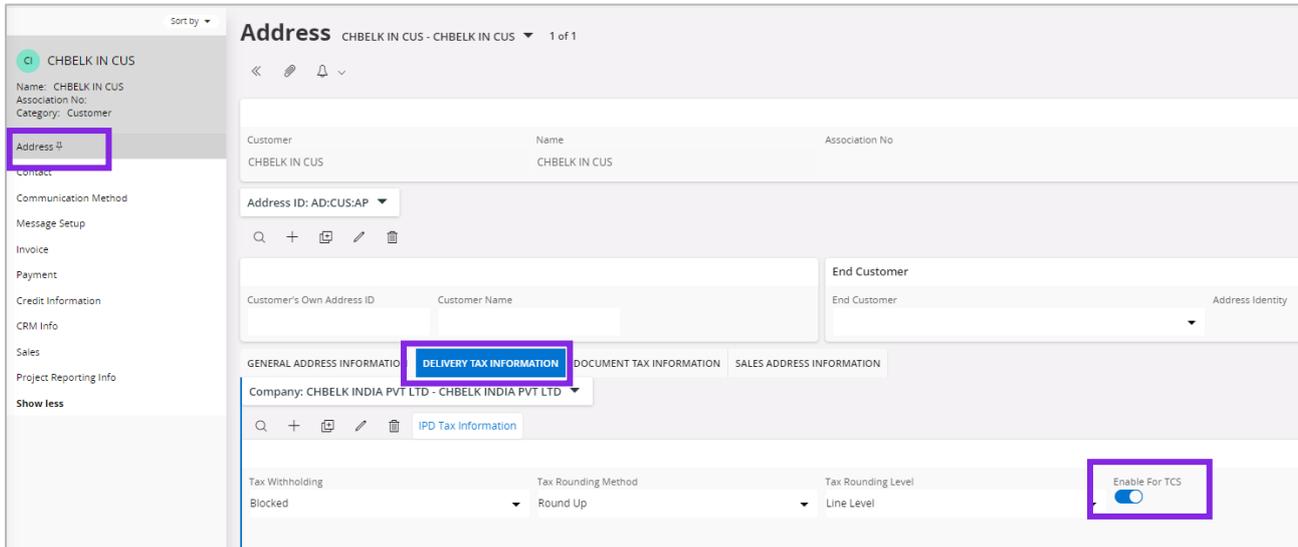
Company: CHBELK INDIA PVT LTD | Name: CHBELK INDIA PVT LTD | Association No: | Created By: CHBELK

Localization: India

| Functionality | Description | Mandato... | Enabled |
|---|--|------------|---------|
| <input type="checkbox"/> : Address Specific Tax Registration Numbers | Enables the definition of multiple, address specific tax registration numbers on Company, Customer | Yes | Yes |
| <input type="checkbox"/> : Indian Specific Additional Tax ID Numbers | Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer | Yes | Yes |
| <input type="checkbox"/> : E-invoice in India | Enables the generation of the e-invoice XML file, including Indian legal required data, used for sendi | No | Yes |
| <input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching | Enables fetching of tax rates on customer and purchase orders as well as on invoices and tax docum | Yes | Yes |
| <input type="checkbox"/> : Tax Structure-Manual Tax Base Amount | Enables the possibility to manually enter a different tax base amount than the system calculated net | No | Yes |
| <input type="checkbox"/> : Indian Reverse Charge | Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flow | Yes | Yes |
| <input type="checkbox"/> : Tax Collected at Source | Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines. | No | Yes |
| <input type="checkbox"/> : Number of Decimals in Withheld Tax Amount | Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice. | No | Yes |
| <input type="checkbox"/> : Specific Currency Rate type for Withholding tax | Enables the calculation and posting of withholding taxes with a currency rate different than the invo | No | Yes |

11.4.2 ENABLE TOGGLE UNDER CUSTOMER BASIC DATA

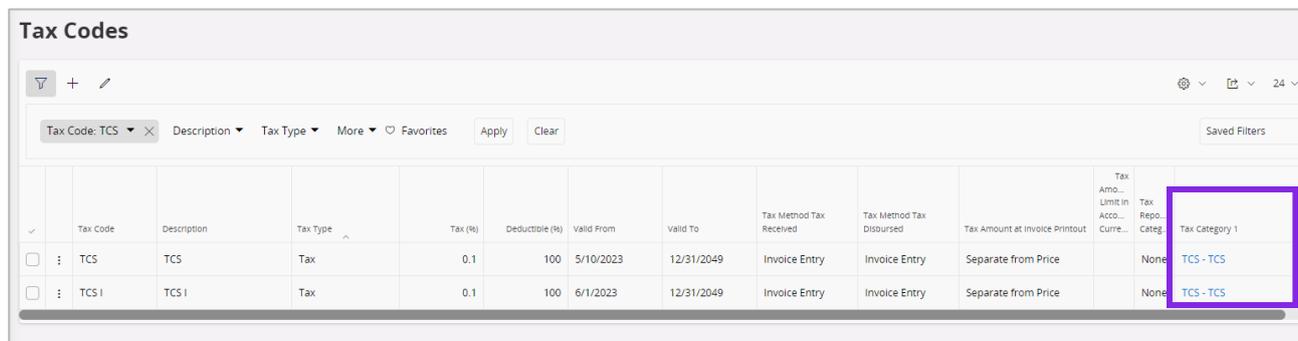
Once the specified Threshold is reached for a given Customer, the user must manually enable this toggle in Customer Basic Data for each address (**Address>Delivery Tax Information**)



The screenshot shows the 'Address' configuration page for 'CHBELK IN CUS'. The 'DELIVERY TAX INFORMATION' tab is selected. The 'Enable For TCS' toggle is visible and highlighted with a red box.

11.4.3 DEFINE NEW TAX CODE AS TCS

TCS Tax Code is defined under the **Tax Codes** page using 'Tax Category 1' as TCS.



The screenshot shows the 'Tax Codes' page with a table of tax codes. The 'TCS' tax code is highlighted with a red box.

| ✓ | 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 Amo... Limit in ACCO... Curre... | Tax Repo... Categ... | Tax Category 1 |
|--------------------------|----------|-------------|----------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|--------------------------------------|----------------------|----------------|
| <input type="checkbox"/> | TCS | TCS | Tax | 0.1 | 100 | 5/10/2023 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | None | None | TCS - TCS |
| <input type="checkbox"/> | TCS I | TCS I | Tax | 0.1 | 100 | 6/1/2023 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | None | None | TCS - TCS |

11.4.4 CONNECT TCS TAX CODE IN TAX STRUCTURES

Connect the TCS tax code to all Tax Structures and refer (Structure Item Reference) all other Tax codes specified under the same Tax Structure to the TCS Tax Code.

Tax Calculation Structure TAX STRUCTURE INTRA - TAX STRUCTURE INTRA ▾

<< + 📄 ✎ 🗑️ 🔔 ▾
 Set Preliminary
Set Obsolete
Translation

Structure: TAX STRUCTURE INTRA Description: TAX STRUCTURE INTRA

Structure Items

🔍 ✎ 🔔 ▾

| (1) ✓ | Structure Item | Calculation Order | Tax Code | Tax% | Include Price In Tax Base | Allow Manual Amount In Tax Base |
|-------------------------------------|----------------|-------------------|-----------|------|------------------------------------|-----------------------------------|
| <input type="checkbox"/> | 1 | 1 | 1 - IGST | 25 | <input type="button" value="Yes"/> | <input type="button" value="No"/> |
| <input type="checkbox"/> | 2 | 2 | 2 - SGST | 12 | <input type="button" value="Yes"/> | <input type="button" value="No"/> |
| <input checked="" type="checkbox"/> | 3 | 3 | TCS - TCS | 0.1 | <input type="button" value="Yes"/> | <input type="button" value="No"/> |

Structure Item Reference

🔍 ✎ 🔔 ▾

| (1) ✓ | Structure Item Reference | Tax Code | Tax% |
|-------------------------------------|--------------------------|----------|------|
| <input type="checkbox"/> | 1 | 1 | 25 |
| <input checked="" type="checkbox"/> | 2 | 2 | 12 |

11.5 TCS Process in Customer Invoices

11.5.1 TCS TAX CODE CONNECTED TO THE TAX STRUCTURE

Enter a Customer Invoice (Instant Invoice/Customer Order Invoice/ Manual Customer Invoice) using TCS applicable Customer (who is reached the specified threshold by Indian Government).

TCS Connected Tax Structure is fetched in the invoice lines which is relevant to the specific HSN/SAC code.

Instant Invoice PR - 244516

More Information | Installation Plan and Discounts | Pre Posting | Print Invoice | Print Work Copy | Advance Invoices | Use Invoice Template | Create Invoice Template | Create Recurring Invoice

| | | | | | | | | | |
|---------------|-------------------------------|--------------------|-----------|-------------------|------------|--------------------------|-----------|--------------------------------------|--------------------------|
| Customer | CHBELK IN CUS - CHBELK IN CUS | Invoice Type | INSTINV | Series ID | PR | Invoice No | 244516 | Project ID | |
| Delivery Date | 9/7/2023 | Invoice Address | AD:CUS:AP | Delivery Address | AD:CUS:GOA | Company Delivery Address | AD:COM:UP | Use Customer Invoice Address for Tax | <input type="checkbox"/> |
| Invoice Fee | No | Correction Invoice | No | Correction Exists | No | Preposting | No | Currency | INR |
| Net Amount | 1500.94 | Tax Amount | 557.06 | Currency Rate | 1 | Gross Amount | 2058.00 | Notes: No | |

Payment and Tax Information

Lines

| (1) | HSN/SAC Code | Tax Calculation Structure | Position | Text ID | Object ID | Description | Delivery Type ID | Customer Income Type | Quantity |
|-------------------------------------|----------------------|---------------------------|----------|---------|--------------|----------------|------------------|----------------------|----------|
| <input checked="" type="checkbox"/> | MACHINE.99008877 - M | TAX STRUCTURE INTRA | | | SEWING MA... | SEWING MACHINE | | | 1 |

Users can check the *Tax Lines* consisting of TCS amount based on Invoice Gross amount.

Instant Invoice Tax Lines

| | | | | | |
|--------------|---------|------------|---------|------------|--------|
| Gross Amount | 2057.06 | Net Amount | 1500.00 | Tax Amount | 557.06 |
|--------------|---------|------------|---------|------------|--------|

Tax Line Details

| | Tax Base Amount | Tax Code | Tax Type | Tax(%) | Tax Amount | Tax Amount In Accounting Currency | Tax Amount In Parallel Currency | Tax Category 1 | Tax Category 2 |
|---|-----------------|----------|----------|--------|------------|-----------------------------------|---------------------------------|------------------------|----------------|
| : | 1500.00 | 1 | Tax | 25 | 375.00 | 375.00 | 3750.00 | IGST - Inter-State GST | |
| : | 1500.00 | 2 | Tax | 12 | 180.00 | 180.00 | 1800.00 | SGST - State GST | |
| : | 2055.00 | TCS | Tax | 0.1 | 2.06 | 2.06 | 20.60 | TCS - TCS | |

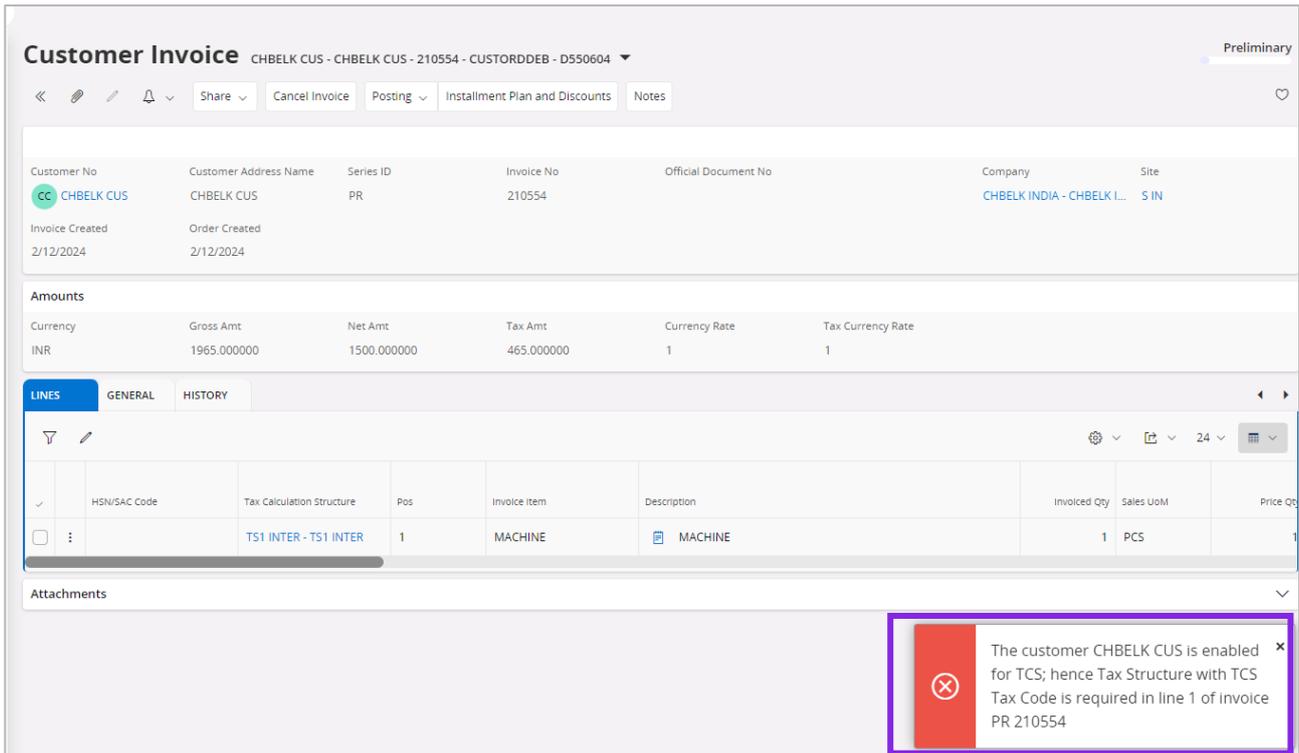
OK Cancel

Follow the standard process (Print/Send/Send E-Invoice) until the customer invoice gets **PostedAuth** state.

11.5.2 TCS TAX CODE IS NOT CONNECTED TO THE TAX STRUCTURE

If the TCS Tax Code is not connected to the Tax Structures, even after the TCS Toggle is set to **True** under customer basic data, an error message appears until the user connects the TCS Tax Code to the Tax Structure in each Transaction Line of the Invoice.

Error Message: “This Customer YYY is enabled for TCS, hence Tax Structure with TCS Tax Code is required in line XXX of Invoice PR ZZZ”



The screenshot displays a 'Customer Invoice' for customer 'CHBELK CUS' with invoice number '210554'. The interface includes sections for 'Amounts' and 'LINES'. An error message is highlighted in a red box at the bottom right, stating: 'The customer CHBELK CUS is enabled for TCS; hence Tax Structure with TCS Tax Code is required in line 1 of invoice PR 210554'.

Error messages are appearing in different invoice flows and Pages as follows.

| Invoice Type | Command | | | |
|-----------------------------------|--|--|--|--|
| | Print / Release | Send | Send E-Invoice | Resend E-Invoice |
| Instant Invoice | Error message raised when clicking the command |
| Customer Order Invoice | Error message raised when clicking the command | Error message visible in Background Jobs | Error message raised when clicking the command | Error message raised when clicking the command |
| Collective Customer Order Invoice | Error message raised when clicking the command | Error message visible in Background Jobs | Error message raised when clicking the command | Error message raised when clicking the command |

| | | | | |
|-----------------------------|--|--|--|--|
| Project Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| New Manual Customer Invoice | Error message raised when clicking Finish button | | | |

| | | | |
|------------------------|---|---|---|
| Page Name | Print Invoice Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Customer Order Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Page Name | Batch Print Customer Invoices Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when click the command |
| Page Name | Print Customer Invoices Page | | |
| Command | Print | Send | Send E-Invoice |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when click the command |

| | | | |
|------------------------|--|--|--|
| Page Name | Print Invoice Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Customer Order Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Page Name | Project Invoices Page | | |
| Command | Print | Send | Send E-Invoice |
| Project Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Page Name | Batch Print Customer Invoices Page | | |
| Command | Print | Send | Send E-Invoice |
| Instant Invoice | Error message raised when clicking the command | Error message raised when clicking the command | Error message raised when clicking the command |
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when clicking the command |
| Page Name | Print Customer Invoices Page | | |
| Command | Print | Send | Send E-Invoice |

| | | | |
|------------------------|--|--|--|
| Customer Order Invoice | Error message visible in Background Jobs | Error message visible in Background Jobs | Error message raised when clicking the command |
|------------------------|--|--|--|

11.6 Update General Ledger

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

11.7 Fetch Tax Ledger Information

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

Users can check the Tax Collected at Source amounts in the **Tax Transaction** Page using 'Tax Category I' for TCS.

| Invoice Type | Command | | | |
|-----------------------------------|---|---|---|---|
| | Print | Send | Send E-Invoice | Resend E-Invoice |
| Instant Invoice | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command | Error message raised when click the command |
| Customer Order Invoice | Error message raised when click the command | Error message visible in Background Jobs | Error message raised when click the command | Error message raised when click the command |
| Collective Customer Order Invoice | Error message raised when click the command | Error message visible in Background Jobs | Error message raised when click the command | Error message raised when click the command |
| New Manual Customer Invoice | Error message raised when click Finish button | | | |

| Tax Transactions | | | | | | | | | | | |
|------------------|--------------|-------------------------------|-----------|------------|-----------------------|----------------|----------|----------------|------------|------------------------|--|
| Invoice No | Tax Trans ID | Identity | Series ID | Party Type | Tax ID Validated Date | Income Type ID | Tax Code | Tax Category I | Tax Amount | Original Tax ID Number | |
| 9700028 | 205086 | CHBELK IN CUS - CHBELK IN CUS | II | Customer | | | TCS I | TCS - TCS | -2.22 | AD:CUS:PAN:AP:3344 | |
| 9700029 | 205092 | CHBELK IN CUS - CHBELK IN CUS | II | Customer | | | TCS I | TCS - TCS | -2.22 | AD:CUS:PAN:AP:3344 | |
| 9700030 | 205098 | CHBELK IN CUS - CHBELK IN CUS | II | Customer | | | TCS I | TCS - TCS | -2.22 | AD:CUS:PAN:AP:3344 | |
| 9700031 | 205104 | CHBELK IN CUS - CHBELK IN CUS | II | Customer | | | TCS I | TCS - TCS | -2.22 | AD:CUS:PAN:AP:3344 | |
| CDB SI | 205110 | CHBELK SUP - CHBELK SUP | SI | Supplier | | | TCS I | TCS - TCS | 14.80 | SUP:PAN:998877 | |
| 97000012 | 205023 | CHBELK IN CUS - CHBELK IN CUS | CD | Customer | | | TCS I | TCS - TCS | -2.96 | AD:CUS:PAN:AP:3344 | |

11.8 Delimitations

N/A

12 TDS – Tax Deducted at Source

12.1 Overview Legal Requirement

The concept of TDS (Tax Deducted at Source) was introduced with an aim to collect tax from the very source of income. As per this concept, a person (deductor) who is liable to make a payment of specified nature to any other person (deductee) shall deduct tax at source and remit the same into the account of the Central Government.

The Finance Act, 2021, introduced Section 194Q of the Income-tax Act, 1961, which is related to Tax Deducted at Source (TDS) on the purchase of goods and not to the provisions of services.

- Threshold as of now (2023): TDS to be deducted from suppliers on invoices where the transaction with the supplier is more than **50 Lakhs** in the current year.
- Rate and the Base as of now (2023): **0.1% on Net Amount**.

Example:

An invoice received by the supplier to pay Rs. 10,000 (Without GST) on which 0.1% TDS was charged and held Rs. 10 when making the payment. So, the total payable to the supplier is Rs. 9,990.

12.2 Process Overview



12.3 Solution Overview

In the Indian Context, TDS is considered a form of Withholding Tax. Therefore, it is decided to use the existing WHT (Withholding Tax) Functionality in IFS to cater to this requirement.

When a **Supplier has reached the specified Threshold** (the current limit is 50 lakhs per year), the user must set up Withholding Tax Codes as per the core functionality.

12.4 Prerequisites

- Define Income Type for TDS under the **Income Type** Page using country code “IN” (India).

Income Types

| Country Code | Income Type | Description | 1099 Threshold Currency | 1099 Threshold Amount | Report Code | Tax Withholding Code |
|--------------|-------------|------------------------|-------------------------|-----------------------|-------------|----------------------|
| IN | TDS | Tax Deducted at Source | INR | 0.00 | | Optional |
| US | 1 | Rents | USD | 0.00 | | Optional |

- Define the Tax Code for TDS using the Tax Type for 'Tax Withhold'.
(Tax Method Tax Received / Disbursed – Invoice Entry, Tax Category – None)

Tax Codes

| Tax Code | Description | Tax Type | Tax (R) | Deductible (R) | Valid From | Valid To | Tax Method Tax Received | Tax Method Tax Disbursed | Tax Amount at Invoice Printout | Tax Amo... Limit in Acco... Curre... | Tax Repo... Categ... | Tax Category 1 | Tax Ca |
|----------|----------------|----------------|---------|----------------|------------|------------|-------------------------|--------------------------|--------------------------------|--------------------------------------|----------------------|----------------|--------|
| TDS | TDS | Tax Withhold | 0.1 | 100 | 5/31/2023 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | None | NONE - None | | |
| 7 | Calculated tax | Calculated Tax | 20 | 100 | 3/23/2023 | 12/31/2049 | Final Posting | Invoice Entry | Separate from Price | None | SGST - State GST | | |
| EO | EU Tax 0% | Calculated Tax | 0 | 100 | 1/1/2020 | 12/31/2049 | Invoice Entry | Invoice Entry | Separate from Price | None | | | |

- Connect TDS tax code under Supplier Withholding setup.
(Supplier > Invoice Tab > Tax Information > Tax Withholding/Reporting)

Invoice

CHBELK SUP - CHBELK SUP 1 of 1

Supplier: CHBELK SUP, Name: CHBELK SUP, Association No: CHBELK SUP

Company: CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD

Default Cost Code String: **Tax Withholding/Reporting**

TAX INFORMATION

| | | |
|-------------------|----------------------------|---------------|
| Tax Liability | Tax Withholding/Reporting | Tax Book Ref |
| TAX | Report Income/Withhold Tax | |
| Tax Free Tax Code | Rounding Tax Code | Delivery Type |

Attachments

Enter *Supplier Income Type* as TDS and relevant Tax Code under *Default Tax Withholding Codes*.

Tax Withholding/Reporting

CHBELK INDIA PVT LTD - CHBELK SUP 1 of 1

Supplier: CHBELK SUP - CHBELK SUP
 Supplier Tax Office: [Blank]
 Withholding Base: Invoice Net Amount
 Tax Certificate Form: Not Used

UK Specific CIS Reporting: [Blank] | US Specific 1099 Reporting: [Blank]

Supplier Income Type

| Income Type | Default Income Type | 1099 Threshold Currency | 1099 Threshold Amount | Supplier 1099 Threshold Amount |
|------------------------------|---------------------|-------------------------|-----------------------|--------------------------------|
| TDS - Tax Deducted at Source | No | INR | 0.00 | |

Supplier State Tax Information

Default Tax Withholding Codes

| Tax Code | Tax (%) | Income Type | Report Code | Country Code | State | CIS Status |
|----------|---------|------------------------------|-------------|--------------|-------|------------|
| TDS | 0.1 | TDS - Tax Deducted at Source | | | | Not Used |

12.5 TDS Process in Supplier Invoices

Enter a supplier invoice using TDS applicable supplier (who has reached the specified threshold by the Indian Government).

'Income Type Identity' should be selected as TDS in invoice lines (Income Type which is defined under Tax Withholding Basic Data in **Supplier** Page).

New Manual Supplier Invoice

Header Information | Line Information | Posting Information

Invoice

| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount |
|----------------------|------------|-----------|-------------|----------|--------------|
| CHBELK INDIA PVT LTD | CHBELK SUP | SI | INVOICE 001 | INR | |

Line Information

| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Amount | Cost Amount |
|--------------|------------|------------|---------------------------|-------------|
| 1000.00 | 1000.00 | 0.00 | 0.00 | 1000.00 |

Lines

Tax Lines: Tax Lines, Withholding

| HSN/SAC Code | Line ID | Delivery Type | Income Type Identity | Tax Code | Tax Calculation Structure | Multiple Tax Lines | Tax (%) |
|--------------|---------|---------------|----------------------|----------|---------------------------|--------------------|---------|
| | 1 | | TDS | | | No | |

Navigation: Previous, Next, Finish, Cancel

Users can check the TDS amount by clicking the 'Tax Lines, Withholding' command.

× Tax Lines, Withholding

| | | | |
|----------------------------|--------------------|------------|-------------|
| Supplier | Withholding Base | Series ID | Invoice No |
| CS CHBELK SUP - CHBELK SUP | Invoice Net Amount | SI | INVOICE 001 |
| Tax Curr Rate | Gross Amount | Net Amount | |
| 1 | 1000.00 | 1000.00 | |

Line Details

| | Tax Code | Tax Type | Withholding Base Amount | Tax % | Tax Amount | Tax Amount In Accounting Currency | Tax Amount In Parallel Currency | Use Withholding Amount Table | Report Code |
|--------------------------|----------|--------------|-------------------------|-------|------------|-----------------------------------|---------------------------------|------------------------------|-------------|
| <input type="checkbox"/> | TDS | Tax Withhold | 1000.00 | 0.1 | 1.00 | 1.00 | 10.00 | No | |

Follow the standard process of entering supplier invoice until invoice is in **Posted** state.

12.6 Update General Ledger

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

12.7 Fetch Tax Ledger Information

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

Users can check the TDS amount on the **Tax Transaction** Page using the 'Income Type ID' for TDS.

| Tax Transactions | | | | | | | | | |
|--------------------------|-------------|--------------|----------------------------|------------|------------------------|----------------|------------|------------------------|------------------|
| | Invoice No | Tax Trans ID | Identity | Party Type | Tax ID Validat... Date | Income Type ID | Tax Amount | Original Tax ID Number | Tax ID Number |
| <input type="checkbox"/> | INVOICE 001 | 203732 | CS CHBELK SUP - CHBELK SUP | Suppl | | | 600.00 | SUP: PAN: 998877 | SUP: PAN: 998877 |
| <input type="checkbox"/> | INVOICE 001 | 203733 | CS CHBELK SUP - CHBELK SUP | Suppl | | | 2500.00 | SUP: PAN: 998877 | SUP: PAN: 998877 |
| <input type="checkbox"/> | INVOICE 001 | 203734 | CS CHBELK SUP - CHBELK SUP | Suppl | | TDS | -10.00 | SUP: PAN: 998877 | SUP: PAN: 998877 |

12.8 Delimitations

N/A

13 India e-Invoicing

13.1 Overview Legal Requirement

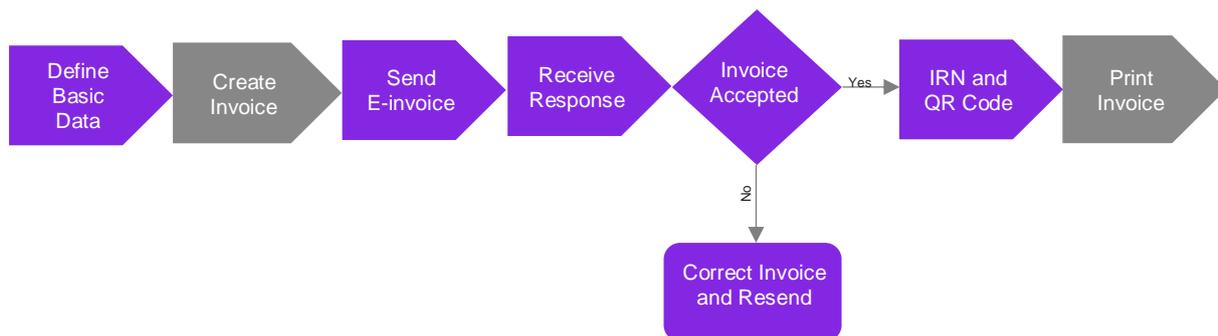
E-invoicing defined under GST law requires specific businesses which are GST registered to generate e-invoice for B2B (business to business) transactions. Based on the e-invoicing system, against each Invoice, an identification number is issued by IRP (Invoice Registration Portal). E-invoicing is applicable to companies in India with aggregate turnover higher than Rs.10 crore from 1st October 2022 and higher than Rs.5 crore from 1st August 2023.

The documents applicable for e-invoice are tax invoices, credit notes and debit notes under Section 34 of the CGST Act.

The chosen clearance model by India consists of three parts:

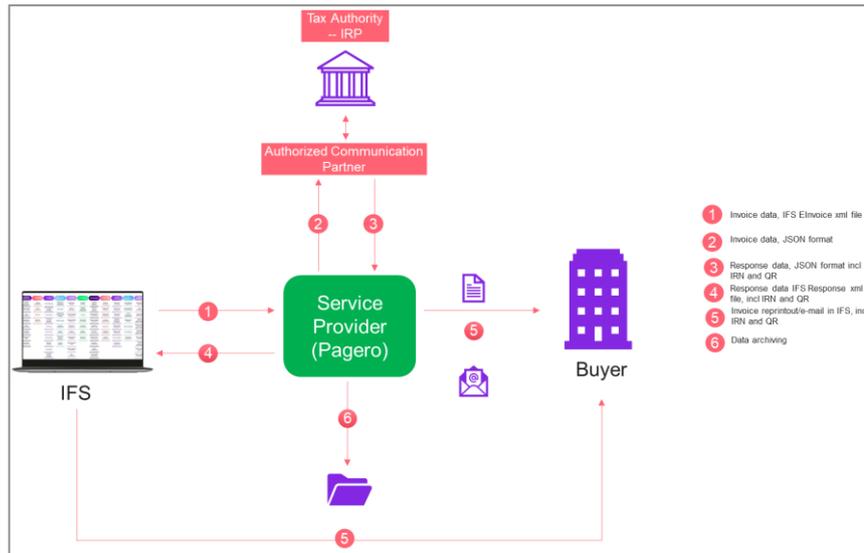
- All invoices must be sent to tax authorities (IRP: Invoice Registration Portal).
- The Tax Authority is sending a response with a clearance/approval, a QR code and an invoice reference number (IRN).
- Invoice including IRN and QR-code is printed and sent to the customer.

13.2 Process Overview



13.3 Solution Overview

The solution is based on e-invoice processing which uses a 3rd party service provider to handle the communication of invoice information. The solution has been developed in cooperation with the IFS partner Pagero but other local or global service providers can be utilized. The service provider is needed to transform the IFS-style invoice file to the required format and to transform the response file to an IFS-style format.



1. Invoice or Outgoing Tax Document is created in IFS Cloud and XML file in IFS style format is generated. Through IFS Connect, the file is placed in the out-folder to be picked up by the service provider.
2. The service provider validates the file, converts it to the required JSON format and transfers the file to IRP.
3. The service provider receives a response file including status, IRN and QR code.
4. The service provider converts the response file to IFS style format and transfers it to IFS Cloud and IFS Connect in-folder.
5. Invoice or Outgoing Tax Document is printed in IFS Cloud including the IRN and QR-code and sent to buyer.
6. The service providers offer archiving of all relevant documents as well as other services.

13.4 Prerequisites

The company requires to be set up for Indian localization, see the [Company Set Up](#) chapter. In addition to this:

- The parameter “E-Invoice in India” must be enabled.
- Need to set up a Company with INR as accounting currency.

▾

13.5 Basic Data Setup

Define the following basic data:

- Connect Process Type to **Company** and/or **Customer** Page.
- Routing rule and address for sending and receiving.
- Supply Type codes to classify different types of business transactions.
- Supply Type Code for Customers to categorize type of business.
- HSN/SAC types to classify whether the supply is service or goods.

13.5.1 NEW PROCESS TYPE

A new Process type STD-IN has been introduced to handle the compliance process facilitating the mandatory e-invoice process.

E-invoice Processing Type STD-IN - Standard Template for Invoice Processing Type - India 1 of 1

Process Type: STD-IN | Description: Standard Template for Invoice Processing Type - India

E-invoice Process

| | | | |
|-------------------|------------------------|--|---------------------|
| E-invoice Process | Process after Response | Automatically Process Accepted Invoice | Approval User |
| Yes | Yes | No | ALAIN - Alain Prost |

Message Setup

| | |
|-----------------|-----------------------|
| Format | Service Provider |
| E-invoice India | IFS_CLOUD - IFS Cloud |

A new process type could be defined by the user with the parameters set below:

- E-invoice Process = Yes
- Process after Response = Yes
- Format = E-invoice India
- Approval User needs to be added.

Format E-invoice India is added to distinguish the Indian XML schema used for the generation of invoice files sent to the Tax Authority with mandatory E-invoice tags for India from the standard XML schema.

13.5.2 E-INVOICE SETUP

The user needs to define the Process Type in the **Company** and/ or in the **Customer** page.

Basic data set up in **Company Page/ Invoice /General** tab/Miscellaneous Parameters

| | | | |
|---------|-----------|----------------|------------|
| Company | Name | Association No | Created By |
| KD-IND | India- PP | kd-ind | KDESLK |

GENERAL | DEFAULT INVOICE TYPES | PO MATCHING | DOCUMENT MANAGEMENT | SUPPLIER INVOICE WORKFLOW

Upgrade Invoices with Posting Proposals

Posting Parameters

Miscellaneous Parameters

| | | | |
|--|--|-------------------------------------|--|
| Planned Payment Date Calculation Base | Unique Supplier Invoice No Per | Incoming Invoice Currency Rate Base | Outgoing Invoice Currency Rate Base |
| Pay. Term Base Date | Supplier | Voucher Date | Invoice Date |
| Process Type | Supplier Invoice Authorization Only by Separate Function | Cash Discount Based on Gross Amount | Set Invoice Date to Current Date When Printing Outgoing Invoices |
| STD-IN | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Print Advance Payments Information on Customer Invoice | Unique Payment Reference Validation | | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | | |

Invoice Payment Reference No: Credit

Basic data is set up in the **Customer Page/ Invoice /General** tab.

| | | |
|---|----------------------------|---|
| Customer KD-IN | Name For India | Association No kd-ind |
| Company: KD-IND - India- PP | | |
| <input type="text"/> + <input type="text"/> <input type="text"/> Notes <input type="text"/> IPD Tax Information | | |
| GENERAL PROPERTIES MESSAGE SETUP | | |
| Customer Type External | Default Currency Rate Type | Currency INR |
| No of Invoice Copies 0 | Numeration Group | Payment Terms 0 - Due Immediately |
| National Bank Code | Inactive Date | Inactive Reason |
| Supply Type Code GD - GD | Process Type KD-IN | Invoice Fee <input type="checkbox"/> |
| | | Print Tax Code Text <input type="checkbox"/> |
| | | Notes No |

To have the Send E-invoice option enabled in **Instant Invoice, Customer Invoice, Print Customer Invoices, Print Invoice, and Outgoing Tax Document** Pages it requires connecting the above-defined process type in the **Company** and/ or **Customer** page.

| | | | | | | | |
|--|--------------------------------------|---|---|--|---------------------------|--------------------|-------------|
| Instant Invoice PR - 216658 | | | | | | | Preliminary |
| <input type="text"/> | | | | | | | |
| More Information Installment Plan and Discounts Pre Posting Send E-invoice Print Work Copy Advance Invoices Use Invoice Template Create Invoice Template Create Recurring Invoice Notes | | | | | | | |
| Customer FI KD-IN - For India | Invoice Type INSTINV | Series ID PR | Invoice No 216658 | Project ID | Invoice Date 8/21/2023 | | |
| Delivery Date 8/21/2023 | Invoice Address CH-DOC | Delivery Address DELHI-DL | Company Delivery Address DL | Use Customer Invoice Address for Tax <input type="checkbox"/> | | Notes No | |
| Advance Invoice <input type="checkbox"/> | Invoice Fee No | Correction Invoice No | Correction Exists No | Preposting No | Currency INR | Currency Rate 1 | |
| Gross Amount 610.00 | Net Amount 500.00 | Tax Amount 110.00 | | | | | |
| Payment and Tax Information | | | | | | | |
| Pay Term Base Date 8/21/2023 | Payment Terms 0 - Due Immediately | Due Date 8/21/2023 | Payment Method | Payment Address ID | | | |
| Supply Country INDIA | Tax Liability TAX | Customer Invoice Tax ID Number CUS:CH:GSTIN:9988 | Customer Delivery Tax ID Number CUS-GST-DL-223 | | | | |
| E-invoice Information | | | | | | | |
| Status | E-invoice Reference Number | E-invoice Reference Date | Response Error Code | | | | |
| Error Description | | | | | | | |

It is also possible to modify the process type at the invoice level (Instant Invoice/Customer Order Invoice/Project Invoice) when it is connected to the Company or Customer. In such cases, the system will automatically fetch the process type associated with the Company or Customer. Priority is given to the customer-level process type. This functionality enables the exclusion of non-liable invoices from being sent to Tax Authorities by selecting a process type that is not enabled for “**E-invoice Process**” at the invoice level.

| | | | |
|--|------------------------|--------------------------------------|----------------------|
| Financials > Customer Invoice > Instant Invoice | | | |
| Instant Invoice | | | |
| <input type="text"/> Search (24+) <input type="checkbox"/> Hide invoices with status Paid/Posted | | | |
| Status Customer Invoice Date More Favorites Search | | | |
| II - 9700001 | | | |
| <input type="text"/> + <input type="text"/> <input type="text"/> | | | |
| Customer | Invoice Type | Series ID | |
| More Information | | | |
| Process Type UF-GEN-1 | Payment Reference | Payer CUSTOMER SW - CUSTOMER S... | Language English |
| Transfer Status | Tax Currency Rate 1 | Our Reference | Customer Reference |
| Creator Reference | Signature SASGLK | Order Date | Customer's PO Number |
| National Bank Code | Nature of Business | Ref Invoice Series ID | Ref Invoice No |
| Correction Reason ID | Correction Reason | Branch | Customer Branch |

Customer Invoice

Search (1)

CUSTOMER SW - CUSTOMER SW - 213357 - CUSTORDDEB - V12368 2 of 3 Preliminary

Share Cancel Invoice Posting Installation Plan and Discounts Notes

| Customer No | Customer Address Name | Series ID | Invoice No | Company | Site | Invoice Created | Order Created |
|-------------|-----------------------|-----------|------------|-----------|------|-----------------|---------------|
| CUSTOMER SW | CUSTOMER SW | PR | 213357 | SWG - SWG | SWG | 2/20/2025 | 2/20/2025 |

| Amounts | | | | | |
|----------|-----------|----------|---------|---------------|-------------------|
| Currency | Gross Amt | Net Amt | Tax Amt | Currency Rate | Tax Currency Rate |
| USD | 27400.00 | 20000.00 | 7400.00 | 1 | 1 |

LINES GENERAL HISTORY

Invoice Type: CUSTORDDEB - Customer Order Invoice, Debit

Invoice Address: SW AD Invoice Date: 2/20/2025 Printed Date:

Process Type: UF-GEN-1 - UF GEN 1

Indicators: Price Adjustment: No, Advance/Prepayment Invoice: No, Use Price Ind Tax: No, Notes: No, Correction Exist: No, Correction Invoice: No

Project Invoice

Search (2)

PJ - 20010002 Preliminary

Notes Invoice Text Printout Customer Installment Plan

| Customer | Customer Name | Project | Invoice Series |
|-------------|---------------|---------|----------------|
| CUSTOMER SW | CUSTOMER SW | | PJ |

| Invoice No | Invoice Period Start | Invoice Period End | Notes | Invoice Text |
|------------|----------------------|--------------------|-------|--------------|
| 20010002 | 2/1/2025 | 2/17/2025 | No | No |

| Amounts | | | |
|----------|--------------|------------|------------|
| Currency | Gross Amount | Net Amount | Tax Amount |
| USD | 2270.09 | 1657.00 | 613.09 |

LINES GENERAL PRE POSTING ACCOUNTING

Invoice Information

Invoice Date: 2/17/2025 Invoice Type: PRJINV Process Type: UF-GEN-1 - UF GEN 1 Series Reference:

Invoice Number Reference: 1 Our Reference: Customer Ref:

13.5.3 ROUTING RULE AND ROUTING ADDRESS SETUP

The Routing rules and routing addresses depicted below are only examples provided in the application and must be customized according to the user's localization requirement (It should be noted they are not enabled by default. The User is required to enable if required).

13.5.3.1 Sending

Routing rule Setup

Example_Send_E-invoice has been introduced to send the invoice.

Solution Manager/ Integration/IFS Connect/Routing Rules/ Outbound

Routing Rules

INBOUND | **OUTBOUND**

Rule Name: Example_Send_E-Invoi... | Route Type | Queue | More | Favorites | Apply | Clear | Saved Filters

| Rule Name | Route Type | Queue | Enabled | Customized |
|------------------------|---------------------|-------|---------|------------|
| Example_Send_E-Invoice | APPLICATION_MESSAGE | OUT1 | Yes | No |

The Routing Rule has been set up with the following conditions.

Routing Rule Example_Send_E-Invoice 1 of 1

Unset Customized

Rule Details

Route From: APPLICATION_MESSAGE | Enabled: | Customized: No

Rule Name: Example_Send_E-Invoice | Queue: OUT1 | Direction: Outbound

Content Based Conditions

| Search Path | Operation | Match |
|------------------|-----------|-----------------------|
| MESSAGE_FUNCTION | = | SEND_EINVOICE_MESSAGE |

Destination Addresses

| Chain Link No | Main Address | Description | Connector | Address |
|---------------|--------------|------------------------|-----------|---------|
| 1 | Yes | Example_Send_E-Invoice | Ftp | /OUT |

Routing Address Set Up

Example_Send_E-Invoice is the routing address used.

Routing Addresses

Export | Details | Set Customized

| Address Name | Transport Connector |
|------------------------|---------------------|
| Example_Send_E-Invoice | FTP |

13.5.3.2 Receiving

Routing Rule Setup

Example_Receive_Einvoice_Response has been introduced to handle the response file.

Routing Rules

INBOUND | OUTBOUND

| ✓ | Rule Name | Route Type | Queue | Enabled | Customized |
|--------------------------|-----------------------------------|------------|-------|---------|------------|
| <input type="checkbox"/> | Example_Receive_Einvoice_Response | SOAP_IFS | IN1 | Yes | No |

Routing Rule Example_Receive_Einvoice_Response 1 of 1

Unset Customized | Set Location Based Condition

Rule Details

| | | |
|-----------------------------------|-------------------------------------|------------|
| Route From | Enabled | Customized |
| SOAP_IFS | <input checked="" type="checkbox"/> | No |
| Rule Name | Queue | Direction |
| Example_Receive_Einvoice_Response | IN1 | Inbound |

Content Based Conditions

| ✓ | Search Path | Operation | Match |
|--------------------------|----------------|-----------|---------------------------|
| <input type="checkbox"/> | fndcn:Function | = | RECEIVE_EINVOICE_RESPONSE |

Destination Addresses

| ✓ | Chain Link No | Main Address | Description | Connector | Address |
|--------------------------|---------------|--------------|-----------------------------------|------------|---------|
| <input type="checkbox"/> | 1 | Yes | Example_Receive_Einvoice_Response | Projection | |

Routing Address Set Up

Example_Receive_Einvoice_Response is the routing address used.

Routing Addresses

Address Name: Example_Receive_Einv... | Transport Connector | Customized | More | Favorites | Apply | Clear | Saved Filters

| ✓ | Address Name | Transport Connector | Customized |
|--------------------------|-----------------------------------|---------------------|------------|
| <input type="checkbox"/> | Example_Receive_Einvoice_Response | Projection | No |

Routing Address Example_Receive_Einvoice_Response 1 of 1

Advanced Set Customized

Transport Connector: Projection
 Address Name: Example_Receive_Einvoice_Response
 Customized: No

Format
 Envelope: [Dropdown]
 Encoding: [Dropdown]
 Compress: [Toggle]
 Envelope Response: [Toggle]

Transformers
 + [Filter] [Settings] [24] [Menu]

- Transformer
- : TO_MIXED_CASE
- : MODEL_BASED_XML_TO_JSON

Response Transformers
 + [Filter] [Settings] [24] [Menu]

(No data)

Projection Address Data
 Projection Method: Action
 Projection Resource: InvoiceResponseService.ReceiveEinvoiceResponse

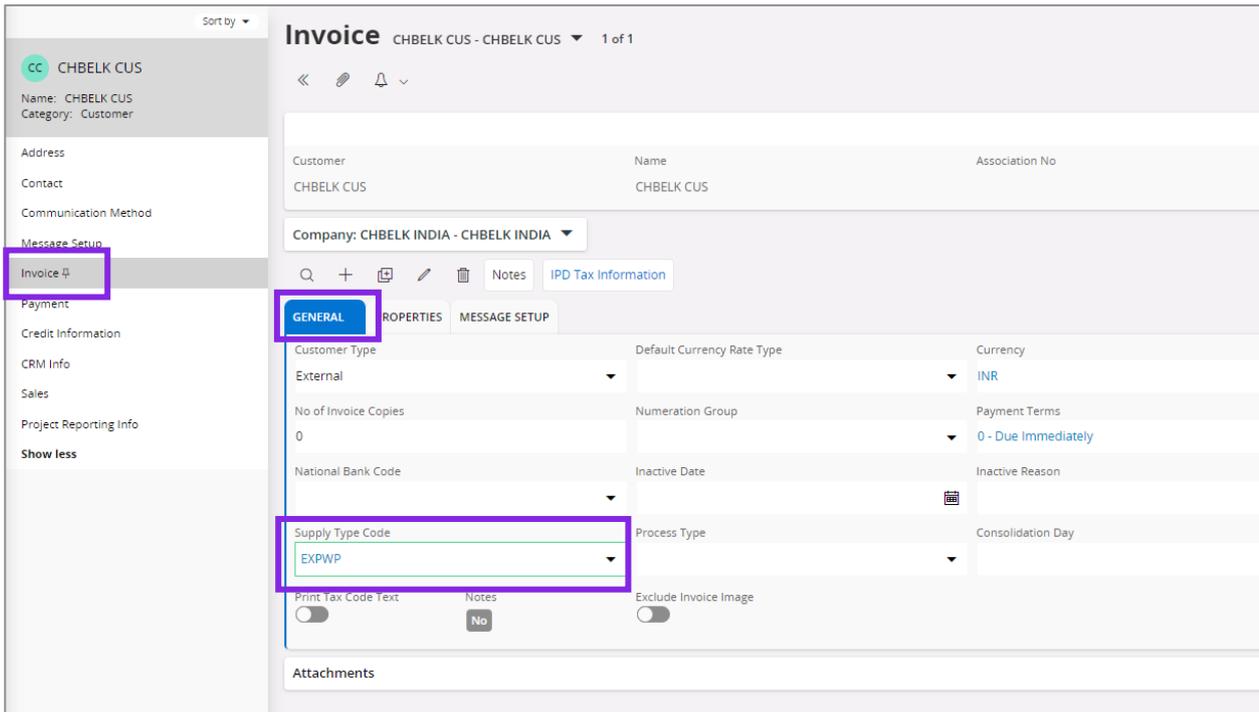
13.5.4 SUPPLY TYPE CODES

It is mandatory to specify the type of supply in the invoice XML file, and header level to classify the business transaction. The Supply Type requires to be manually defined in the application in the **Supply Type Codes** Page and there will be no predefined codes. The codes are required to be defined in accordance with definitions provided by the Tax Authority.

| Supply Type Codes | | | |
|--------------------------|------------------|------------------------|---------|
| + [Filter] [Edit] | | | |
| ✓ | Supply Type Code | Description | Default |
| <input type="checkbox"/> | : B2B | Business to Business | Yes |
| <input type="checkbox"/> | : DEXP | Deemed Export | No |
| <input type="checkbox"/> | : EXPOWP | Export without Payment | No |
| <input type="checkbox"/> | : EXPWP | Export with Payment | No |
| <input type="checkbox"/> | : SEZOWP | SEZ without Payment | No |
| <input type="checkbox"/> | : SEZWP | SEZ with Payment | No |

The enumerated list of Supply Type Codes as of 2023 are B2B/ SEZWP/ SEZWOP/ EXPWP/ EXPWOP/ DEXP and there should be at least one default supply type code always.

The Supply Type Code needs to be defined for the Customer as well.



Invoice CHBELK CUS - CHBELK CUS 1 of 1

Customer: CHBELK CUS, Name: CHBELK CUS, Association No: CHBELK CUS

Company: CHBELK INDIA - CHBELK INDIA

GENERAL PROPERTIES MESSAGE SETUP

Customer Type: External, Default Currency Rate Type: INR, Currency: INR

No of Invoice Copies: 0, Numeration Group: 0 - Due Immediately, Payment Terms: 0 - Due Immediately

National Bank Code: [Empty], Inactive Date: [Empty], Inactive Reason: [Empty]

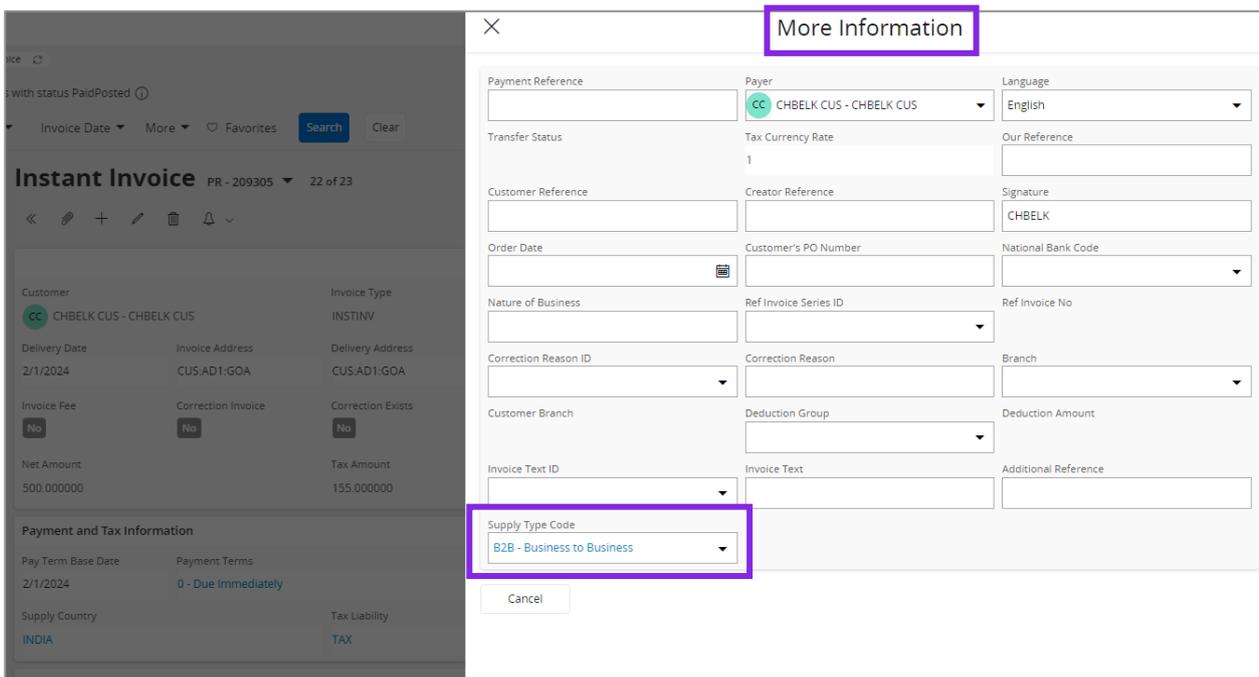
Supply Type Code: EXPWP, Process Type: [Empty], Consolidation Day: [Empty]

Print Tax Code Text: [Off], Notes: No, Exclude Invoice Image: [Off]

A new field is added on the following pages.

13.5.4.1 Instant Invoice

When the user enters an Instant Invoice, value is fetched from customer basic data and if no supply type code is available in customer basic data, default Supply Type Code is fetched. This value can be changed until the invoice is in Preliminary status but before sending E-Invoice.



More Information

Payment Reference: [Empty], Payer: CHBELK CUS - CHBELK CUS, Language: English

Transfer Status: [Empty], Tax Currency Rate: 1, Our Reference: [Empty]

Customer Reference: [Empty], Creator Reference: [Empty], Signature: CHBELK

Order Date: [Empty], Customer's PO Number: [Empty], National Bank Code: [Empty]

Nature of Business: [Empty], Ref Invoice Series ID: [Empty], Ref Invoice No: [Empty]

Correction Reason ID: [Empty], Correction Reason: [Empty], Branch: [Empty]

Customer Branch: [Empty], Deduction Group: [Empty], Deduction Amount: [Empty]

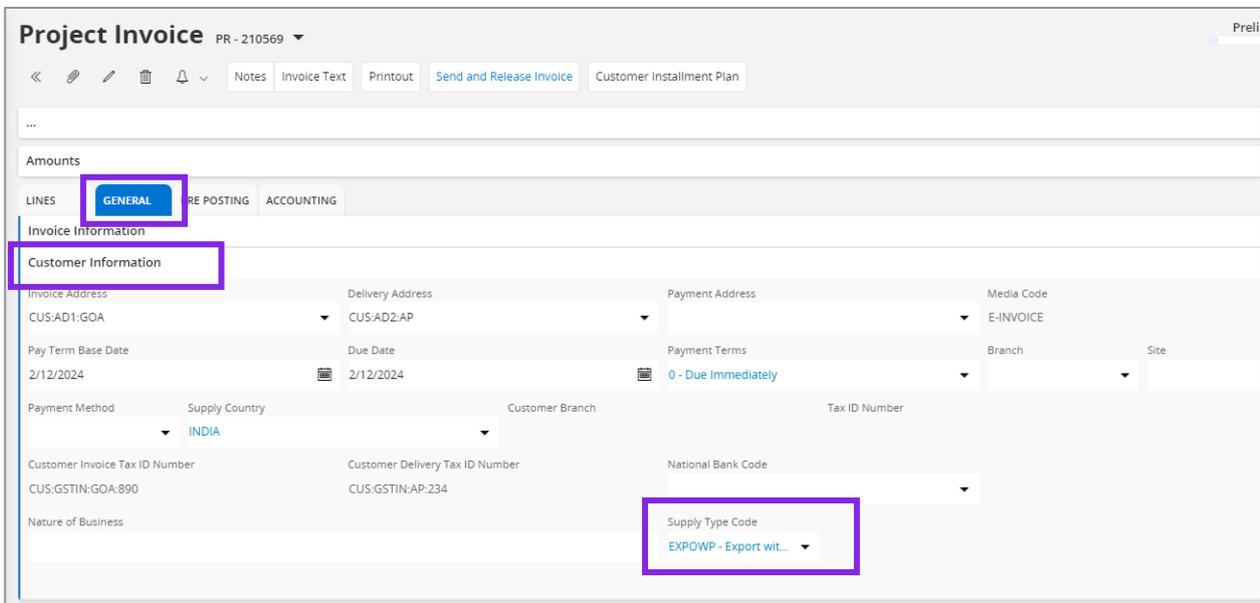
Invoice Text ID: [Empty], Invoice Text: [Empty], Additional Reference: [Empty]

Supply Type Code: B2B - Business to Business

Cancel

13.5.4.2 Project Invoice

When the user enters a Project Invoice, value is fetched from customer basic data and if no supply type code is available in customer basic data, default Supply Type Code is fetched. This value can be changed until the invoice is in Preliminary status but before sending E-Invoice.



Project Invoice PR - 210569 Prelim

Navigation: << | < | > | >> | Notes | Invoice Text | Printout | Send and Release Invoice | Customer Installment Plan

Amounts

LINES | **GENERAL** | PRE POSTING | ACCOUNTING

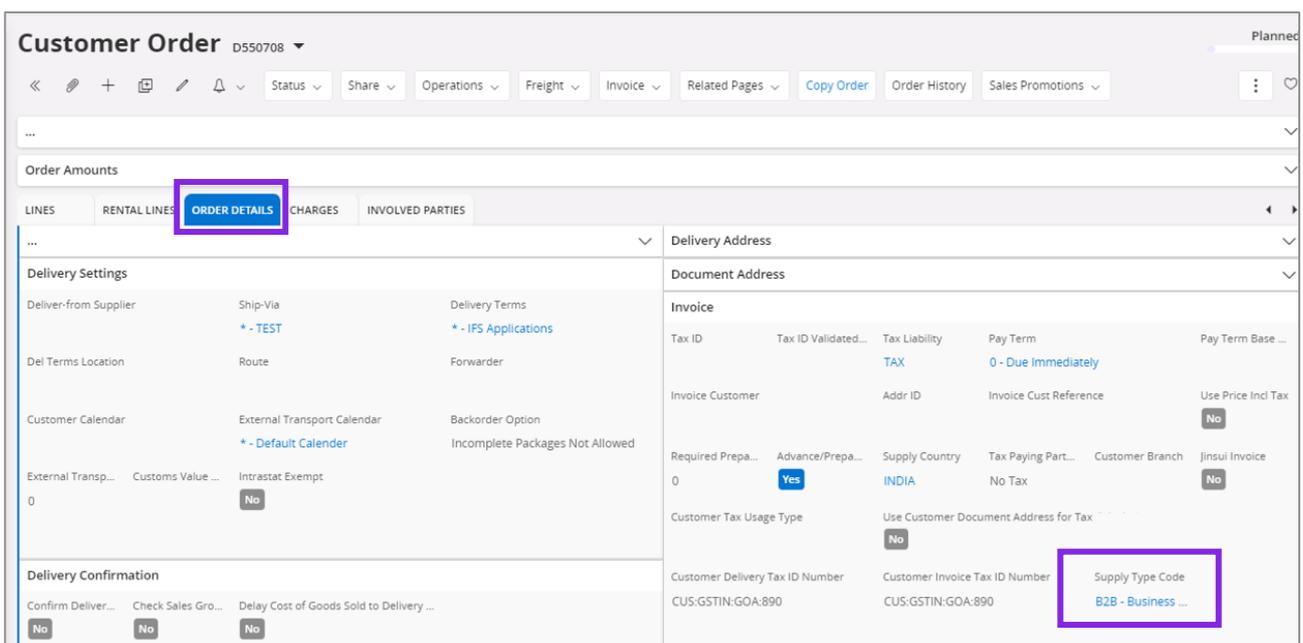
Invoice Information

Customer Information

| | | | |
|---|---|--------------------------------------|-------------------------|
| Invoice Address CUS:AD1:GOA | Delivery Address CUS:AD2:AP | Payment Address | Media Code E-INVOICE |
| Pay Term Base Date 2/12/2024 | Due Date 2/12/2024 | Payment Terms 0 - Due Immediately | Branch |
| Payment Method | Supply Country INDIA | Customer Branch | Tax ID Number |
| Customer Invoice Tax ID Number CUS:GSTIN:GOA:890 | Customer Delivery Tax ID Number CUS:GSTIN:AP:234 | National Bank Code | |
| Nature of Business | Supply Type Code EXPOWP - Export wit... | | |

13.5.4.3 Customer Order

When the user enters a Customer Order, the value is fetched from the customer's basic data and if no supply type code is available in the customer's basic data, the default Supply Type Code is fetched. This value can be changed until the Customer Order gets Invoiced.



Customer Order D550708 Planned

Navigation: << | + | < | > | >> | Status | Share | Operations | Freight | Invoice | Related Pages | Copy Order | Order History | Sales Promotions

Order Amounts

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

Delivery Address

Delivery Settings

| | | |
|-----------------------|---|---|
| Deliver-from Supplier | Ship-Via + - TEST | Delivery Terms + - IFS Applications |
| Del Terms Location | Route | Forwarder |
| Customer Calendar | External Transport Calendar + - Default Calender | Backorder Option Incomplete Packages Not Allowed |
| External Transp... | Customs Value ... | Intrastat Exempt No |

Delivery Confirmation

| | | |
|--------------------|--------------------|--|
| Confirm Deliver... | Check Sales Gro... | Delay Cost of Goods Sold to Delivery ... |
| No | No | No |

Document Address

Invoice

| | | | | |
|-------------------------|---------------------------------------|-------------------------|---------------------------------|----------------------|
| Tax ID | Tax ID Validated... | Tax Liability TAX | Pay Term 0 - Due Immediately | Pay Term Base ... |
| Invoice Customer | Addr ID | Invoice Cust Reference | Use Price Incl Tax No | |
| Required Prepa... | Advance/Prepa... | Supply Country INDIA | Tax Paying Part... | Customer Branch |
| 0 | Yes | No Tax | | Jinsul Invoice No |
| Customer Tax Usage Type | Use Customer Document Address for Tax | | | |
| | No | | | |

Customer Delivery Tax ID Number
CUS:GSTIN:GOA:890

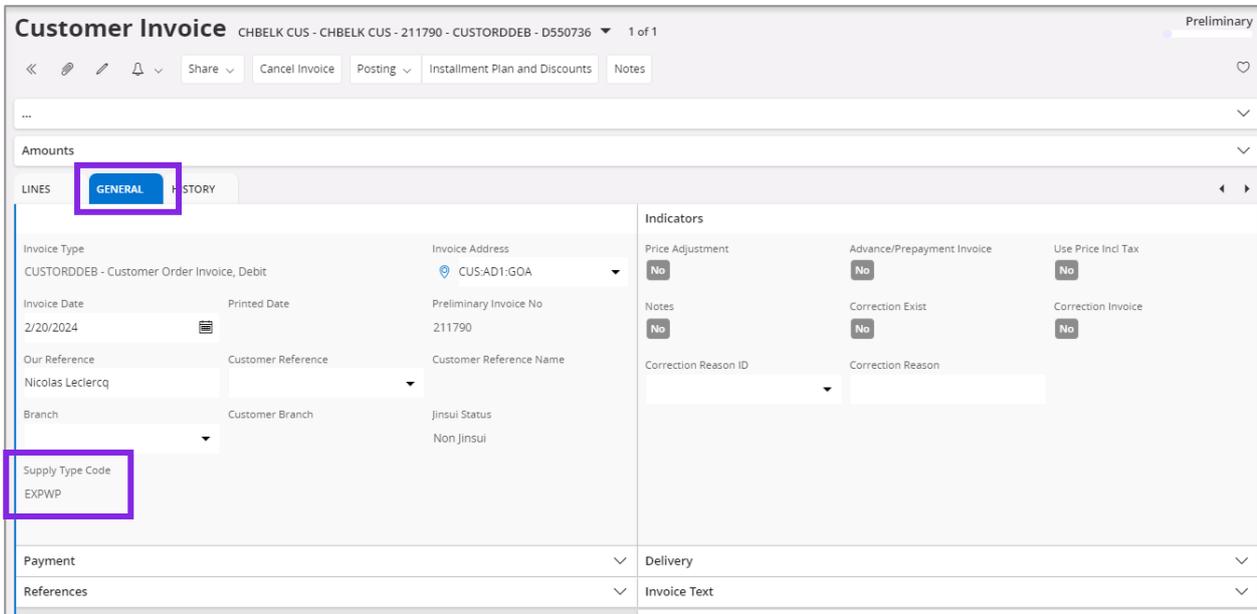
Customer Invoice Tax ID Number
CUS:GSTIN:GOA:890

Supply Type Code
B2B - Business ...

13.5.4.4 Customer Order Invoice

The field fetches value from Customer Order and it cannot be editable in Customer Order Invoice.

Note: When creating Collective Customer Order Invoices, user must connect Customer Orders which has same Supply Type Code to one Invoice.



Customer Invoice CHBELK CUS - CHBELK CUS - 211790 - CUSTORDDEB - D550736 1 of 1 Preliminary

Share Cancel Invoice Posting Installation Plan and Discounts Notes

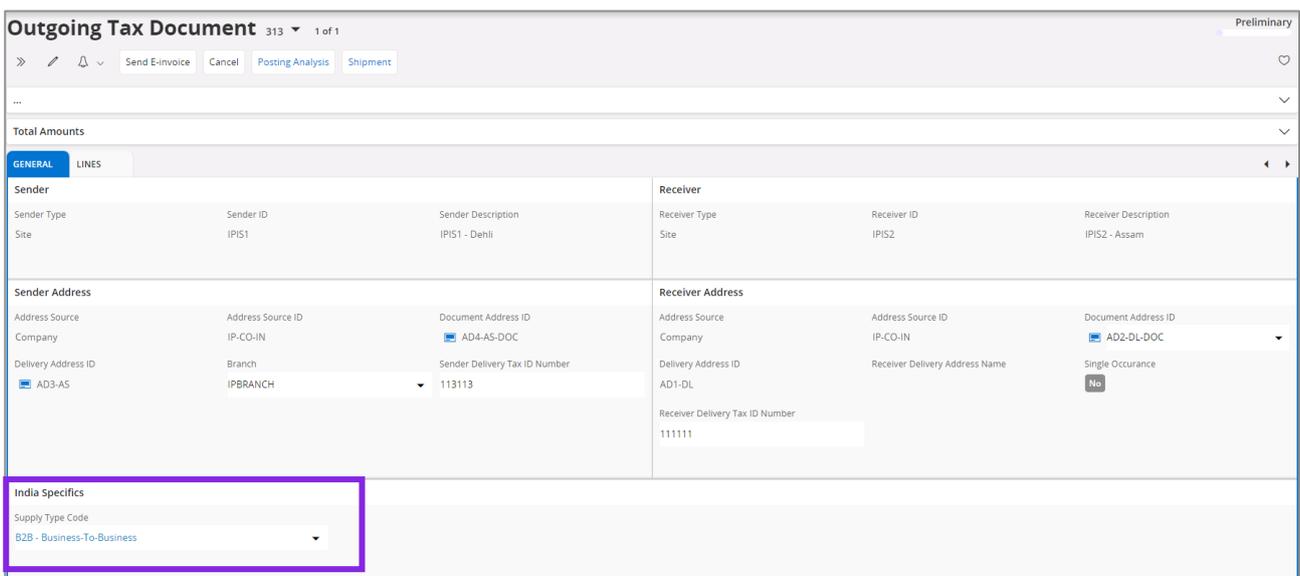
Amounts

LINES **GENERAL** HISTORY

| | | | | |
|--|--------------------------------|-----------------------------|----------------------------------|--------------------------|
| Invoice Type CUSTORDDEB - Customer Order Invoice, Debit | Invoice Address CUS-AD1:GOA | Price Adjustment No | Advance/Prepayment Invoice No | Use Price Incl Tax No |
| Invoice Date 2/20/2024 | Printed Date | Notes No | Correction Exist No | Correction Invoice No |
| Our Reference Nicolas Leclercq | Customer Reference | Correction Reason ID | Correction Reason | |
| Branch | Customer Branch | Jinsui Status Non Jinsui | | |
| Supply Type Code EXPWP | | | | |
| Payment | | Delivery | | |
| References | | Invoice Text | | |

13.5.4.5 Outgoing Tax Document

Default Supply Type Code is fetched to the field, and it can be changed until the E-Invoice is sent.



Outgoing Tax Document 313 1 of 1 Preliminary

Send E-Invoice Cancel Posting Analysis Shipment

Total Amounts

GENERAL LINES

| | | | | | |
|--|-------------------------------|---|---|--------------------------------|---------------------------------------|
| Sender | | | Receiver | | |
| Sender Type Site | Sender ID IPI51 | Sender Description IPI51 - Delhi | Receiver Type Site | Receiver ID IPI52 | Receiver Description IPI52 - Assam |
| Sender Address | | | Receiver Address | | |
| Address Source Company | Address Source ID IP-CO-IN | Document Address ID AD4-AS-DOC | Address Source Company | Address Source ID IP-CO-IN | Document Address ID AD2-DL-DOC |
| Delivery Address ID AD3-AS | Branch IPBRANCH | Sender Delivery Tax ID Number 113113 | Delivery Address ID AD1-DL | Receiver Delivery Address Name | Single Occurrence No |
| | | | Receiver Delivery Tax ID Number 111111 | | |
| India Specifics | | | | | |
| Supply Type Code B2B - Business-To-Business | | | | | |

13.5.5 HSN/SAC CODES

The GST regime requires identifying all goods by an HSN code and services by a SAC code and is mandatory to include in the invoice XML sent to the authority. See [HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes](#) chapter for detailed information on setting up.

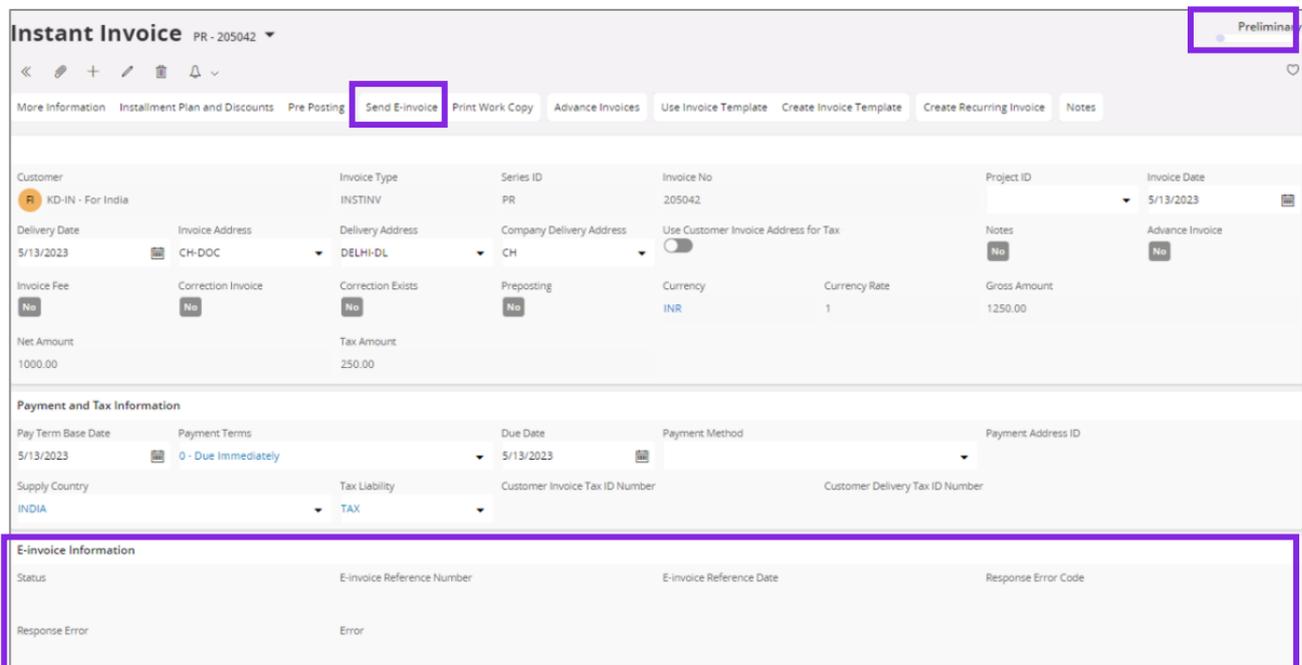
13.6 E – Invoice Flow and Response File Handling

13.6.1 E-INVOICE PROCESS IN CUSTOMER INVOICES

Once the process type is set up in the **Company** or **Customer** basic data, the **Send E-invoice** command on the **Instant Invoice / Customer Order Invoice and Project Invoice** pages will be enabled.

Enter the header and line level data in the **Instant invoice** page and upon saving the invoice it will be saved in Preliminary state with the Send E-invoice option enabled.

A sub-section **E-invoice Information**, in the **Instant Invoice / Customer Order Invoice and Project Invoice** Pages, has been introduced to depict the information pertaining to the response of the file and errors pertaining to sending the e-invoice where the file is not created and sent.



| Instant Invoice PR - 205042 | | | | | | | Preliminary |
|---|----------------------------|--------------------------------|---------------------------------|--------------------------------------|---------------|--------------|-------------|
| More Information Installment Plan and Discounts Pre Posting Send E-invoice Print Work Copy Advance Invoices Use Invoice Template Create Invoice Template Create Recurring Invoice Notes | | | | | | | |
| Customer | Invoice Type | Series ID | Invoice No | Project ID | Invoice Date | | |
| KD-IN - For India | INSTINV | PR | 205042 | | 5/13/2023 | | |
| Delivery Date | Invoice Address | Delivery Address | Company Delivery Address | Use Customer Invoice Address for Tax | | Notes | |
| 5/13/2023 | CH-DOC | DELHI-DL | CH | <input type="checkbox"/> | | No | |
| Invoice Fee | Correction Invoice | Correction Exists | Preposting | Currency | Currency Rate | Gross Amount | |
| No | No | No | No | INR | 1 | 1250.00 | |
| Net Amount | Tax Amount | | | | | | |
| 1000.00 | 250.00 | | | | | | |
| Payment and Tax Information | | | | | | | |
| Pay Term Base Date | Payment Terms | Due Date | Payment Method | Payment Address ID | | | |
| 5/13/2023 | 0 - Due Immediately | 5/13/2023 | | | | | |
| Supply Country | Tax Liability | Customer Invoice Tax ID Number | Customer Delivery Tax ID Number | | | | |
| INDIA | TAX | | | | | | |
| E-invoice Information | | | | | | | |
| Status | E-invoice Reference Number | E-invoice Reference Date | Response Error Code | | | | |
| Response Error | Error | | | | | | |

To send invoice XML to the authority, the user is required to select the Send E-invoice option.

An XML file in IFS style format is created and placed in the IFS Connect out-folder which can be verified in the out-folder.

3rd party service provider validates the file, converts it to the required JSON format, and transfers the file to IRP.

Once the invoice XML is sent to the authorities, based on the status of response the E-invoice Information sub section will be updated.

Instant Invoice II - 9700019 Posted Auth

More Information Installation Plan and Discounts Pre Posting Reprint Original Reprint Modified View Connected Invoices Correction Invoices Create Credit Invoice Use Invoice Template Notes

| | | | | | |
|-------------------------------|---------------------------|------------------------------|--------------------------------|--|---------------------------|
| Customer KD-IN - For India | Invoice Type CORRINV | Series ID II | Invoice No 9700019 | Project ID | Invoice Date 8/16/2023 |
| Delivery Date 8/16/2023 | Invoice Address CH-DOC | Delivery Address DELHI-DL | Company Delivery Address DL | Use Customer Invoice Address for Tax No | Notes No |
| Invoice Fee No | Correction Invoice Yes | Correction Exists No | Preposting No | Currency INR | Currency Rate 1 |
| Net Amount -100.00 | Tax Amount -7.06 | Gross Amount -107.06 | | | |

Payment and Tax Information

| | | | | |
|---------------------------------|--------------------------------------|---|---|--------------------|
| Pay Term Base Date 8/16/2023 | Payment Terms 0 - Due Immediately | Due Date 8/16/2023 | Payment Method | Payment Address ID |
| Supply Country INDIA | Tax Liability TAX | Customer Invoice Tax ID Number CUS:CH:GSTIN:9988 | Customer Delivery Tax ID Number CUS-GST-DL-223 | |

E-invoice Information

| | | | |
|--------------------|---|---------------------------------------|---------------------|
| Status Accepted | E-invoice Reference Number e2948668b7126f1e27240fec2e28d891347120b4445f39156a... | E-invoice Reference Date 7/19/2023 | Response Error Code |
| Response Error | Error | | |

Status: Response status after invoice XML is sent to the authority. Possible statuses are Pending, Accepted, Rejected and Failed.

E-invoice Reference Number: The unique number (IRN) generated by the Tax Authority and sent with a response file.

E-invoice Reference Date: Date on which the response with IRN is received by the Tax Authority

Response Error Code: Error code pertaining to the invoice rejected reason.

Response Error: Description of the error pertaining to the invoice rejected reason.

Error: Errors that occur prior to sending the E-invoice

13.6.2 NEW E-INVOICE PROCESS MONITORING PAGE

The E-invoice Process Monitoring page has been introduced to monitor the Invoice or Outgoing Tax Document sent to authorities for compliance. This page will depict the status of the response from Tax Authorities and other relevant information. Possible statuses of the response are Pending, Accepted and Rejected.

E-Invoice Process Monitoring

Document Type Identity Series ID More Favorites Apply Saved Filters

| Document Type | Identity | Series ID | Document No | Document Status | Attachment | Sent Time | Status | Response Error Code | Error Description |
|------------------|----------|-----------|-------------|-----------------|------------|------------------|----------|---------------------|-------------------|
| Customer Invoice | KD-IN | II | 9700002 | Preliminary | No | 5/23/23, 4:14 PM | Pending | | |
| Customer Invoice | KD-IN | II | 9700003 | Preliminary | No | 5/31/23, 4:34 PM | Pending | | |
| Customer Invoice | KD-IN | II | 9700004 | Preliminary | No | 6/5/23, 10:22 AM | Pending | | |
| Customer Invoice | KD-IN | II | 9700006 | Posted Auth | No | 6/6/23, 9:24 AM | Accepted | | |

The E-invoice Process Monitoring Page will depict and be updated on the response information. Rejected invoices could be modified and resent.

Set E-invoice Status to Rejected Option is enabled for invoices in response status 'Pending' to enable any modification required and to resend the invoice to the Tax Authority.

| E-Invoice Process Monitoring | | | | | | | | | | |
|--|------------------|----------|-----------|-------------|-----------------|--------------|-------------------|------------------|---------------------|----------------|
| Customer Invoice Analysis: Set E-Invoice Status to Rejected | | | | | | | | | | |
| Document Type Identity Series ID Document No. 9700008 More Favorites Apply Clear Saved Filters | | | | | | | | | | |
| (1) | Document Type | Identity | Series ID | Document No | Document Status | Attachmen... | Sent Time | E-Invoice Status | Response Error Code | Response Error |
| ☑ | Customer Invoice | KD-IN | II | 9700008 | Preliminary | No | 6/12/23, 10:10 AM | Pending | | |

Rejected responses from the Tax Authority or invoices set to rejected could be modified and resent using the **Resend E-invoice** option.

| E-Invoice Process Monitoring | | | | | | | | | | |
|--|------------------|----------|-----------|-------------|-----------------|--------------|------------------|----------|---------------------|-------------------|
| Customer Invoice Analysis: Resend E-Invoice | | | | | | | | | | |
| (1) | Document Type | Identity | Series ID | Document No | Document Status | Attachmen... | Sent Time | Status | Response Error Code | Error Description |
| ☑ | Customer Invoice | KD-IN | II | 9700005 | Preliminary | No | 6/5/23, 11:58 AM | Rejected | | |

Status changes in the **E-invoice Process Monitoring** page will be updated in the Instant Invoice, sub-section of **E-invoice Information**. If the Invoice is rejected, the user also has the possibility to cancel the invoice and send a new invoice to the Tax Authority.

Regarding negative amounts in Credit and Correction invoices, Pagero handles the negative values in the invoices prior to sending invoices for Government approval.

13.6.3 PRINT INVOICE INCLUDING IRN AND QR CODE

Invoices with state Accepted can be printed and sent to the customer which includes the IRN and QR-code. Upon printing the invoice, the status will be updated to PostedAuth.

If the option **Automatically Process Accepted Invoice** in the connected Process Type is enabled, after receiving an accepted response the invoice will continue the ordinary flow and be printed and posted automatically.

Refer to core documentation for more information on the E-invoice Process.

13.6.4 E-INVOICE FROM THE OUTGOING TAX DOCUMENT

Once the *Process Type* is set up in the **Company** basic data, the **Send E-invoice** command on the **Outgoing Tax Document** page will be enabled. Also, the new sub-section, **E-invoice Information**, in the **Outgoing Tax Document** page has been introduced and will be enabled.

Warehouse Management > Intracompany Tax Reporting > Tax Document > Outgoing Tax Document

Company: IP COMPANY INDIA

Outgoing Tax Document 39

Send E-Invoice Cancel Posting Analysis Shipment

Total Amounts

GENERAL LINES

| Sender | | | Receiver | | |
|-------------|-----------|----------------------|---------------|-------------|----------------------|
| Sender Type | Sender ID | Sender Description | Receiver Type | Receiver ID | Receiver Description |
| Site | IPIDS | IP India Demand Site | Site | IPISS | IP India Supply Site |

| Sender Address | | | Receiver Address | | |
|---------------------|-------------------|-------------------------------|---------------------------------|--------------------------------|---------------------|
| Address Source | Address Source ID | Document Address ID | Address Source | Address Source ID | Document Address ID |
| Company | IP-CO-IN | AD1-DL | Company | IP-CO-IN | AD1-DL |
| Delivery Address ID | Branch | Sender Delivery Tax ID Number | Delivery Address ID | Receiver Delivery Address Name | Single Occurrence |
| AD1-DL | | | AD1-DL | | No |
| | | | Receiver Delivery Tax ID Number | | |

India Specifics

Tax Document Text

E-Invoice Information

| E-Invoice Status | E-Invoice Reference Number | E-Invoice Reference Date | Response Error Code |
|------------------|----------------------------|--------------------------|---------------------|
| Response Error | | Error | |

Create an *Outgoing Tax Document*. Go to the created *Outgoing Tax Document* and enter the Tax-related information, then deliver the *Shipment*. Once the *Shipment*, connected to the *Outgoing Tax Document*, is delivered the **Send E-Invoice** command is enabled.

Note: In case, when GST should not be reported to the Tax Authorities (the *Outgoing Tax Document* is registered with 0% GST) the **Send E-Invoice** command is not enabled in the *Tax Document* upon delivering the shipment. The *Outgoing Tax Document* can be processed further by executing the **Print** command and postings of the Tax document are created. Upon executing the **Print** command, the Series ID and the Series No are generated from the **Default when 0& GST** Tax Document Series.

When execute the **Send E-Invoice** command an XML file in IFS style format is created and placed in IFS Connect out-folder. 3rd party service provider validates the file, converts it to the required JSON format and transfers the file to the Tax Authorities. The **E-Invoice status** will be updated to Pending. Upon executing the **Send E-Invoice** command the Series ID and the Series No are generated from the **Default** Tax Document Series.

(See [Chapter 15: Taxes in intracompany goods movement](#) for more information about the creation of the Outgoing Tax Document)

The *Outgoing Tax Document* is also added as an entry in the **E-invoice Process Monitoring** Page. Where the option **Set E-invoice Status to Rejected** and **Resend E-Invoice** is available. Status changes in the **E-invoice Process Monitoring** page will be updated in the *Outgoing Tax Document*, sub-section **E-invoice Information**. If the E-invoice is rejected, the user also has the possibility to cancel the Outgoing Tax Document and send a new E-invoice to the Tax Authority.

| E-invoice Process Monitoring | | | | | | | | | | | |
|------------------------------|----------|-----------|-------------|-----------------|------------------|------------------|---|--------------------------|----------------|-------|--|
| Document Type | Identity | Series ID | Document No | Document Status | Sent Time | E-invoice Status | E-invoice Reference Number | E-invoice Reference Date | Response Error | Respo | |
| Tax Document | IPI51 | TD | 29 | Posted | 2024-02-23 09:14 | Accepted | e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8 | 2024-02-01 ... | | | |
| Tax Document | IPI51 | TD | 28 | Posted | 2024-02-22 11:30 | Accepted | e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8 | 2024-02-01 ... | | | |
| Tax Document | IPI51 | TD | 27 | Preliminary | 2024-02-22 10:31 | Accepted | e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8 | 2024-02-01 ... | | | |
| Tax Document | IPI51 | TD | 26 | Preliminary | 2024-02-22 08:42 | Rejected | | | | | |
| Tax Document | IPI51 | TD | 25 | Preliminary | 2024-02-22 07:27 | Rejected | | | | | |
| Tax Document | IPI51 | TD | 24 | Preliminary | 2024-02-21 16:10 | Accepted | e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8 | 2024-02-01 ... | | | |
| Tax Document | IPI51 | TD | 22 | Preliminary | 2024-02-21 15:43 | Rejected | | | | | |
| Tax Document | IPI51 | TD | 21 | Posted | 2024-02-21 15:09 | Accepted | e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8 | 2024-02-01 ... | | | |

13.6.5 PRINT OUTGOING TAX DOCUMENT INCLUDING IRN AND QR CODE

Outgoing Tax Document with **E-Invoice status** Accepted can be printed and sent to the receiver which includes the IRN and QR-code. Upon printing the *Outgoing Tax Document*, the status will be updated to Posted and an **Incoming Tax Document** will be automatically created as a mirror image of the *Outgoing Tax Document*.

If the option, **Automatically Process Accepted Invoice**, in the connected Process Type is enabled. After receiving an Accepted response, the *Outgoing Tax Document* will continue the ordinary flow and be printed and posted automatically.

13.6.6 UPLOADING RESPONSE FILE

Response File received from the 3rd party service provider should be uploaded to the IN Folder.



ReceiveEInvoiceResponseSampleACCEPTED

13.7 Supplier Invoice

To facilitate tax reporting for incoming invoices, in the **New Manual Supplier Invoice** assistant and **Manual Supplier Invoice** page the **E-invoice Reference Number** field is available under the More Information section. IRN could be manually entered and modified in invoice status Preliminary and PrePosted statuses.

Financials > Supplier Invoice > New Manual Supplier Invoice

New Manual Supplier Invoice

Header Information Line Information Posting Information

Company: CMWIND1 Voucher Date: 12/24/2024 Accounting Year: 2024 Accounting Period: 12 User Group: AC Voucher Type: I Voucher No:

PO Reference: Receipt Reference: Sub Contract Reference: Invoice Advice Reference: Project ID: Supplier: CMWSUPIND2 - CMWSUPIND2

Invoice Type: SUPPINV Series ID: SI Invoice No: 35353 Currency: INR Currency Rate: 1 Invoice Date: 12/24/2024 Arrival Date: 12/24/2024 Pay Term Base Date: 12/24/2024

Payment Terms: 0 Due Date: 12/24/2024 Plan Pay Date: 12/24/2024 Payment Reference: Automatic Payment Authorization: No Authorizer ID: *

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

More Information

Reference Series: Reference Invoice No: Invoice Recipient: CHWGLK Supplier Invoice Address: SUPP DOC GA Supplier Delivery Address: SUPP DEL DL Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL Use Company Invoice Address for Tax: Use Supplier Invoice Address for Tax: Use Project Address for Tax: No Reference Supplier: Preliminary Code:

National Bank Code: Nature of Business: Creator Reference: Tax Currency Rate: 1

Tax Withholding Currency Rate: 1 Parallel Currency Rate: 0.02 Delivery Date: 12/24/2024 Tax Invoice Series ID: Tax Invoice No: Tax Invoice Date: Customs Declaration Date:

Correction Reason ID: Correction Reason: Branch: Supplier Branch: E-Invoice Reference Number:

Financials > Supplier Invoice > Manual Supplier Invoice

Manual Supplier Invoice

Search (1) Basic Hide invoices with status PaidPosted

InvoiceId = 207757

Sort by: << SI - 35353 1 of 1

CMWSUPIND2 - CMWSUPIND2

SI 35353

Preliminary

| PO Reference | Receipt Reference | Sub Contract |
|--------------|-------------------|--------------|
| | | |

| Invoice Type | Series ID | Invoice No |
|--------------|-----------|------------|
| SUPPINV | SI | 35353 |

| Pay Term Base Date | Payment Terms |
|--------------------|---------------------|
| 12/24/2024 | 0 - Due Immediately |

| Authorizer ID | Notes | Advance Invo |
|---------------|-------|--------------|
| * | No | No |

| Utility Bills | Gross Amount | Net Amount |
|---------------|--------------|------------|
| No | 10500.00 | 10000.00 |

Line Information

| Gross Amount | Net Amount | Tax Amount |
|--------------|------------|------------|
| 10500.00 | 10000.00 | 500.00 |

More Information

Reference Series: Reference Invoice No: Invoice Recipient: CHWGLK - CHWGLK

Supplier Invoice Address: SUPP DOC GA Supplier Delivery Address: SUPP DEL DL Company Invoice Address: COM DOC UP

Delivery Address: COM DEL DL Use Company Invoice Address for Tax: Use Supplier Invoice Address for Tax:

Use Project Address for Tax: No Reference Supplier: Preliminary Code:

National Bank Code: Nature of Business: Creator Reference: Tax Currency Rate: 1 Tax Withholding Currency Rate: 1 Parallel Currency ...: 0.02

Delivery Date: 12/24/2024 Tax Invoice Series ...: Tax Invoice No: Tax Invoice Date: Customs Declaration Date:

Transfer Status: Customs Declaration Date:

Correction Reason ID: Correction Reason: Branch: Supplier Branch: E-Invoice Reference Number:

OK Cancel

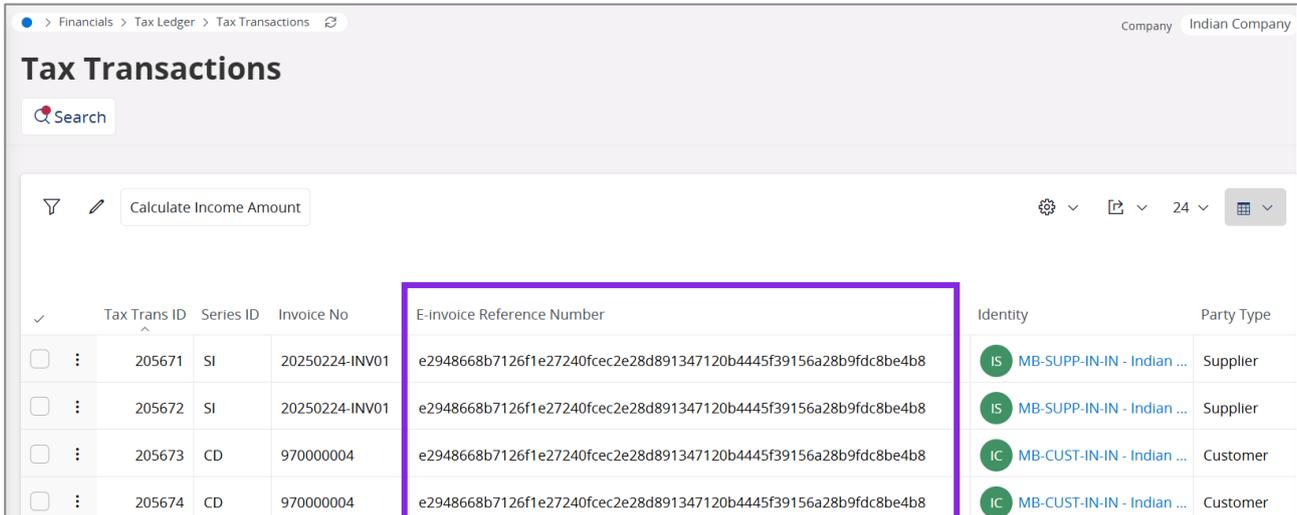
13.8 Update General Ledger

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

13.9 Fetch Tax Ledger Information

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

The IRN will be displayed in the **E-invoice Reference Number** field on the **Tax Transactions** page.



| | Tax Trans ID | Series ID | Invoice No | E-invoice Reference Number | Identity | Party Type |
|--------------------------|--------------|-----------|----------------|--|-------------------------------|------------|
| <input type="checkbox"/> | 205671 | SI | 20250224-INV01 | e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8 | IS MB-SUPP-IN-IN - Indian ... | Supplier |
| <input type="checkbox"/> | 205672 | SI | 20250224-INV01 | e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8 | IS MB-SUPP-IN-IN - Indian ... | Supplier |
| <input type="checkbox"/> | 205673 | CD | 970000004 | e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8 | IC MB-CUST-IN-IN - Indian ... | Customer |
| <input type="checkbox"/> | 205674 | CD | 970000004 | e2948668b7126f1e27240fcec2e28d891347120b4445f39156a28b9fdc8be4b8 | IC MB-CUST-IN-IN - Indian ... | Customer |

13.10 Delimitations

- Only invoices in local currency INR are supported.
- The solution does not support the following invoice types:
 - Manual Customer Invoice
 - Interest Invoice
 - External invoice
- No support for B2C (Business to Consumer) invoices.

13.11 Upgrade Handling

Following points to be considered in an upgrade.

- User responsibility to process all pending invoices before upgrade.
- If any customer was connected to the GETXML_IN message set up before upgrade, after upgrade the company will have the process type STD-IN added to the Company/ Invoice/ Process Type field.
- If the customer defined for Indian e-invoice message set up before the upgrade, the **Customer/Invoice** tab/ Message Set Up will have the message set up as E-invoice IN. The user is required to delete this when the company defines with process type as the compliance process will be based on the Process Type.
- E-invoices sent to the Tax Authority and depicted in the Sent Invoices window/page before the upgrade will be depicted in the **E-invoice Process Monitoring** page after the upgrade.

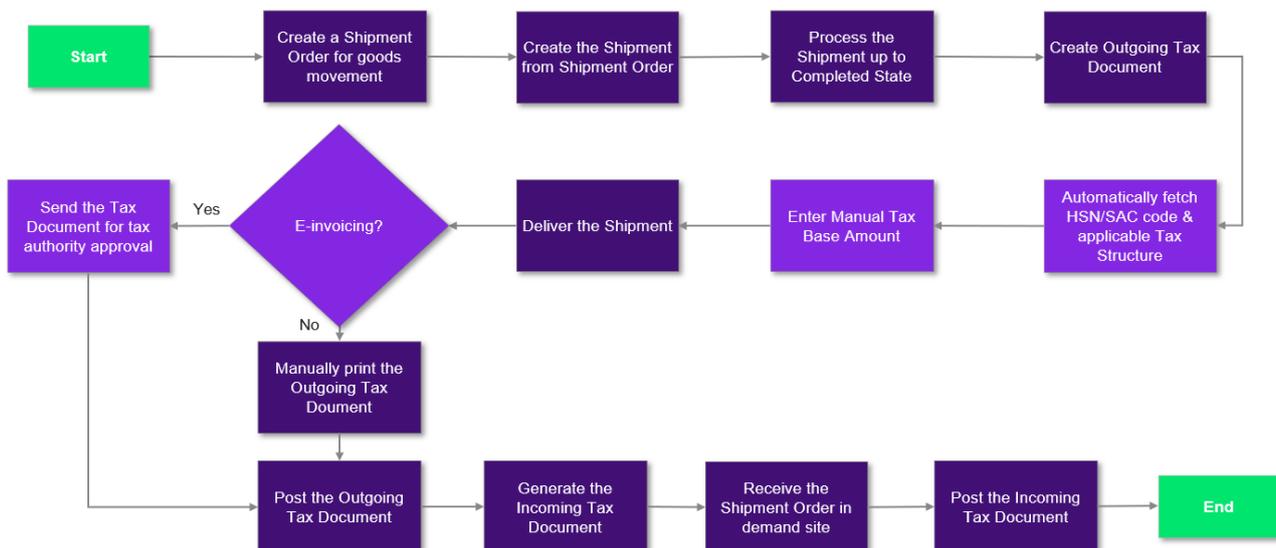
14 Taxes in intracompany goods movement

14.1 Overview Legal Requirement

According to the Goods and Services Tax (GST) law in India when goods are moved from one site of the company to another site of the same company;

- GST should be calculated and paid by the sending site.
- The receiving site can take the GST input tax credit if goods are not used for their own purposes.
- If goods are used for their purpose in the receiving site, the inventory cost at the demand site should be increased by the tax amount.
- Movement can be within the same state or between two different states.

14.2 Process Overview



**Note; E-invoicing is not supported in the IFS Cloud 23R2 release*

Above process flow can be continued through Internal Customer Oder (Demand Code IPT or DO) instead of Shipment Order as well.

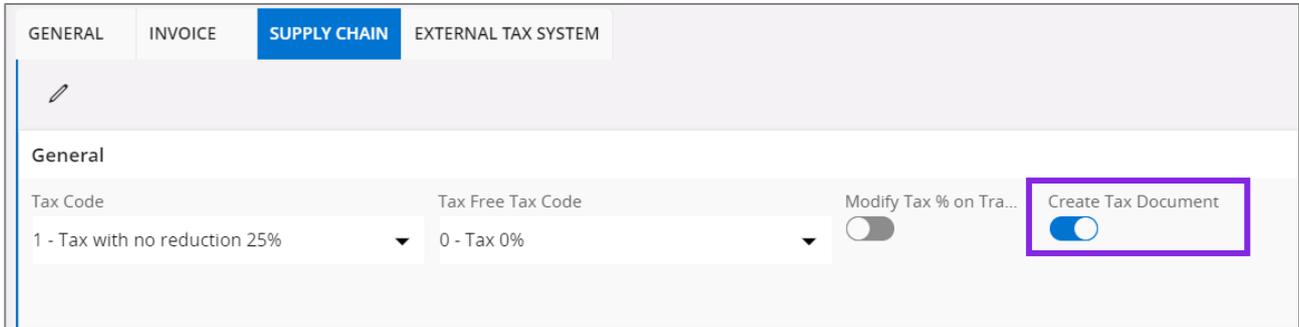
14.3 Solution Overview

For the logistics handling the shipment order functionality is used. For tax calculations and tax reporting, the outgoing and incoming tax documents are used and amended to fit Indian purposes. The following intracompany goods movement scenarios are supported:

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

14.4 Prerequisites

Go to the **Company/Tax Control/Supply Chain** page and enable the “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%'. The 'Modify Tax % on Tra...' toggle is turned off. The 'Create Tax Document' toggle is turned on and is highlighted with a red box.

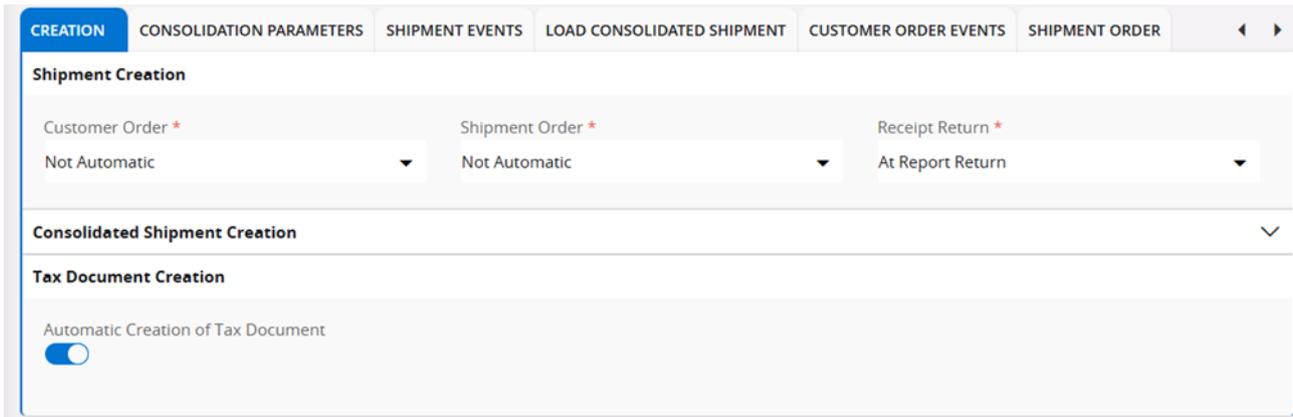
To enable the automatic India tax fetching logic based on HSN/SAC codes in the outgoing tax document, the Localization Control Center parameter “HSN/SAC Codes and Intra/Interstate Tax Rates Fetching” must be enabled. If the manual tax base amount should be used in the outgoing tax document, the Localization Control Center parameter “Tax Structure-Manual Tax Base Amount” should be enabled.

Localization Control Center HP-IN - HP India Company 2 of 3

Company: HP-IN, Name: HP India Company, Association No: , Created By: HPETSE, Localization: India

| Functionality | Description | Mandatory | Enabled |
|---|---|-----------|---------|
| <input type="checkbox"/> : Address Specific Tax Registration Numbers | Enables the definition of multiple, address specific tax registration numbers on Company, Customer and Supplier for legal reporting purposes. | Yes | Yes |
| <input type="checkbox"/> : Indian Specific Additional Tax ID Numbers | Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer Invoices and Tax Transaction Page. | Yes | Yes |
| <input type="checkbox"/> : E-invoice in India | Enables the generation of the e-invoice XML file, including Indian legal required data, used for sending invoices to tax authorities. | No | Yes |
| <input type="checkbox"/> : HSN/SAC Codes and Intra/Inter State Tax Rates Fetching | Enables fetching of tax rates on customer and purchase orders as well as on invoices and tax documents, based on HSN/SAC codes on materials or ser | Yes | Yes |
| <input type="checkbox"/> : Tax Structure-Manual Tax Base Amount | Enables the possibility to manually enter a different tax base amount than the system calculated net amount in selected pages in the procurement anc | No | Yes |
| <input type="checkbox"/> : Indian Reverse Charge | Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flows, to cover the scenario where the recipient of the i | Yes | Yes |
| <input type="checkbox"/> : Tax Collected at Source | Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines. | No | No |
| <input type="checkbox"/> : Number of Decimals in Withheld Tax Amount | Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice. | No | No |
| <input type="checkbox"/> : Specific Currency Rate type for Withholding tax | Enables the calculation and posting of withholding taxes with a currency rate different than the invoice currency rate and the tax currency rate used fo | No | No |

Go to **Shipment Type/Creation** page and enable “Automatic Creation of Tax Document” parameter to create Outgoing Tax Document automatically.



14.5 Define Basic Data

HSN/SAC Codes and HSN/SAC Group basic data must be set up according to [Chapter 7](#). A default HSN/SAC can be added to an inventory part, see [chapter 7](#).

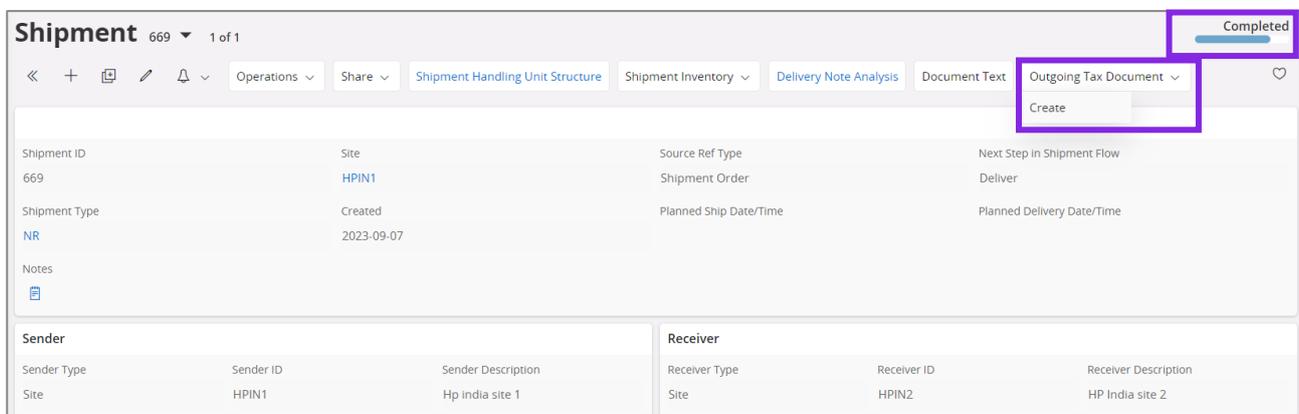
14.6 Create and process Shipment Order or Internal Customer Order (Demand Code IPT or DO)

Create a shipment order or Internal Customer Order (demand code IPT or DO) for any of the 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, Internal Customer Order (demand code IPT or DO) or connect the shipment order lines or Internal Customer Order to an existing shipment.

Process the connected shipment until completed state using IFS Cloud standard functionality. Create the outgoing tax document via the command in the shipment header - "Create Outgoing Tax Document". An outgoing tax document will be created in the preliminary state.



Otherwise enable the **Automatic Creation of Tax Document** toggle in the Shipment Type page and proceed with the connected shipment until the Complete state, then Outgoing Tax Document will be created automatically in Preliminary state.

The address-specific GST Tax ID numbers on the sender and receiver delivery addresses will be passed to the **Sender Delivery Tax ID Number** and **Receiver Delivery Tax ID Number** fields in the outgoing tax document. Note that this is only if the address source is a Company, Supplier, or Customer. If the address source is Person, Geo Location or Project, then the tax ID number fields will be blank and enabled for manually enter a value.

Outgoing Tax Document 161 ▾ 1 of 1
Preliminary

⏪ 📄 🔔 Cancel Posting Analysis Shipment 📌

| | | | |
|------------------------|-----------------------------|-------------------------|----------------------------|
| Tax Document No 161 | Source Ref Type Shipment | Source Reference 669 | Created Date 2023-09-07 |
|------------------------|-----------------------------|-------------------------|----------------------------|

| | | | |
|--------------------------|------------------|--------------------|-----------------|
| Total Amounts | | | |
| Total Net Amount 0,00 | Total Tax Amount | Total Gross Amount | Currency INR |

GENERAL

LINES

◀ ▶

| | | | | | |
|-----------------------|-------------------|-------------------------------|---------------------------------|--------------------------------|----------------------|
| Sender | | | Receiver | | |
| Sender Type | Sender ID | Sender Description | Receiver Type | Receiver ID | Receiver Description |
| Site | HPIN1 | Hp india site 1 | Site | HPIN2 | HP India site 2 |
| Sender Address | | | Receiver Address | | |
| Address Source | Address Source ID | Document Address ID | Address Source | Address Source ID | Document Address ID |
| Company | HP-IN | DOCADD1 | Company | HP-IN | COM:ADD3 |
| Delivery Address ID | Branch | Sender Delivery Tax ID Number | Delivery Address ID | Receiver Delivery Address Name | Single Occurance |
| COM:ADD1 | | COMP-GST:123456789 | COM:ADD2 | | No |
| | | | Receiver Delivery Tax ID Number | | |
| | | | 454545 | | |

14.7 Process Outgoing Tax Document

Once the outgoing tax document is created the default HSN/SAC code from the used inventory part will be populated on the outgoing tax document line. Based on the HSN/SAC code and if the transaction is intra or inter-state (the sender and receiver delivery addresses are within the same state or in two different states), the default goods movement tax calculation structure will be fetched to the line from the HSN/SAC Group setup. If no default Tax Calculation Structure found from the HSN/SAC Group, the taxes need to manually be entered in the Outgoing Tax Document. If any tax code in the tax calculation structure is allowed for a manual tax base, then it's possible to add a value in the **Manual Tax Base Amount** column. Editing on the outgoing tax document line is only allowed if the shipment has not yet been delivered.

Accounting Rules > Tax > HSN and SAC Basic Data > HSN and SAC Groups

HSN and SAC Groups

Search

>> 12% - 12%

+ [Icons]

| | |
|---------------|-----------------------------|
| HSN/SAC Group | HSN/SAC Group Description * |
| 12% | 12% |

GENERAL INFORMATION | **SUPPLY CHAIN INFORMATION**

Intra State Goods Movement Tax Calculation Structure
INTRASTATE 12% - Intrastate 12%

Inter State Goods Movement Tax Calculation Structure
INTERSTATE 12% - Interstate 12%

HSN and SAC Codes Per Group

Show Only Valid Codes [Apply] Settings

| HSN/SAC Codes | Valid From |
|-----------------|------------|
| BANANA - banana | 2025-01-09 |

Warehouse Management > Intracompany Tax Reporting > Tax Document > Outgoing Tax Document

Outgoing Tax Document

Search

>> 236

[Icons] Reprint Original from Archive Posting Analysis Shipment

| | | | |
|------------------|--------------|--------------|-----------------|
| Tax Document No | Series ID | Series No | Source Ref Type |
| 236 | TD-GSTIN 1 | 3 | Shipment |
| Source Reference | Created Date | Voucher Date | |
| 516 | 2025-01-13 | 2025-01-13 | |

Total Amounts

| | | | |
|------------------|------------------|--------------------|----------|
| Total Net Amount | Total Tax Amount | Total Gross Amount | Currency |
| 50,00 | 6,00 | 56,00 | INR |

GENERAL | **LINES**

| Line No | Source Ref 1 | Source Ref 2 | Source Part No | Source Part Description | Quantity | Price | HSN/SAC Code | Tax Calculation Structure | Sour... UoM | Net Amount | Ta |
|---------|--------------|--------------|----------------|-------------------------|----------|-------|-----------------|---------------------------------|-------------|------------|----|
| 1 | 516 | 1 | IPINSP1 | IP India Sales Part 1 | 1 | 50,00 | BANANA - banana | INTERSTATE 12% - Interstate 12% | PCS | 50,00 | |

When correct tax structures/tax codes, HSN/SAC codes, and manual tax base amounts are assured on the outgoing tax document, the shipment can be delivered and closed. The delivered quantity and the average cost from the inventory transaction SHIPODSIT- / SHIPODWHS- / SHIPTRAN- will

then be transferred to the outgoing tax document. Taxes are then calculated. If a manual tax base amount exists, then that will be the base for tax calculations, if not, the inventory cost (Price) is considered as the tax base for the tax document tax line.

14.8 Print and Post Outgoing Tax Document

When the shipment is delivered and taxes have been calculated on the outgoing tax document, the tax document can be printed from the header command “Print”. An IFS Cloud standard layout of the report is available. The following additional India-specific information is added to the XML:

- HSN/SAC Code
- Sender State
- Receiver State
- Tax ID numbers:
 - Sender Delivery Tax ID Number – Takes GST value from the header field.
 - Receiver Delivery Tax ID Number – Takes GST value from the header field.
 - Sender Document Tax ID Number – Takes GST value from the sender document address ID.
 - Receiver Document Tax ID Number – Takes GST value from the receiver document address ID.
 - Company Tax ID Number – Takes PAN number from **Company/Tax Control/Invoice**

When printing the outgoing tax document, postings are triggered automatically. Postings can be viewed via the “Posting Analysis” command.

14.9 Create and Post Incoming Tax Document

Once the outgoing tax document is successfully posted, an incoming tax document is created automatically for the receiver site. The incoming tax document is a mirror image of the outgoing tax document. Post the incoming tax document from the header command “Post Tax Document”.

| Incoming Tax Document 162 ▾ 1 of 1 | | | | Preliminary | |
|--|-------------------|-------------------------------|---------------------------------|--------------------------------|----------------------|
| << 🔔 ▾ Post Tax Document Posting Analysis >> | | | | | |
| Tax Document No | Source Ref Type | Source Reference | Created Date | | |
| 162 | Shipment | 669 | 2023-09-07 | | |
| Originating Outgoing Tax Document No | | | | | |
| 161 | | | | | |
| Total Amounts | | | | | |
| Total Net Amount | Total Tax Amount | Total Gross Amount | Currency | | |
| 1500,00 | 78,00 | 1578,00 | INR | | |
| GENERAL LINES | | | | | |
| Sender | | | Receiver | | |
| Sender Type | Sender ID | Sender Description | Receiver Type | Receiver ID | Receiver Description |
| Site | HPIN1 | Hp india site 1 | Site | HPIN2 | HP India site 2 |
| Sender Address | | | Receiver Address | | |
| Address Source | Address Source ID | Document Address ID | Address Source | Address Source ID | Document Address ID |
| Company | HP-IN | DOCADD1 | Company | HP-IN | COM:ADD3 |
| Delivery Address ID | Branch | Sender Delivery Tax ID Number | Delivery Address ID | Receiver Delivery Address Name | Single Occurance |
| COM:ADD1 | | COMP:GST:123456789 | COM:ADD2 | | No |
| | | | Receiver Delivery Tax ID Number | | |
| | | | 454545 | | |

14.10 Postings

14.10.1 OUTGOING TAX DOCUMENT

The 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 |

14.10.2 INCOMING TAX DOCUMENT

The 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 the **tax document posting analysis** page, both successful and erroneous postings can be viewed. In case of erroneous postings, when the error, the posting can be rerun through the command “Post Tax Document” in both outgoing and incoming tax documents.

| Tax Document Posting Analysis 118 ▾ 1 of 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|----------------------|--------------|--------------|------------------------|---------------|---------|----------|-------------------|-------------|--|------------|--------------|--------------|--------------|---------------|---------|--------|-------------------|-------------|--------------------------|---|------------|-----|------------|------|----------|------|--------|--|--|--------------------------|---|------------|-----|------------|------|----------|------|-------|--|--|
| Tax Document No 118 | | Sender HPIN1-RWH1 | | | Receiver HPIN1 | | | Outgoing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Currency INR | | Error No | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amounts | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Amount 100,00 | | Tax Amount 25,00 | | | Gross Amount 125,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Posting Information | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <div style="display: flex; justify-content: space-between; align-items: center;"> 🔍 ⚙️ ▾ 📄 ▾ 24 ▾ 📅 ▾ </div> <table border="1"> <thead> <tr> <th>✓</th> <th></th> <th>Voucher No</th> <th>Voucher Type</th> <th>Voucher Date</th> <th>Posting Type</th> <th>Posting Event</th> <th>Account</th> <th>Amount</th> <th>Error Description</th> <th>Cost Center</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td>:</td> <td>2023000041</td> <td>MPT</td> <td>2023-08-17</td> <td>M297</td> <td>ICBS-TAX</td> <td>2611</td> <td>-25,00</td> <td></td> <td></td> </tr> <tr> <td><input type="checkbox"/></td> <td>:</td> <td>2023000041</td> <td>MPT</td> <td>2023-08-17</td> <td>M298</td> <td>ICBS-TAX</td> <td>2611</td> <td>25,00</td> <td></td> <td></td> </tr> </tbody> </table> | | | | | | | | | | ✓ | | Voucher No | Voucher Type | Voucher Date | Posting Type | Posting Event | Account | Amount | Error Description | Cost Center | <input type="checkbox"/> | : | 2023000041 | MPT | 2023-08-17 | M297 | ICBS-TAX | 2611 | -25,00 | | | <input type="checkbox"/> | : | 2023000041 | MPT | 2023-08-17 | M298 | ICBS-TAX | 2611 | 25,00 | | |
| ✓ | | Voucher No | Voucher Type | Voucher Date | Posting Type | Posting Event | Account | Amount | Error Description | Cost Center | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> | : | 2023000041 | MPT | 2023-08-17 | M297 | ICBS-TAX | 2611 | -25,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <input type="checkbox"/> | : | 2023000041 | MPT | 2023-08-17 | M298 | ICBS-TAX | 2611 | 25,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

14.11 Tax Transactions

Use IFS Cloud standard functionality for updating the general ledger (**Financials/General Ledger/Update GL Vouchers**) and fetch tax transactions (**Financials/Tax Ledger/Fetch Tax Ledger Information**). On the **tax transactions** page the following India-specific information is updated from the outgoing and incoming tax document postings.

- HSN/SAC Code
- To State
- From State
- Manual Tax Base Amount
- Tax Category 1
- Tax ID numbers:

| Tax Transactions Column | Mapping |
|--------------------------------|--|
| Company Tax ID Number | Takes PAN number from Company/Tax Control/Invoice |
| Delivery Tax ID Number | Takes the GST value from the Receiver Delivery Tax ID Number |
| Invoice Tax ID Number | Takes GST value from the Receiver document address ID |
| Company Delivery Tax ID Number | Takes the GST value from the Sender Delivery Tax ID Number |

14.12 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 their own purpose (meaning the demand site cannot take the input tax credit), then the inventory cost applicable for the demand site should be increased by the non-deductible tax amount. In India, 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 the 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 intracompany goods movements, a similar approach is followed. The non-deductible tax amount is posted separately when generating tax postings for incoming tax documents, using a new posting type.

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

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

The following control types will be enabled.

- AC1 – Fixed Value
- AC7 – Tax Code

Calculation of non-deductible taxes

In India, when moving goods between sites/remote warehouses of the same company, the same tax code will be applicable for both sites. Therefore, when creating the tax postings on the demand site, the 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 the non-deductible tax amount will be posted through the tax postings of the incoming tax document. Please see the 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 Tax Document | | Dr | Cr |
|-------------|-----------------------|------|-----|-----|
| | | M297 | | 100 |
| | | M298 | 100 | |

| Demand Site | Incoming Tax Document | | 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 non-deductible taxes involved, nothing is to be posted under the 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%: $100 \times 0\% = 0$

- Non-deductible%: $100 \times 100\% = 100$

Tax Document Postings

| Supply Site | Outgoing Tax Document | | Dr | Cr |
|-------------|-----------------------|------|-----|-----|
| | | M297 | | 100 |
| | | M298 | 100 | |

| Demand Site | Incoming Tax Document | | Dr | Cr |
|-------------|-----------------------|------|-----|-----|
| | | M303 | 100 | |
| | | M300 | | 100 |

| | | | | | | | | | | |
|--|------|------|-----|--|-----|------|-----|--|------|-----|
| <div style="text-align: right; margin-bottom: 5px;">2610</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="border-right: 1px solid black; padding: 2px 5px;">M297</td> <td style="padding: 2px 5px;">100</td> </tr> </table> | | M297 | 100 | <div style="text-align: right; margin-bottom: 5px;">2699</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="border-right: 1px solid black; padding: 2px 5px;">M298</td> <td style="padding: 2px 5px;">100</td> <td style="width: 33%;"></td> <td style="border-right: 1px solid black; padding: 2px 5px;">M300</td> <td style="padding: 2px 5px;">100</td> </tr> </table> | | M298 | 100 | | M300 | 100 |
| | M297 | 100 | | | | | | | | |
| | M298 | 100 | | M300 | 100 | | | | | |
| <div style="text-align: right; margin-bottom: 5px;">Acc XXXX</div> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"></td> <td style="border-right: 1px solid black; padding: 2px 5px;">M303</td> <td style="padding: 2px 5px;">100</td> </tr> </table> | | M303 | 100 | | | | | | | |
| | M303 | 100 | | | | | | | | |

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

Handling of Multiple Taxes

The above examples are mainly for the basic scenario where you have one single tax code. But the most practical scenario would be to have multiple tax codes (defined in tax structures) with different deductible tax percentages in each of them. The 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

The 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 | $100 \times 10 = 1000$ | $1000 \times 10\% = 100$ | $100 \times 40\% = 40$ | $100 \times 60\% = 60$ |
| Tax code2 – 20% & 100% deductible | $100 \times 10 = 1000$ | $1000 \times 20\% = 200$ | $200 \times 100\% = 200$ | $200 \times 0\% = 0$ |

| | | | | |
|---------------------------------|-----------------|------------------|--------------|------------------|
| 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 | |
|------|-----|
| M297 | 100 |
| M297 | 200 |
| M297 | 150 |

| 2699 | | | |
|------|-----|------|-----|
| M298 | 100 | M300 | 100 |
| M298 | 200 | M300 | 200 |
| M298 | 150 | M300 | 150 |

| Acc XXXX | |
|----------|-----|
| M303 | 60 |
| M303 | 150 |

| 2641 | |
|------|-----|
| M299 | 40 |
| M299 | 200 |

***Even though the two sites have different standard costs, still the taxes and non-deductible taxes should be calculated based on the cost of the 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 the inventory cost for the demand site. Therefore, it was decided to add the non-deductible 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 the INTORDTR transaction.

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

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

The 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 is 10
- WA cost of the part in-demand site is 200 and the 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%: $100 \times 40\% = 40$
 - Non-deductible%: $100 \times 60\% = 60$

Created inventory transactions:

Note: Bellow sample is done for Shipment Order scenario and same functionality will apply for Internal Customer Order (Demand Code IPT, Distribution Order) when moving the goods within same company.

| 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 *** This is how it will work after handling the ND tax | Dr | Cr |
|-------------|--|---------|------|
| | | M3 1060 | |
| | | M4 | 1060 |
| | | M4 60 | |
| | | M156 | 60 |

New weighted average applicable to the demand site = $(1060 + (200 \times 10))/20 = 153$
 Total amount to be posted = $153 \times 10 = 1530$

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

T Accounting

| | | | |
|----|----|------|------|
| | | 1400 | |
| | M1 | | 1000 |
| M3 | | 1060 | |
| M1 | | 1530 | |
| | M3 | | 1530 |
| | | 2590 | 2530 |

| | | | |
|----|----|------|------|
| | | 1405 | |
| M4 | | 1000 | |
| | M4 | | 1060 |
| M4 | | 60 | |
| | | 1060 | 1060 |

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

| | | |
|--|------|----|
| | M156 | 60 |
|--|------|----|

Tax Document Postings

| Supply Site | Outgoing TD | | Dr | Cr |
|-------------|-------------|------|-----|-----|
| | | M297 | | 100 |
| | | M298 | 100 | |

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

| | | | |
|--|------|------|-----|
| | | 2610 | |
| | M297 | | 100 |

| | | | |
|------|------|------|----|
| | | 2699 | |
| 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 different scenarios like Site to Site, Site to Remote Warehouse, Remote Warehouse to Remote Warehouse, etc. But the non-deductible tax handling should be done only for the goods movements between two sites. This means only for the scenarios where the following set of transactions are created.

- Supply Site: SHIPODSIT- - Deliver Shipment Orders 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.

Some example scenarios where the above transactions are created:

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

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

14.13 Delimitations

- India E-invoicing (clearance model) is not supported for tax handling in the intracompany goods movement scenario in this release (IFS Cloud 23R2). This is planned for the coming release.
- Shipment order is not considered in planning engines.
- Tax document is not supported for non-inventory parts or no-parts.
- Manual entering of multiple tax codes in **outgoing tax document tax** dialog is not supported, only single tax code or tax calculation structure.

15 Business Reporting Infrastructure for Tax Reporting

15.1 Overview Legal Requirement

According to the Central Goods and Services Tax Act, 2017 issued by the Ministry of Law and Justice of India, several tax reports in different templates should be submitted by the Indian juridical Persons.

The reports are to be created in Excel format and then uploaded manually to the Tax Authority's portal or automatically with the support of a 3rd party service provider.

The following table summarizes the required reports.

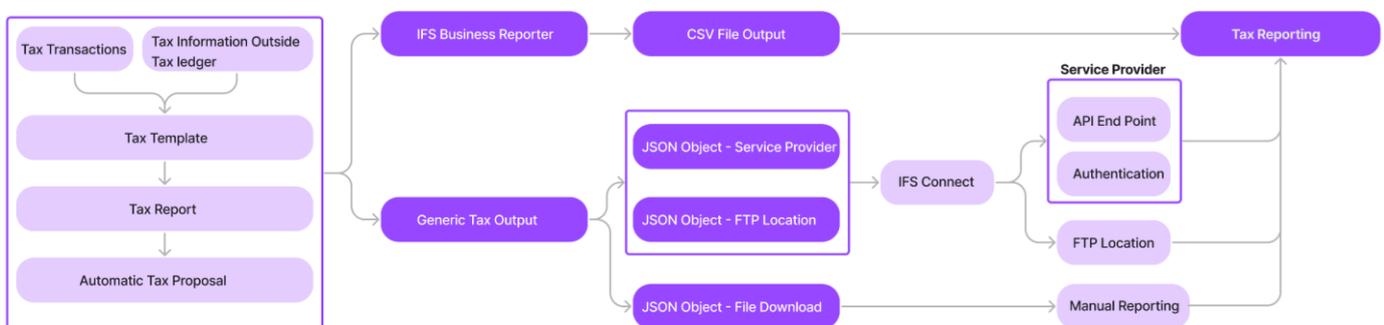
| Return Form | Particulars | Frequency | Due Date |
|-------------------------|---|-----------|--------------------------------------|
| GSTR-1 | Details of outward supplies of taxable goods and/or services effected | Monthly | 10th of the next month |
| GSTR-2 | Details of inward supplies of taxable goods and/or services effected claiming input tax credit. | Monthly | 15th of the next month |
| GSTR-3 | Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of the amount of tax. | Monthly | 20th of the next month |
| GSTR-3B | Simple return for Jul 2017- Mar 2018 | Monthly | 20th of the next month |
| GSTR-4 | Return for compounding taxable person | Quarterly | 18th of the month succeeding quarter |
| GSTR-5 | Return for Non-Resident foreign taxable person | Monthly | 20th of the next month |
| GSTR-6 | Return for Input Service Distributor | Monthly | 13th of the next month |
| GSTR-7 | Return for authorities deducting tax at source. | Monthly | 10th of the next month |
| GSTR-8 | Details of supplies affected through e-commerce operator and the amount of tax collected | Monthly | 10th of the next month |

| | | | |
|-------------------------|---|---|--|
| GSTR-9 | Annual Return | Annually | 31st December of the next financial year |
| GSTR-9A | Annual Return | Monthly | 31st December of the next financial year |
| GSTR-10 | Final Return | Once. When registration is cancelled or surrendered | Within three months of the date of cancellation or date of cancellation order, whichever is later. |
| GSTR-11 | Details of inward supplies to be furnished by a person having UIN and claiming refund | Monthly | 28th of the month following the month for which the statement is filed |

15.2 Process Overview



15.3 Solution Overview



Indian tax reporting should be done using the Excel file format. There are several files required to be reported and each file should consist of several sheets. In order to provide a flexible solution that can be sustainable to the changing requirements and the large number of reporting formats, IFS Business Reporter is used to support the Tax Reporting Solution in IFS India Solution.

The existing core Information Sources, **Tax Ledger Item** and **Tax Ledger Proposal Transaction** are enriched with Indian information fields in order to support the above tax reporting requirements. Accordingly, the below Indian-specific information fields are added to the said Information Source.

- HSN/SAC Code and Description
- Manual Tax Base Amount
- From State and To State Details
- Invoice Tax ID Number
- Delivery Tax ID Number
- Company Delivery Tax ID Number
- Tax Category 1
- Price QTY
- Price UOM
- Tax Calculation Structure and Description
- Single Occurrence Behavior
- Enclosure Series ID
- Enclosure No

From 25R1 version, E-invoice Reference Number, previously called IRN and available as Indian-specific information, is available as core Information Source.

As a Performance Improvement, incremental fetching is enabled for **Tax Ledger Item** and **Tax Ledger Proposal Transaction** Information Sources. Accordingly, the user is now given the ability to update new information in a designed tax report at their own discretion, via using the Data Mart option in Access Types. Via designing Tax Reports using the Data Mart option, the user can prevent unnecessary refreshing of data, every time a report is run and thereby, ensure that information is fetched faster.

Moreover, to support external third-party reporting, the above Indian information fields are also added to the **Generic Tax Template (S103)**. Once an Automatic Tax Proposal is created using a Tax Report that is based on Generic Tax Template (S103), a JSON object will be created by clicking, the **Create Generic Output** Command. The Generic Tax Output is available in different output options as follows,

- **Service Provider** - To create and Integrate JSON objects with third-party service providers' REST Endpoints.
- **Server Directory** - To create JSON object in FTP Server Location.
- **Download** - To create JSON objects in the end-user's client machine.

15.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter.
- IFS Business Reporter must have been installed.

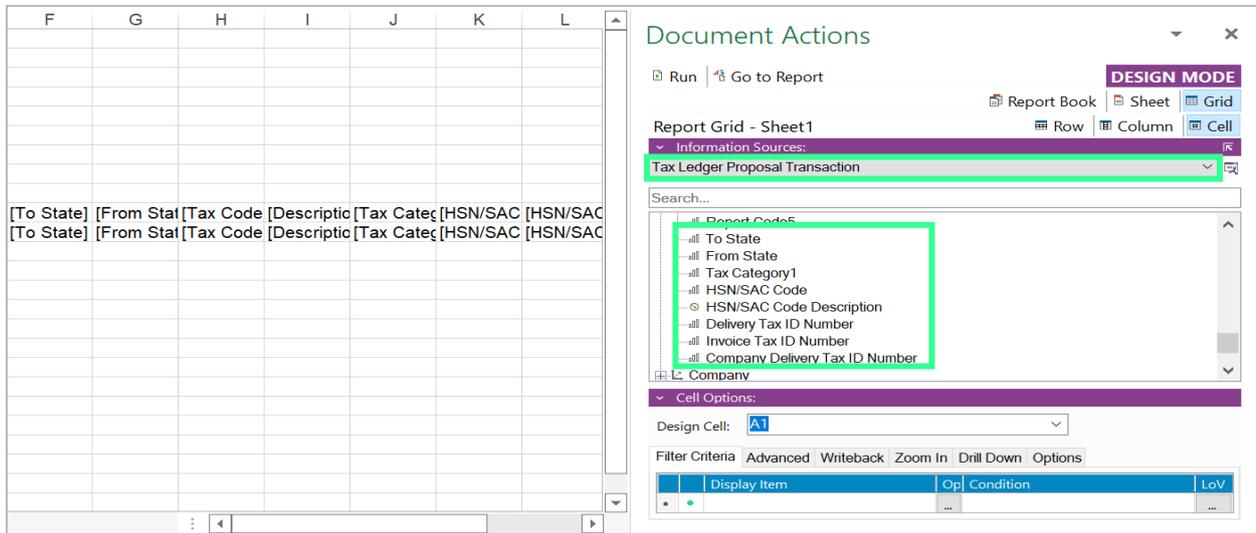
15.5 Create Tax Proposals

The reports are created based on tax proposals making it possible to regenerate the same report again avoiding mistakenly duplicating the records in the reports.

Open the **Automatic Tax Proposal** Page via **Financials/Tax Ledger/ Automatic Tax Proposals**. Using IFS Cloud core functionality create tax proposals for the intended reports.

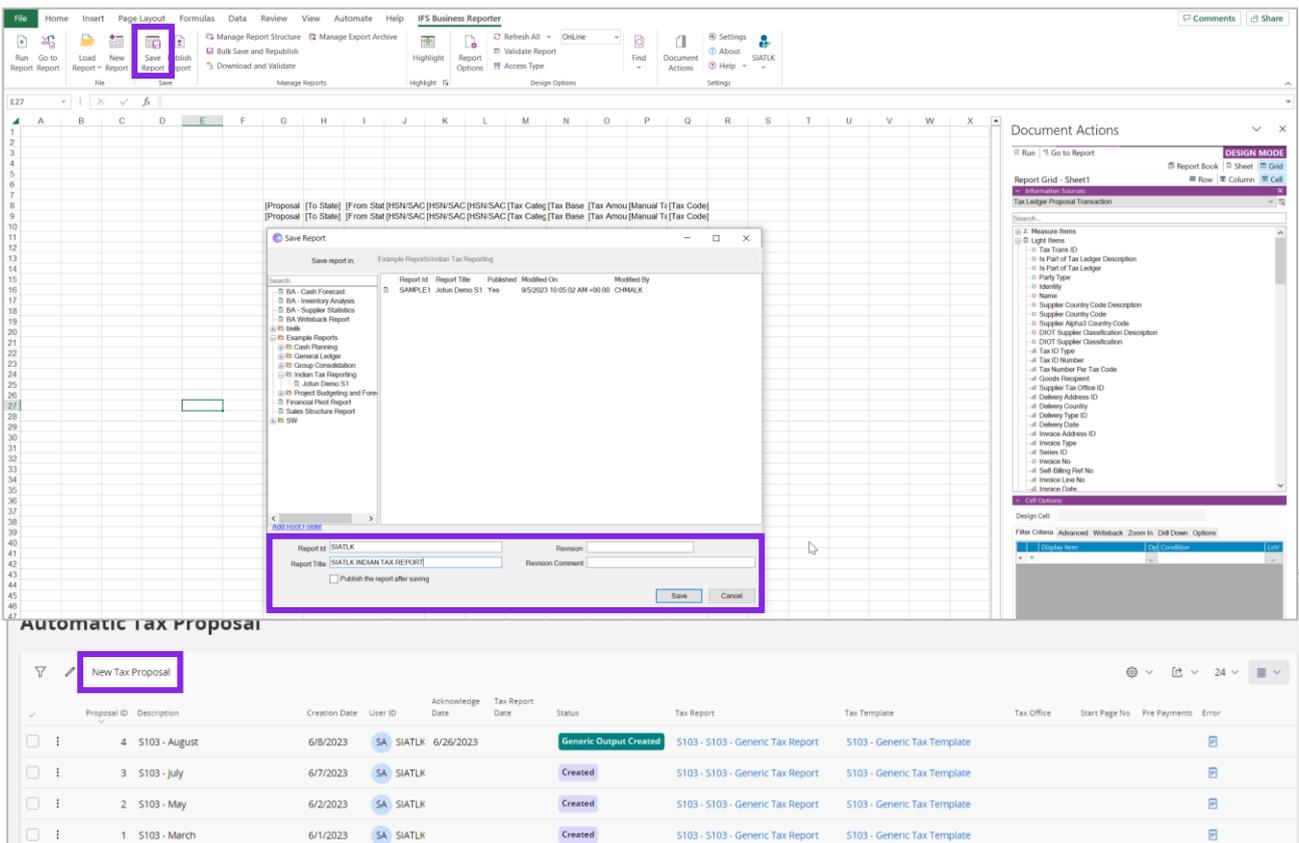
15.6 Design Reports

Tax Reports shall be created using IFS Business Reporter, utilizing the Information Source, **Tax Ledger Proposal Transaction**. The data in this information source are retrieved from the **Automatic Tax Proposals** page.



15.7 Save Reports

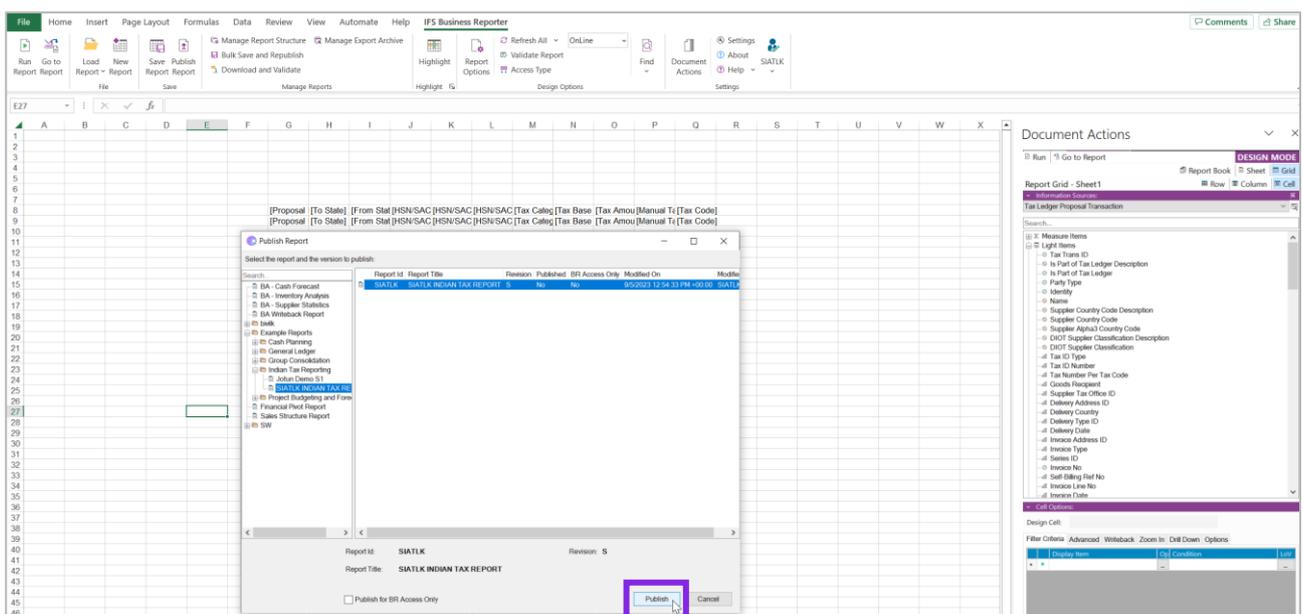
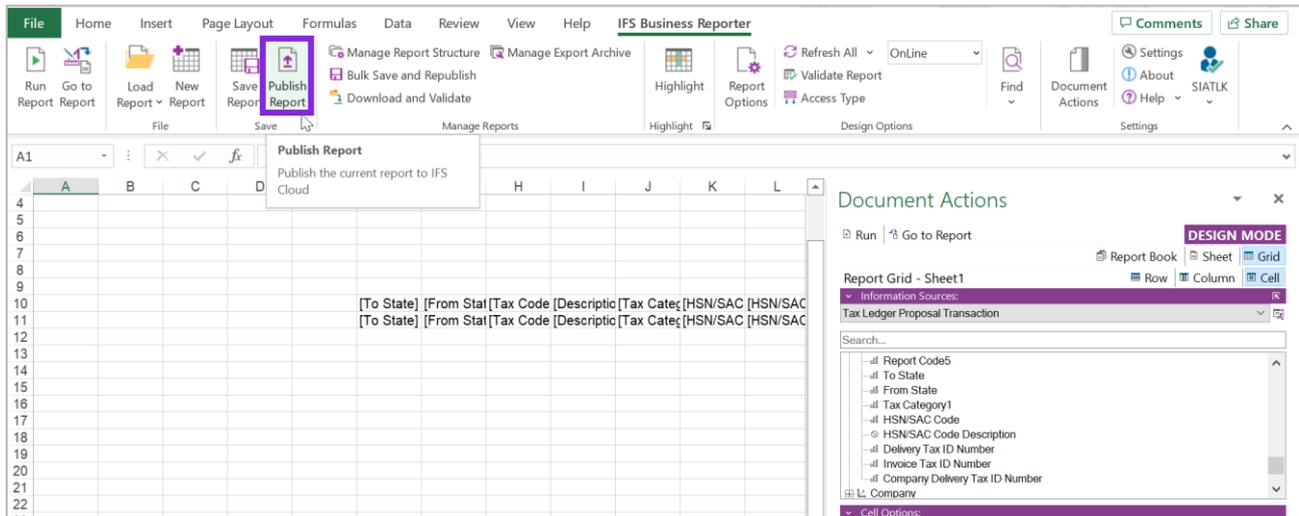
The user can save the designed reports for future reference in IFS Business Reporter.



| Proposal ID | Description | Creation Date | User ID | Acknowledge Date | Tax Report | Status | Tax Template | Tax Office | Start Page No | Pre Payments | Error |
|-------------|---------------|---------------|---------|------------------|------------|------------------------|----------------------------------|-----------------------------|---------------|--------------|-------|
| 4 | S103 - August | 6/8/2023 | SA | SIATLK | 6/26/2023 | Generic Output Created | S103 - S103 - Generic Tax Report | S103 - Generic Tax Template | | | |
| 3 | S103 - July | 6/7/2023 | SA | SIATLK | | Created | S103 - S103 - Generic Tax Report | S103 - Generic Tax Template | | | |
| 2 | S103 - May | 6/2/2023 | SA | SIATLK | | Created | S103 - S103 - Generic Tax Report | S103 - Generic Tax Template | | | |
| 1 | S103 - March | 6/1/2023 | SA | SIATLK | | Created | S103 - S103 - Generic Tax Report | S103 - Generic Tax Template | | | |

15.8 Publish Reports

It is possible to publish the designed reports in the IFS Business Reporter. The published reports will be available in the Order Reports functionality in IFS applications. Provide a suitable name when publishing the report.



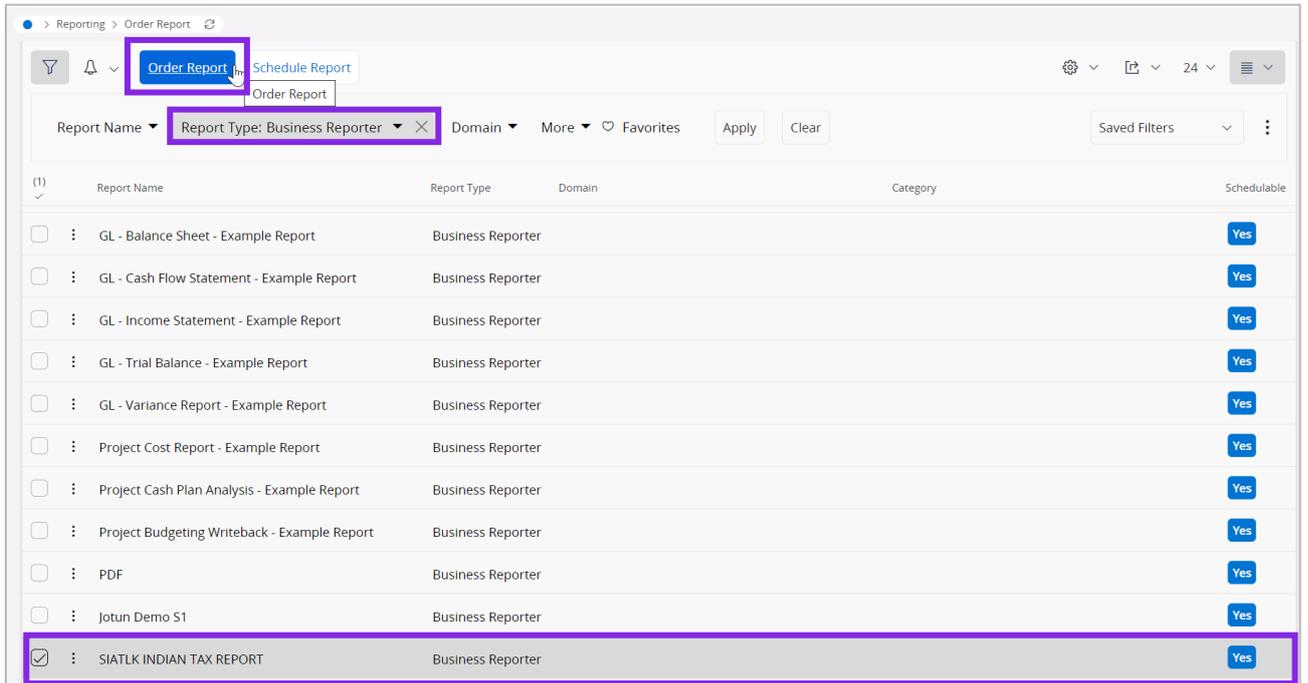
15.9 Order Report

Once the Report is Published, the user can order the report in IFS Cloud.

Below are the steps that must be followed to Order the report:

1. Open the **Order Report** page.
2. Query for the value **Business Reporter** for the **Report Type** column.
3. Find the name of the report that was given when publishing the report.

4. Click Order Report to open the **Order Report** dialog box.



| (1) ✓ | Report Name | Report Type | Domain | Category | Schedulable |
|-------------------------------------|--|-------------------|--------|----------|-------------|
| <input type="checkbox"/> | GL - Balance Sheet - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | GL - Cash Flow Statement - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | GL - Income Statement - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | GL - Trial Balance - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | GL - Variance Report - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | Project Cost Report - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | Project Cash Plan Analysis - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | Project Budgeting Writeback - Example Report | Business Reporter | | | Yes |
| <input type="checkbox"/> | PDF | Business Reporter | | | Yes |
| <input type="checkbox"/> | Jotun Demo S1 | Business Reporter | | | Yes |
| <input checked="" type="checkbox"/> | SIATLK INDIAN TAX REPORT | Business Reporter | | | Yes |

5. The required parameters, as included when designing the report, will appear in the **Report Parameters** tab of the dialog. Enter those parameter values for the intended report.

6. Click the Finish button to execute the report.



Order Report - SIATLK INDIAN TAX REPORT

Parameters — Distribution

Report Parameters

◀ Previous ▶ Next **Finish** Cancel



Order Report - SIATLK INDIAN TAX REPORT

Report SIATLK INDIAN TAX REPORT will be executed shortly through Business Reporter Execution Server. A background job assigned with ID 20689119 successfully created.

↻ Run Again Show in Background Jobs

15.10 Delimitations

N/A

16 Support Handling of HSN/SAC Codes in External Invoice for Customer and Supplier

16.1 Overview Legal Requirement

Enabling the use of HSN/SAC code in External Supplier Invoices and External Customer Invoices.

16.2 Process Overview



16.3 Solution Overview

HSN/SAC codes are added to standard IFS External File Templates. This is a generic development and not controlled by a LCC parameter.

On the supplier side, it is added to STDSIN1 and STDSIN2. On the Customer side, it is added to STDCIN1 and STDCIN2.

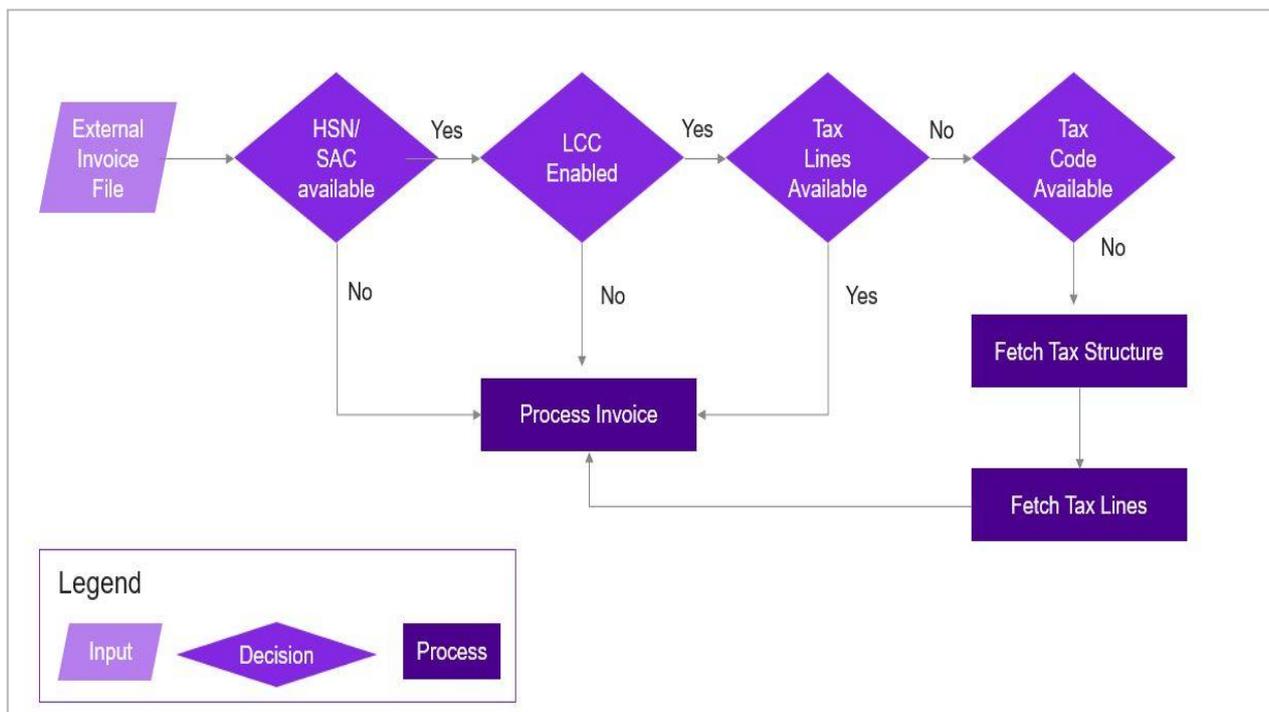
In Standard Template 1 (STDSIN1, STDCIN1) it is added at the line level which is record type I.

| Record Type ID | Column ID | Description | Data Type | Column No | Start Position |
|----------------|------------------------|---------------------------|-----------|-----------|----------------|
| I | MAN_TAX_LIABILITY_DATE | Manual Tax Liability Date | DATE | 13 | |
| I | INVOICE_TYPE | Invoice Type | STRIN | 14 | |
| I | VAT_PARALLEL_AMOUNT | Tax Parallel Amount | NUME | 15 | |
| I | NET_PARALLEL_AMOUNT | Net Parallel Amount | NUME | 16 | |
| I | INCOME_TYPE_ID | Income Type Identity | STRIN | 17 | |
| I | CORRECTION_REASON_ID | Correction Reason ID | STRIN | 18 | |
| I | CORRECTION_REASON | Correction Reason | STRIN | 19 | |
| I | HSN_SAC_CODE | HSN/SAC Code | STRIN | 20 | |
| O | LINE_TYPE | Line Type | STRIN | 1 | |
| O | INVOICE_NO | Invoice No | STRIN | 2 | |
| O | NAME | Name | STRIN | 3 | |

In Standard Template 2 (STDSIN2, STDCIN2) all the items are taken as 'Record Type' A. HSN/SAC code is added as the last item.

| Record Type ID | Column ID | Description | Data Type | Column No | Start Position |
|----------------|----------------------|------------------------|-----------|-----------|----------------|
| A | ADDITIONAL_REFERENCE | Additional Reference | STRIN | 129 | |
| A | PARALLEL_CURR_RATE | Parallel Currency Rate | NUMF | 130 | |
| A | PARALLEL_DIV_FACTOR | Parallel Div Factor | NUMF | 131 | |
| A | VAT_PARALLEL_AMOUNT | Tax Parallel Amount | NUMF | 132 | |
| A | NET_PARALLEL_AMOUNT | Net Parallel Amount | NUMF | 133 | |
| A | PARALLEL_AMOUNT | Parallel Amount | NUMF | 134 | |
| A | INCOME_TYPE_ID | Income Type Identity | STRIN | 135 | |
| A | INVOICE_ADDRESS_ID | Invoice Address ID | STRIN | 135 | |
| A | CORRECTION_REASON_ID | Correction Reason ID | STRIN | 136 | |
| A | CORRECTION_REASON | Correction Reason | STRIN | 137 | |
| A | HSN_SAC_CODE | HSN/SAC Code | STRIN | 138 | |

Tax Structure is fetched depending on certain conditions as explained below diagram. This part is Indian-specific and controlled by mandatory LCC parameter 'HSN/SAC Codes and Intra/Inter State Tax Rates Fetching'.



If 'Tax Structure' fetching is not needed the user can always use multiple tax lines in external files. This is a core application feature and can be used to load multiple taxes without the tax structure.

The solution works identically in External Customer Invoice and External Supplier Invoice.

16.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter.
- Mandatory parameter 'HSN/SAC Codes and Intra/Inter State Tax Rates Fetching' should be enabled.

16.5 Load External Invoice with HSN/SAC Codes

To fetch 'Tax Structure' in External Invoices, the HSN/SAC code must be added to the External Invoice file.

```

$STDSN1_1recHSN.txt - Notepad
File Edit Format View Help
H;NIWA:IND:SUP;NW-H2;2023-06-20;SUPPEXT;2023-06-20;2023-06-20;2023-06-
20;0;INR;;*;I;;;2023-06-20;2023-06-20;2023-06-20;2023-06-20;2023-06-
I;NIWA:IND:SUP;NW-
H2;1;;1000;1000;310;310;89011010.VESSEL
T;NIWA:IND:SUP;NW-H2;1;1;25;250;250;D6;SUPPEXT
T;NIWA:IND:SUP;NW-H2;1;2;6;60;60;D8;SUPPEXT
  
```

16.6 Check if there are Tax Lines in the External Invoice File

If there are any tax lines in the External Invoice File, it should be removed.

```

$STDSN1withoutTwithHSN.txt - Notepad
File Edit Format View Help
H;NIWA:IND:SUP;NIWA-P101;2023-06-20;SUPPEXT;2023-06-20;2023-06-20;2023-06-
20;0;INR;;*;I;;;2023-06-20;2023-06-20;2023-06-20;2023-06-
20;0;INR;;*;I;;;2023-06-20;2023-06-20;2023-06-20;2023-06-20;2023-06-
I;NIWA:IND:SUP;NIWA-
P101;1;;1000;1000;110;110;89011010.VESSEL
  
```

16.7 Check if there is a Tax Code in Invoice Lines

There should not be any Tax Code in Invoice Lines in the External Invoice File to fetch the Tax Structure.

```

$STDSN1withoutTwithHSN.txt - Notepad
File Edit Format View Help
H;NIWA:IND:SUP;NIWA-P101;2023-06-20;SUPPEXT;2023-06-20;2023-06-20;2023-06-
20;0;INR;;*;I;;;2023-06-20;;;;;;;;;;;;;2023-06-
20;;;;;;;;;;
I;NIWA:IND:SUP;NIWA-
P101;1;1000;1000;110;110;;;;;;;;;;;;;89011010.VESSEL
  
```

16.8 Fetch Tax Structure

If LCC is Enabled and HSN/SAC code is available and Tax Lines not present and Tax code not present in Invoice lines, the corresponding Tax Structure will be fetched according to the default states of the company and Supplier/Customer. (How tax structure works with HSN/SAC codes and states, refer to [HSN/SAC Codes Basic Data Setting and Fetch Tax Structure via HSN/SAC Codes](#))

External Supplier Invoice Line Information 394 - Z1 - SUPPEXT ▾ 1 of 1

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| Load ID | Invoice No | Invoice Type | Supplier | Invoice Load Status |
|---------|------------|--------------|---|---------------------|
| 394 | Z1 | SUPPEXT | NI NIWA:IND:SUP - NIWADK India Sup... | Loaded |

External Supplier Invoice Lines

🔍 + ✎

| <input checked="" type="checkbox"/> | HSN/SAC Code | Tax Calculation Structure | Line ID | Income Type Identity | Delivery Type | Tax Code |
|-------------------------------------|--------------------------|---------------------------|---------|----------------------|---------------|----------|
| <input type="checkbox"/> | 89011010.VESSEL - vessel | INTRA_STATE | 1 | | | |

16.9 Fetch Tax Lines

When the Tax Structure is fetched according to HSN/SAC codes and states, the tax lines corresponding to the Tax Structure will be fetched.

External Supplier Invoice Tax Information 394 - Z1 - SUPPEXT 1 of 1

⏪ 🔔 ⌵

| Load ID | Invoice No | Invoice Type | Supplier |
|---------|------------|--------------|--|
| 394 | Z1 | SUPPEXT |  NIWA:IND:SUP |

Tax Information

🔍 + ✎

| ✓ | | Tax ID | Currency | Tax Code | Tax (%) | Tax Amount | Tax Amount in Parallel Currency | Tax Amount in Accounting Currency |
|--------------------------|---|--------|----------|----------|---------|------------|---------------------------------|-----------------------------------|
| <input type="checkbox"/> | : | 1 | INR | GST5 | 5 | 50.00 | | 50.00 |
| <input type="checkbox"/> | : | 2 | INR | D6 | 6 | 60.00 | | 60.00 |

What is explained above works for both External Supplier Invoice and External Customer Invoices.

16.10 Delimitations

- Works for text files
- Not handled for IFS message handling such as EDI/MHS
- Not handled for e-Invoice flow

17 Subcontractor Name and Subcontractor GST Number in Supplier Invoice

17.1 Overview Legal Requirement

Some companies in India want to record information of sub-contractors in the supplier invoice in order to identify the GST credit when reimbursing the sub-contractor's invoice to the main supplier. That means it is possible for any of the main supplier / main-contractor to opt for sub-contracting activities and thereby provide invoices to the Buyer with sub-contracting invoices. In such case, the company takes **credit of tax** from the sub-contractor's invoice.

Example:

| | | | | |
|--|------------|-------------------|------------|---------------------|
| YYY - Main Contractor took Subcontractor activity from XXX on behalf of the buyer. | | | | |
| | HSN | Net Amount | Tax | Gross Amount |
| XXX Subcontractor | 13455 | 1,000.00 | 100 | 1,100.00 |

YYY - The Main Supplier is sending the Invoice to the Buyer. The buyer is entering the Invoice as follows.

| | HSN | Net Amount | Tax | Gross Amount | Subcontractor Name | Subcontractor Tax ID Number |
|--------|------------|-------------------|---------------|---------------------|---------------------------|------------------------------------|
| Line 1 | 13455 | 1,000.00 | 100.00 | 1,100.00 | XXX | GSTIN:123456 |
| Line 2 | 45557 | 500.00 | 50.00 | 550.00 | | |
| | | | | 1,650.00 | | |

Buyer can claim the Tax Credit of 100 (Line 1) when filing their Tax Liability.

17.2 Process Overview



17.3 Solution Overview

To handle this requirement, **two new editable columns** are implemented in the **Manual Supplier Invoice line level** and those columns are visible in **the Tax Transaction Page** for getting GST credit when there is a reimbursement of sub-contractor's invoice to the main supplier/main contractor.

1. Subcontractor Name
2. Subcontractor Tax ID Number

17.4 Prerequisites

- The company must be set up to use Indian localization, see the [Company Setup](#) chapter with the mandatory parameter **“HSN/SAC Codes and Intra/Inter state Tax Rates Fetching”** automatically enabled in the **Company / Localization Control Center**.

17.5 Enter the Subcontractor Name and Subcontractor Tax ID Number in the Manual Supplier Invoice

Enter a supplier invoice following the standard process and enter the Subcontractor Name and Subcontractor Tax ID Number whenever applicable.

New Manual Supplier Invoice

○ Header Information
● Line Information
 ○ Posting Information

| Invoice | | | | | | | |
|----------------------|---------------|-----------|------------|----------|--------------|------------|------------|
| Company | Supplier | Series ID | Invoice No | Currency | Gross Amount | Net Amount | Tax Amount |
| CHBELK INDIA PVT LTD | CHBELK SUP IN | SI | INV 001 | INR | | | |

| Line Information | | | | |
|------------------|------------|------------|---------------------------|-------------|
| Gross Amount | Net Amount | Tax Amount | Non-deductible Tax Amo... | Cost Amount |
| 81000.00 | 60000.00 | 21000.00 | 0.00 | 60000.00 |

Lines

+ Tax Lines

 24

| (1) ✓ | Line ID | Description | HSN/SAC Code | Tax Calculation Structure | Net Amount | Subcontractor Name | Subcontractor Tax ID Number | Multiple Tax Lines | Tax Code |
|-------------------------------------|---------|--------------|-------------------|---------------------------|------------|--------------------|-----------------------------|--------------------|----------|
| <input checked="" type="checkbox"/> | 1 | Premium Tire | TIRE - TIRE-99000 | INTER TS | 10000.00 | | | Yes | |
| <input type="checkbox"/> | 2 | Super Tires | TIRE - TIRE-99000 | INTER TS | 50000.00 | XXX PVT LTD | GST8899636363 | Yes | |

Subcontractor Name and Subcontractor TAX ID Number columns are implemented in the below pages.

- Manual Supplier Invoice Assistance
- Manual Supplier Invoice Page
- Posting Proposal Page

Note: The user can edit these fields when the invoice is in a Preliminary State.

- Supplier Invoice Analysis
- Posting Proposal Analysis
- Tax Transactions Page

17.6 Update General Ledger

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

17.7 Fetch Tax Ledger Information

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

Users can check the details related to the invoices which are connected to the subcontractor Name and Subcontractor Tax ID Number via the **Tax Transaction** Page and create the Tax Reports to claim Tax Credits applicable.

| Tax Transactions | | | | | | | |
|---|------------|--------------------|-----------------------------|--------------|----------------------------------|------------|--|
| <input type="text" value="Validate Tax ID Number"/> <input type="text" value="Voucher Details"/> <input type="text" value="Modify Tax Transactions"/> <input type="text" value="Include Tax Proposal Item"/> <input type="text" value="Calculate Income Amount"/> | | | | | | | |
| (1) ✓ | Invoice No | Subcontractor Name | Subcontractor Tax ID Number | Tax Trans ID | Identity | Party Type | |
| <input type="checkbox"/> | INV 001 | XXX PVT LTD | GST8899636363 | 333237 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |
| <input type="checkbox"/> | INV 001 | XXX PVT LTD | GST8899636363 | 333239 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |
| <input type="checkbox"/> | INV 001 | XXX PVT LTD | GST8899636363 | 333240 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |
| <input type="checkbox"/> | INV 001 | | | 333236 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |
| <input type="checkbox"/> | INV 001 | | | 333238 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |
| <input checked="" type="checkbox"/> | INV 001 | | | 333241 | CS CHBELK SUP IN - CHBELK SUP IN | Supplier | |

17.8 Delimitations

N/A

18 Input Service Distribution (ISD)

18.1 Overview Legal Requirement

Section 2(61) of the CGST Act defines Input Service Distributor to mean “an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document to distribute the credit of Central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office;”

An Input Service Distributor (ISD) is defined under Section 2(61) of the CGST Act, 2017, as an office of a supplier of goods or services that receives tax invoices for input services and distributes the tax paid known as the Input Tax Credit (ITC), to such branches on a proportional basis. The branches can have different GSTINs but must have the same PAN as that of ISD. Input Service Distributor has to compulsorily register as “ISD” apart from its registration under GST as a normal taxpayer.

The concept of ISD is made available to businesses having a large share of common expenditures, and billing or payment is done from a centralized location. The mechanism is meant to simplify the credit-taking process for entities and the facility will strengthen the seamless flow of credit under GST.

18.2 Process Overview



18.3 Solution Overview

To ensure compliance with legal requirements, a new page, **Input Service Distribution**, has been introduced. Users can create a distribution by selecting the **New Distribution** command, which launches the **New Input Service Distribution** assistant. Upon defining the required parameters, the system generates a new distribution and retrieves relevant tax transactions, displaying them in the **Details** tab. Users can then allocate these tax transactions to respective branches using the **Distribute Information** dialog. Additionally, vouchers can be generated for such distributions.

The **Input Service Distribution** feature includes the following options:

- **New Distribution** – Initiates a new distribution process.
- **Distribute** – Allocates tax transactions to branches.
- **Rollback Distribution** – Reverses an existing distribution.
- **Acknowledge** – Confirms distribution processing.
- **Unacknowledged** – Marks distribution as pending acknowledgment.
- **Create Voucher** – Generates vouchers for distributed transactions.
- **Rollback Voucher** – Reverses voucher creation.
- **View Voucher** – Displays details of created vouchers.

To support this solution, the following system enhancements have been implemented:

- A new LCC parameter is introduced as a prerequisite configuration.
- A new company basic data entry is added under the Addresses section to register the tax-distributing company, namely **ISD Registered**.
- Three new posting controls have been created:
 - **TAP1** – Posts distributed tax entries to branch accounts.
 - **TAP2 & TAP3** – Manage inter-company tax due from/due to affiliated company transactions.
- A new control type **Company Address** is added to the TAP1 posting control.
- A new voucher type and function group (**TA**) are introduced for handling tax distribution transactions.
- A new column **Remaining Tax Amount (ISD)** is added to the Tax Transactions page to track the remaining portion of a tax transaction that is yet to be distributed in future distributions.

This solution ensures accurate and compliant tax distribution across branches while streamlining the process within the system.

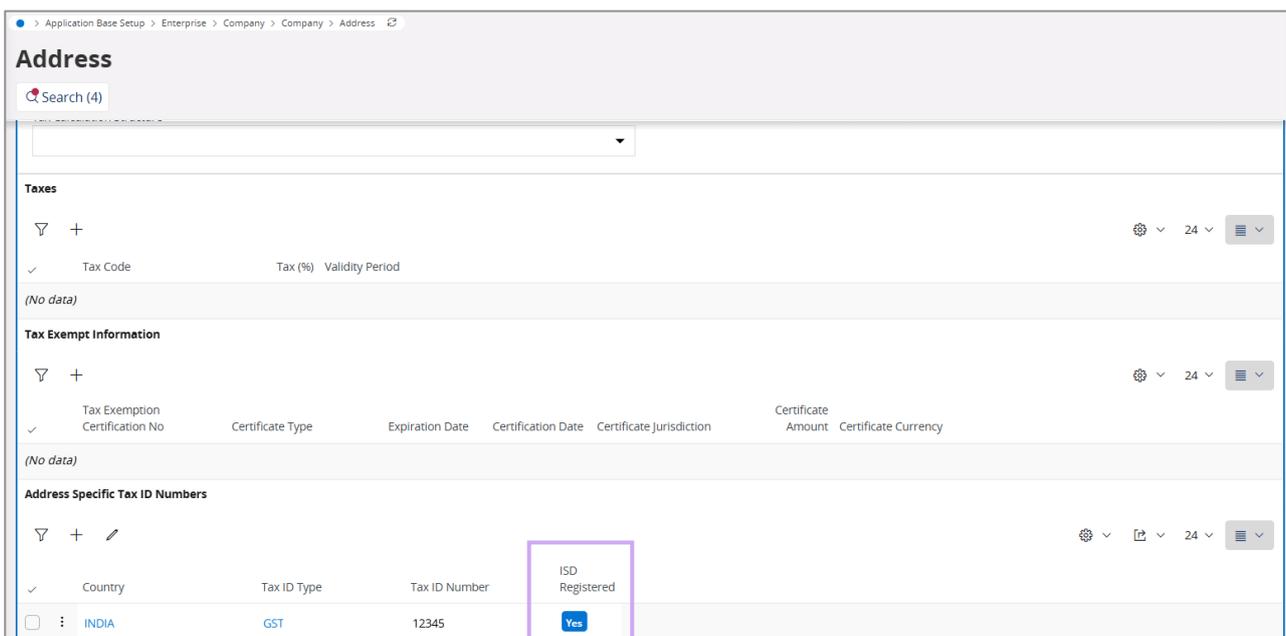
18.4 Prerequisites

The company must be set up to use the Indian localization. See the [Company Setup](#) chapter. The “Input Service Distributor (ISD) - Enables the company to distribute and post GST input tax credits to its other companies registered under the same PAN” localization parameter must be enabled.

18.5 Define Basic Data

18.5.1 DEFINE ISD REGISTERED COMPANY ADDRESS ID

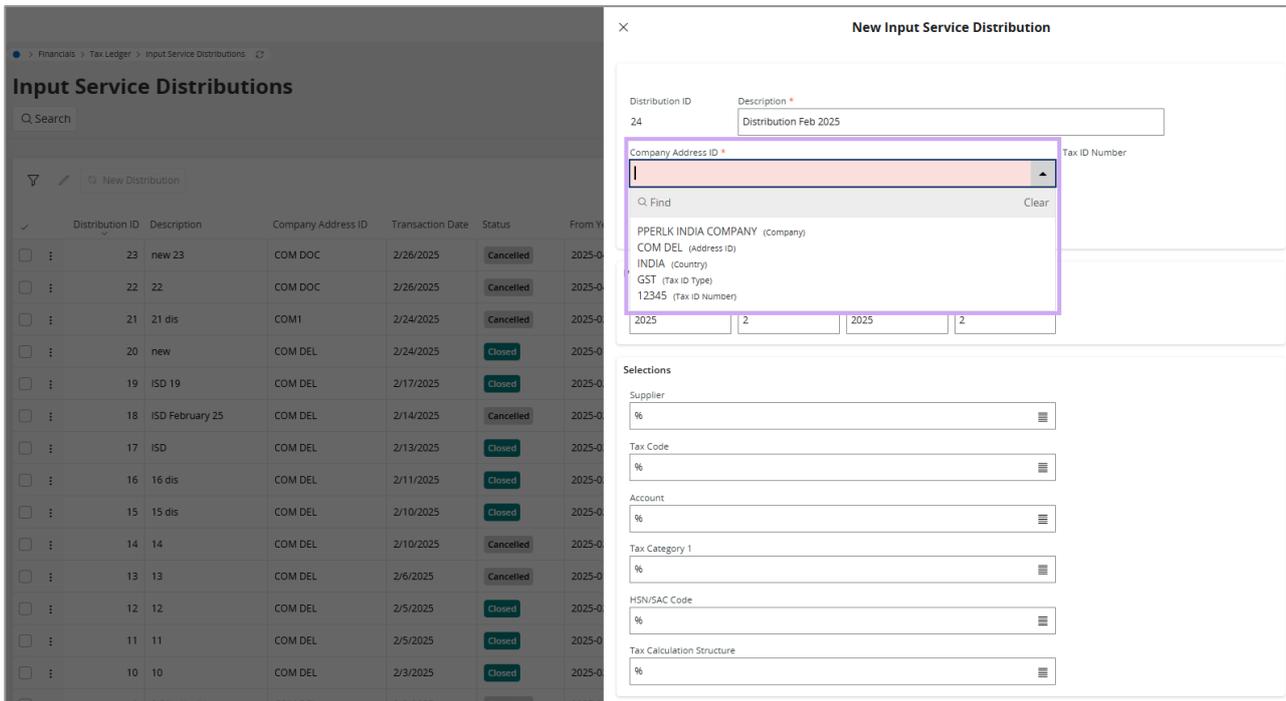
To facilitate the identification of a company as an Input Service Distributor (ISD), a new column titled **ISD Registered** has been added to the **Company/Address/Address Specific Tax ID Numbers** section. This column becomes visible when the LCC parameter is enabled, as outlined in the prerequisites section of this chapter.



The screenshot displays the 'Address' configuration page. The breadcrumb trail is: Application Base Setup > Enterprise > Company > Company > Address. The page title is 'Address'. There is a search bar with 'Search (4)'. Below the search bar, there are three sections:

- Taxes:** A table with columns: Tax Code, Tax (%), Validity Period. It shows '(No data)'. There are icons for expand, refresh, and list.
- Tax Exempt Information:** A table with columns: Tax Exemption Certification No, Certificate Type, Expiration Date, Certification Date, Certificate Jurisdiction, Certificate Amount, Certificate Currency. It shows '(No data)'. There are icons for expand, refresh, and list.
- Address Specific Tax ID Numbers:** A table with columns: Country, Tax ID Type, Tax ID Number, and ISD Registered. A row is shown for 'INDIA' with 'GST' as the Tax ID Type and '12345' as the Tax ID Number. The 'ISD Registered' column for this row has a 'Yes' button, which is highlighted with a purple box.

ISD Registered toggle must be enabled for the **GST** tax ID type, to ensure the correct retrieval of values for ISD distribution when determining the distributing company's address.

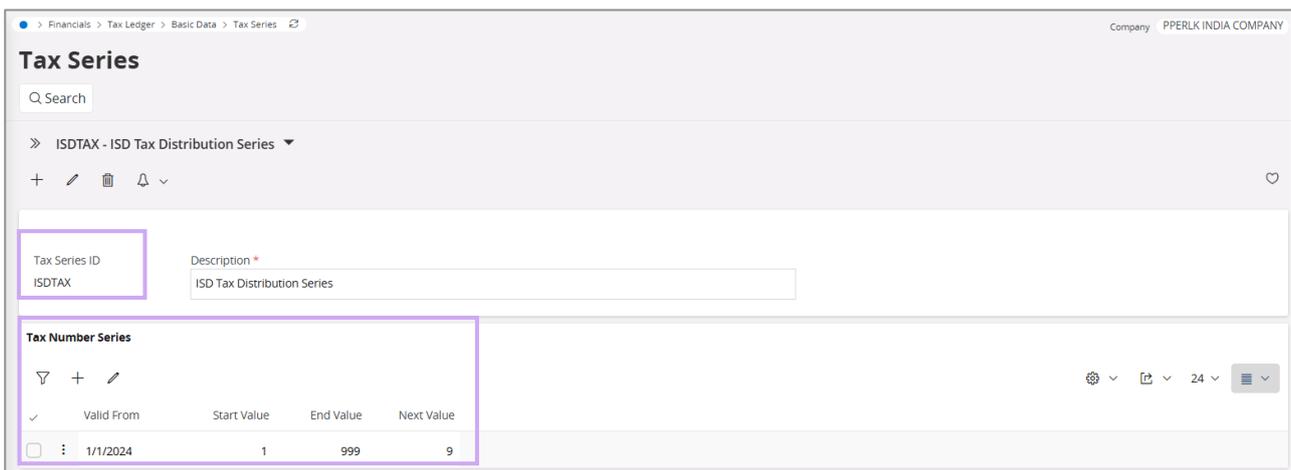


The screenshot shows the 'New Input Service Distribution' form. The 'Company Address ID' dropdown is open, showing a search for 'PPERLK INDIA COMPANY'. The search results include 'COM DEL (Address ID)', 'INDIA (Country)', and 'GST (Tax ID Type)'. The 'Tax ID Number' field is also visible, containing '12345'.

| Distribution ID | Description | Company Address ID | Transaction Date | Status | From Y |
|-----------------|-----------------|--------------------|------------------|-----------|--------|
| 23 | new 23 | COM DOC | 2/26/2025 | Cancelled | 2025-0 |
| 22 | 22 | COM DOC | 2/26/2025 | Cancelled | 2025-0 |
| 21 | 21 dis | COM1 | 2/24/2025 | Cancelled | 2025-0 |
| 20 | new | COM DEL | 2/24/2025 | Closed | 2025-0 |
| 19 | ISD 19 | COM DEL | 2/17/2025 | Closed | 2025-0 |
| 18 | ISD February 25 | COM DEL | 2/14/2025 | Cancelled | 2025-0 |
| 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-0 |
| 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-0 |
| 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-0 |
| 14 | 14 | COM DEL | 2/10/2025 | Cancelled | 2025-0 |
| 13 | 13 | COM DEL | 2/6/2025 | Cancelled | 2025-0 |
| 12 | 12 | COM DEL | 2/5/2025 | Closed | 2025-0 |
| 11 | 11 | COM DEL | 2/5/2025 | Closed | 2025-0 |
| 10 | 10 | COM DEL | 2/3/2025 | Closed | 2025-0 |

18.5.2 DEFINE DISTRIBUTION SERIES ID AND NUMBER

To ensure traceability, a unique number sequence must be maintained for ISD distributions. This sequence should be defined on the **Tax Ledger/Basic Data/Tax Series** page of the distributing company.

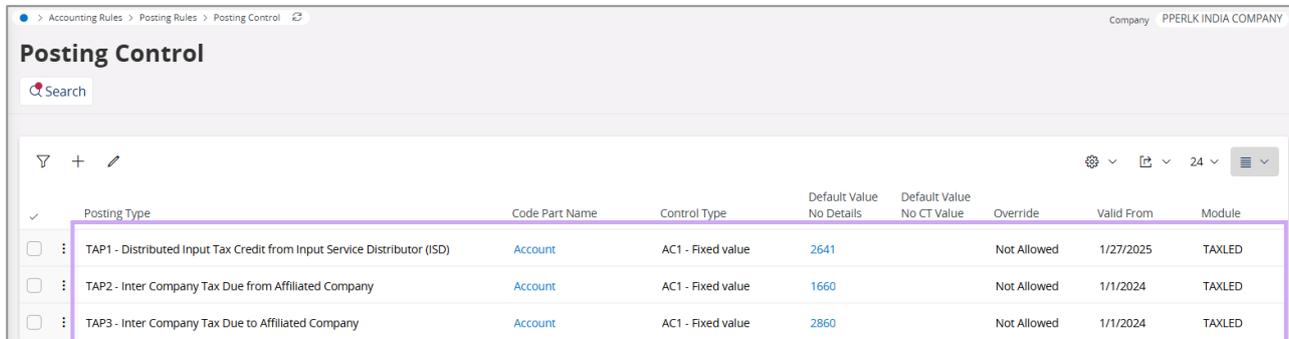


The screenshot shows the 'Tax Series' configuration page for 'ISDTAX'. The 'Tax Series ID' is 'ISDTAX' and the 'Description' is 'ISD Tax Distribution Series'. The 'Tax Number Series' table is highlighted with a purple box.

| Valid From | Start Value | End Value | Next Value |
|------------|-------------|-----------|------------|
| 1/1/2024 | 1 | 999 | 9 |

18.5.3 DEFINE POSTING CONTROLS

Three new posting controls are introduced on the **Accounting Rules/Posting Rules/Posting Controls** page to manage postings related to taxes, payables, and receivables between the distributing and receiving companies as below.



| Posting Type | Code Part Name | Control Type | Default Value No Details | Default Value No CT Value | Override | Valid From | Module |
|--|----------------|-------------------|--------------------------|---------------------------|-------------|------------|--------|
| TAP1 - Distributed Input Tax Credit from Input Service Distributor (ISD) | Account | AC1 - Fixed value | 2641 | | Not Allowed | 1/27/2025 | TAXLED |
| TAP2 - Inter Company Tax Due from Affiliated Company | Account | AC1 - Fixed value | 1660 | | Not Allowed | 1/1/2024 | TAXLED |
| TAP3 - Inter Company Tax Due to Affiliated Company | Account | AC1 - Fixed value | 2860 | | Not Allowed | 1/1/2024 | TAXLED |

| Posting Control | Description | Control Types |
|--|---|---|
| TAP1 - Distributed Input Tax Credit from Input Service Distributor (ISD) | This posting control is used by the receiving company or branch to record the transfer of tax amounts from the Input Service Distributor. | Fixed value Company Tax Code Company Address Pre Posting (For Code B-J) |
| TAP2 - Inter Company Tax Due from Affiliated Company | This posting control is used by the Input Service Distributor to record the receivable amount from the branch or the receiving company. | Fixed value Company Company Address |
| TAP3 - Inter Company Tax Due to Affiliated Company | This posting control is used by the tax-receiving branch company to record the payable amount to the Input Service Distributor. | Fixed value Company Company Address |

Use of the above-mentioned posting controls will differ based on how the distribution is done between the branches. Branches can be maintained as separate companies or within the same company with multiple address IDs.

Accordingly, when distributing between branch companies all three posting controls will be used and when distributing within the same company to multiple address IDs only the TAP1 posting control will be used when creating the voucher entry.

With the introduction of the new control type, **Company Address** can be used to uniquely map and identify tax amounts, receivable or payable amounts in the books of accounts for a particular company address ID.

Note:

The **Accounting Rules/Posting Rules/Combination Control Types** page can be used when mapping Company and Company Address control types together, which will be useful in determining tax amounts separately when distributing within the same company to multiple address IDs.

18.5.4 DEFINE NEW VOUCHER TYPE NUMBER SERIES

A new function group named **TA – Input Service Distribution** is introduced.

Accounting Rules > User Related Data > Function Group Analysis

Function Group Analysis

Q Search

| Function Group | Automatic Allotment Required | Store Original Mandatory | Simulati... Voucher Allowed | Single Function Required | Voucher Row Group Validation Allowed | Reference Mandatory Allowed | Separate User Approval Allowed | Allowed to use in Internal Ledger | Automatic Voucher Balance | Connect Function Group Allowed | Parallel Amount Balanc... in Source | Project Connection Supported | Allow set Store Orig... |
|---------------------------------|------------------------------|--------------------------|-----------------------------|--------------------------|--------------------------------------|-----------------------------|--------------------------------|-----------------------------------|---------------------------|--------------------------------|-------------------------------------|------------------------------|-------------------------|
| TA - Input Service Distribution | Yes | No | No | Yes | No | No | No | No | No | No | Yes | No | No |

Accounting Rules > User Related Data > Voucher Type

Company: PPERLK INDIA COMPANY

Voucher Type

Q Search Advanced

Voucher Type Description Ledger ID More Favorites Search Saved Searches

TA - Input Service Distribution

New Voucher Type Voucher Series Excluded From IL Translation

| | | | | |
|--------------|----------------------------|---------------------|-----------------------|--------------------|
| Voucher Type | Description | Automatic Allotment | Single Function Group | Simulation Voucher |
| TA | Input Service Distribution | Yes | Yes | No |

| | | |
|--|------------------------|-------------------------------|
| Ledger Selection | Separate User Approval | Use Voucher Approval Workflow |
| Ledger Type: GL, Affect IL Ledger ID: * | No | No |

| | | | | | | |
|------------------------------|-----------------------|----------------|------------------------------|---------------------|------------------------------|--------------------------------|
| Function Group Information | Optional Auto Balance | Store Original | Voucher Row Group Validation | Reference Mandatory | Automatic Allotment Required | Single Function Group Required |
| TA - Input Service Distri... | No | No | No | No | Yes | Yes |

Accounting Rules > User Related Data > Voucher Series per Voucher Type

Company: PPERLK INDIA COMPANY

Voucher Series per Voucher Type

Q Search (1)

Sort by

TA - Input Service Distribution 1 of 1

Translation

| Year | From Number | Until Number | Next Voucher No |
|------|-------------|--------------|-----------------|
| 2025 | 2025000001 | 2025000999 | 2025000010 |

18.6 Create Input Service Distribution

18.6.1 CREATE A NEW DISTRIBUTION

Navigate to the **Financials/Tax Ledger/Input Service Distribution** page and click on the **New Distribution** command button to create a new distribution.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Search

New Distribution

| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|--------------------------|-----------------|-------------|--------------------|------------------|--------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

Clicking the **New Distribution** command will open the **New Input Service Distribution** dialog.

Financials > Tax Ledger > Input Service Distributions

Input Service Distributions

Search

New Distribution

| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Y |
|--------------------------|-----------------|-----------------|--------------------|------------------|-----------|--------|
| <input type="checkbox"/> | 23 | new 23 | COM DOC | 2/26/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 22 | 22 | COM DOC | 2/26/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 21 | 21 dis | COM1 | 2/24/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 20 | new | COM DEL | 2/24/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 19 | ISD 19 | COM DEL | 2/17/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 14 | 14 | COM DEL | 2/10/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 13 | 13 | COM DEL | 2/6/2025 | Cancelled | 2025-0 |
| <input type="checkbox"/> | 12 | 12 | COM DEL | 2/5/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 11 | 11 | COM DEL | 2/5/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 10 | 10 | COM DEL | 2/3/2025 | Closed | 2025-0 |
| <input type="checkbox"/> | 9 | 9 Distribution | COM DEL | 2/3/2025 | Cancelled | 2025-0 |

New Input Service Distribution

Distribution ID: 24
 Description: ISD February 2025

Company Address ID: COM DEL
 Tax ID Number: 12345

Distribution Series ID: ISDTAX - ISD Tax Distribution Series

Period/Date Range

From Year: 2025, From Period: 2, To Year: 2025, To Period: 2

Selections

Supplier: %
 Tax Code: %
 Account: %
 Tax Category 1: %
 HSN/SAC Code: %
 Tax Calculation Structure: %

OK Cancel

In the dialog box, the user must specify the description and selection parameters to create the distribution. The **Company Address ID** LOV retrieves company address IDs that are of GST tax type and ISD registered specified on the Address Specific Tax Information section of the company page, while the **Distribution Series ID** LOV fetches tax series defined for the Company on the **Tax Series** page. For more details, refer to section [20.5 Define Basic Data](#) in this chapter.

Users can enter either a single Accounting/Tax Period or a range for distributing tax transactions. Additionally, six selection criteria are available to streamline the selection of tax transactions for distribution.

After entering the mandatory fields, click **OK** to create the distribution, which will then appear in the **Created** state, as shown below.

Note: When retrieving tax transactions for the **Input Service Distribution** details tab, it will always include tax transactions that are fetched, have a tax direction of "Tax Received," and aren't reported in any tax report.

Financials > Tax Ledger > Input Service Distribution

Input Service Distribution

Q Search

New Distribution

| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|--------------------------|-----------------|-----------------|--------------------|------------------|---------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Created | 2025-02 | 2025-02 | ISDTAX | | | |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

18.6.2 VIEW AND MODIFY THE DETAILS TAB

The **Details** command button allows users to view the fetched tax transactions associated with each distribution.

Financials > Tax Ledger > Input Service Distribution

Input Service Distribution

Q Search

Details

| (1) | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|-------------------------------------|-----------------|-----------------|--------------------|------------------|---------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input checked="" type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Created | 2025-02 | 2025-02 | ISDTAX | | | |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Input Service Distribution Details

Search (1)

18 - ISD February 25 1 of 1

Distribute

Input Service Distribution: 18 - ISD February 25
 Company Address ID: COM DEL
 From Year-Period: 2025-02
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

| ✓ | Tax Trans ID | Identity | Invoice No | Tax Code | Tax (%) | Tax Category 1 | Curr... Code | Curr Rate | Distributed Tax Amount | Distributed Tax Amount in Accounting Currency | Distributed Tax Amount in Parallel Currency | Distributed Tax Base Amount | Distributed Tax Base Amount in Accounting Currency | Distributed Tax Base Amount in Parallel Currency |
|--------------------------|--------------|-------------------------------|------------|----------|---------|--------------------|--------------|-----------|------------------------|---|---|-----------------------------|--|--|
| <input type="checkbox"/> | 204195 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | SGST | 20 | SGST - State GST | INR | 1 | 2000.00 | 2000.00 | 1000.00 | 10000.00 | 10000.00 | 5000.00 |
| <input type="checkbox"/> | 204196 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | CGST | 10 | CGST - Central GST | INR | 1 | 1000.00 | 1000.00 | 500.00 | 10000.00 | 10000.00 | 5000.00 |

Tax Transactions can be manually selected using either **Tax Transaction ID** or **Invoice No** fields as shown below using the + sign. Using the delete option, a particular tax transaction can be removed from the Input Service Distribution, so that the tax transaction will not be considered for the distribution.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company: PPERLK INDIA COMPANY

Input Service Distribution Details

Search (1)

>> 18 - ISD February 25 1 of 1 Created

Distribute

Input Service Distribution: 18 - ISD February 25
 Company Address ID: COM DEL
 From Year-Period: 2025-02
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

+ Save Cancel New 24

| (1) Tax Trans ID | Identity | Invoice No | Tax Code | Tax (%) | Tax Category 1 | Curr... Code | Curr Rate | Distributed Tax Amount | Distributed Tax Amount in Accounting Currency | Distributed Tax Amount in Parallel Currency | Distributed Tax Base Amount | Distributed Tax Base Amount in Accounting Currency | Distributed Tax Base Amount in Parallel Currency |
|---------------------------------|-------------------------------|------------|----------|---------|--------------------|--------------|-----------|------------------------|---|---|-----------------------------|--|--|
| <input type="checkbox"/> 204195 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | SGST | 20 | SGST - State GST | INR | 1 | 2000.00 | 2000.00 | 1000.00 | 10000.00 | 10000.00 | 5000.00 |
| <input type="checkbox"/> 204196 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | CGST | 10 | CGST - Central GST | INR | 1 | 1000.00 | 1000.00 | 500.00 | 10000.00 | 10000.00 | 5000.00 |

Users can access additional information on tax transactions retrieved in the **Details** tab by selecting the specific tax transaction ID and clicking the **Details** command button.

Note:

It is assumed that branch companies have defined the same tax codes as the Input Service Distributor.

18.6.3 PARTIAL DISTRIBUTION OF THE TAX AMOUNT

Users can distribute a portion of the tax amount for a specific tax transaction. The **Distributed Tax Amount** column on the details tab of the distribution is editable, allowing users to enter a value lower than the original tax amount.

Modifying the **Distributed Tax Amount** field for a specific tax transaction will also impact the **Distributed Tax Amount in Accounting Currency**, **Distributed Tax Amount in Parallel Currency**, **Distributed Tax Base Amount**, **Distributed Tax Base Amount in Accounting Currency**, and **Distributed Tax Base Amount in Parallel Currency** columns. The tax base fields will be adjusted in proportion to the percentage change in the Distributed Tax Amount.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company: PPERLK INDIA COMPANY

Input Service Distribution Details

Search (1)

18 - ISD February 25 1 of 1

Distribute

Input Service Distribution: 18 - ISD February 25
 Company Address ID: COM DEL
 From Year-Period: 2025-02
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

| ✓ | Tax Trans ID | Identity | Invoice No | Tax Code | Tax (%) | Tax Category 1 | Curr... Code | Curr Rate | Distributed Tax Amount | Distributed Tax Amount in Accounting Currency | Distributed Tax Amount in Parallel Currency | Distributed Tax Base Amount | Distributed Tax Base Amount in Accounting Currency | Distributed Tax Base Amount in Parallel Currency |
|--------------------------|--------------|-------------------------------|------------|----------|---------|--------------------|--------------|-----------|------------------------|---|---|-----------------------------|--|--|
| <input type="checkbox"/> | 204195 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | SGST | 20 | SGST - State GST | INR | 1 | 1500.00 | 1500.00 | 750.00 | 7500.00 | 7500.00 | 3750.00 |
| <input type="checkbox"/> | 204196 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | CGST | 10 | CGST - Central GST | INR | 1 | 1000.00 | 1000.00 | 500.00 | 10000.00 | 10000.00 | 5000.00 |

18.7 Distribution of Tax Amount

18.7.1 DISTRIBUTION INFORMATION DIALOG

After completing the creation of the distribution or modifications to the details tab, the user can initiate the distribution process by selecting the **Distribute** command. This option is available on both the **Input Service Distribution Details** page and the **Input Service Distribution** page. Once initiated, the process will lock the user's ability to modify tax transactions that have been selected in the **Details** tab.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company: PPERLK INDIA COMPANY

Input Service Distribution Details

Search

18 - ISD February 25

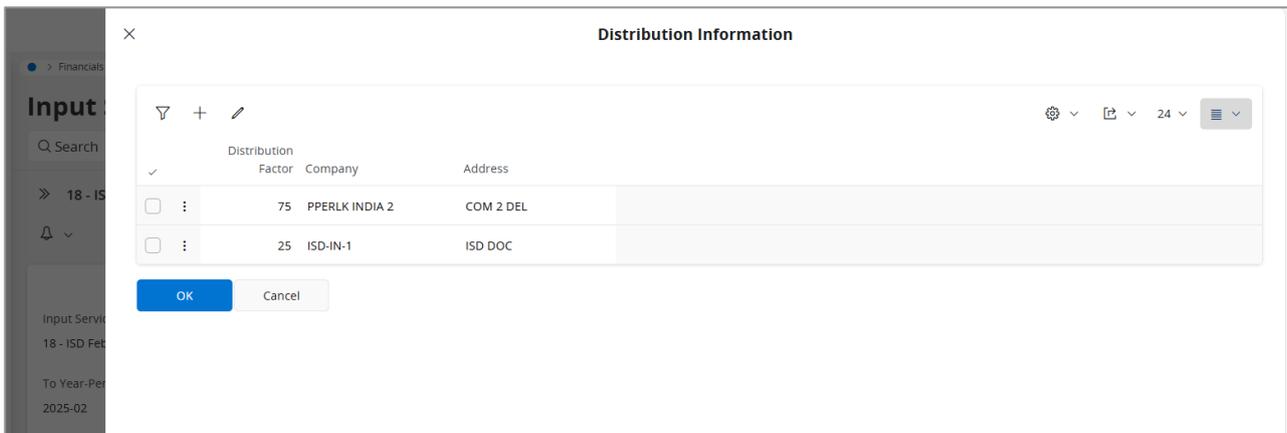
Distribute

Input Service Distribution: 18 - ISD February 25
 Company Address ID: COM DEL
 From Year-Period: 2025-02
 To Year-Period: 2025-02

DETAILS DISTRIBUTION

| ✓ | Tax Trans ID | Identity | Invoice No | Tax Code | Tax (%) | Tax Category 1 | Curr... Code | Curr Rate | Distributed Tax Amount | Distributed Tax Amount in Accounting Currency | Distributed Tax Amount in Parallel Currency | Distributed Tax Base Amount | Distributed Tax Base Amount in Accounting Currency | Distributed Tax Base Amount in Parallel Currency |
|--------------------------|--------------|-------------------------------|------------|----------|---------|--------------------|--------------|-----------|------------------------|---|---|-----------------------------|--|--|
| <input type="checkbox"/> | 204195 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | SGST | 20 | SGST - State GST | INR | 1 | 2000.00 | 2000.00 | 1000.00 | 10000.00 | 10000.00 | 5000.00 |
| <input type="checkbox"/> | 204196 | PS PPERLK SUP 01 - PPERIK ... | INV01 6/2 | CGST | 10 | CGST - Central GST | INR | 1 | 1000.00 | 1000.00 | 500.00 | 10000.00 | 10000.00 | 5000.00 |

Upon clicking the Distribute command, a **Distribution Information** dialog box will be opened.



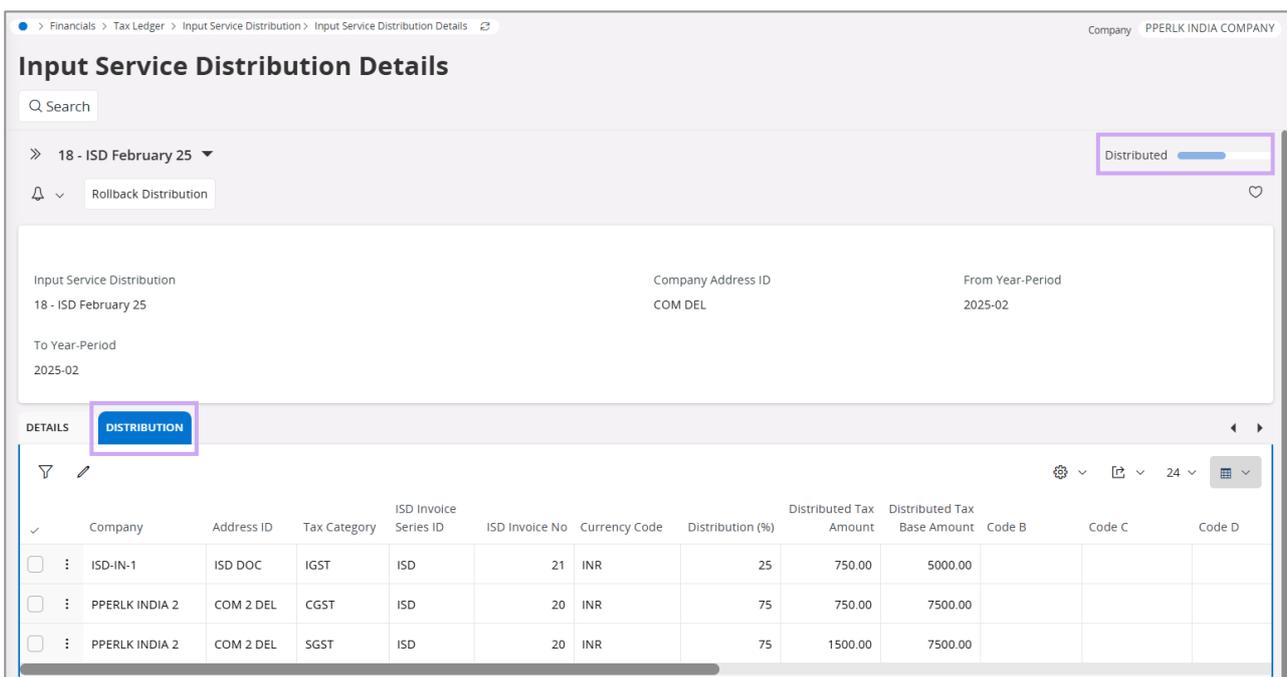
In this dialog, the user can specify the tax allocation percentage among branch companies for the selected tax transactions in the **Distribution Factor** column. Users can enter values ranging from 1 to 100, which must collectively sum to 100%, while negative values are not permitted.

In the **Company** column, the user can specify the name of the branch eligible to receive the tax credit. The list of values displays the companies connected with the user.

An **Address ID** must be selected for the chosen company. The list of values displays the Address IDs that have a Tax ID number defined for the **GST** tax ID type in the **Company/Address/Address Specific Tax ID Numbers** section of the respective company.

Users can select address IDs within the same Input Service Distributor Company, as well as multiple addresses within the branch company, but the user is not permitted to define the same company and address combination more than once in the **Distribution Information** dialog.

Once the relevant information is provided, click **OK**, and the status of the distribution will be updated to **Distributed** and distributed lines will get updated on the **Distribution** tab of the distribution.

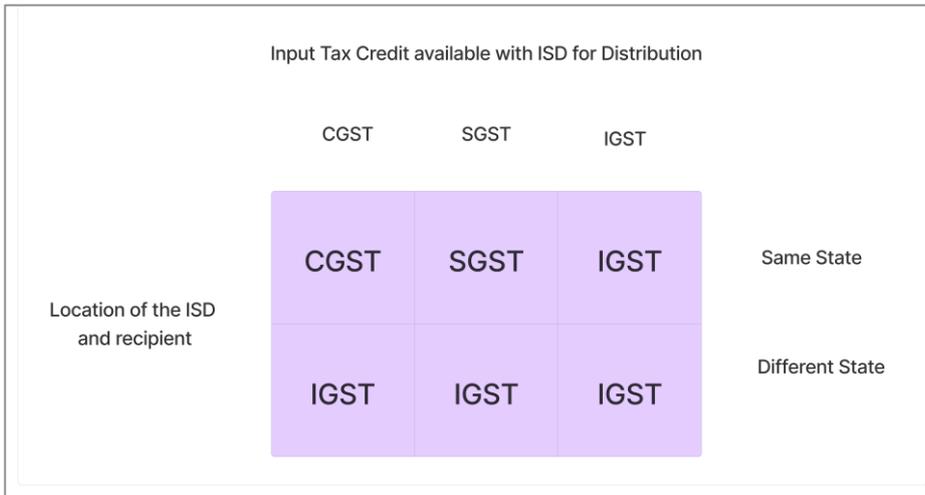


Note:

To distribute the tax transactions retrieved in the Details tab of the distribution, having a tax category for the tax transaction IDs is mandatory.

Further simultaneous distribution to both multi-company and same company address IDs is not allowed. In such cases, separate distributions must be used.

18.7.2 INTRA/ INTER STATE DISTRIBUTION MECHANISM



Transferring tax amounts to the branches works as shown in the above diagram. When distributing GST, we must consider the location or state of the Input Service distributor, branch, and the tax categories of Input Tax Credit (ITC) available to distribute. These two parameters will determine whether it's an intra or inter-distribution.

When the distribution happens between the same state, tax categories will be passed on to the tax-receiving company as it is, for example, CGST will be transferred as CGST, and SGST will be transferred as SGST. When the distribution happens between different states, tax categories will be transferred as IGST only.

Financials > Tax Ledger > Input Service Distribution > Input Service Distribution Details

Company PPERLK INDIA COMPANY

Input Service Distribution Details

Search

» 18 - ISD February 25

Rollback Distribution

Input Service Distribution: 18 - ISD February 25

Company Address ID: COM DEL

From Year-Period: 2025-02

To Year-Period: 2025-02

DETAILS **DISTRIBUTION**

| Company | Address ID | Tax Category | ISD Invoice Series ID | ISD Invoice No | Currency Code | Distribution (%) | Distributed Tax Amount | Distributed Tax Base Amount | Code B | Code C | Code D |
|----------------|------------|--------------|-----------------------|----------------|---------------|------------------|------------------------|-----------------------------|--------|--------|--------|
| ISD-IN-1 | ISD DOC | IGST | ISD | 21 | INR | 25 | 750.00 | 5000.00 | | | |
| PPERLK INDIA 2 | COM 2 DEL | CGST | ISD | 20 | INR | 75 | 750.00 | 7500.00 | | | |
| PPERLK INDIA 2 | COM 2 DEL | SGST | ISD | 20 | INR | 75 | 1500.00 | 7500.00 | | | |

If the branch is located in a different state from the Input Service Distributor, all tax categories will be transferred as **IGST** in a single line on the **Distribution** tab.

However, if the branch is located in the same state as the Input Service Distributor, the tax categories of the tax transactions will be aggregated by tax category and displayed tax category-wise on the **Distribution** tab.

The **ISD Invoice Series ID** and **ISD Invoice No** are system-defined, sequential numbering and will be generated for each **Address ID** in the distribution.

The distribution is executed in **Indian Rupees (INR)**, irrespective of the currencies of the tax transactions selected in the **details** tab of the distribution.

In the **Distribution** tab, users can enter code strings (**Code B** to **Code J**), enabling them to specify predefined strings connected with the branches receiving the tax component, ensuring proper posting as needed.

Furthermore, the **Rollback Distribution** command will become available upon the completion of the distribution process. When the distribution is rolled back, the distribution state will revert to **Created**, and all distribution-related information will be removed from the **Distribution** tab.

18.8 Acknowledging the Distribution

On the **Input Service Distribution** page, select the distribution and click on the **Acknowledge** command to confirm it. This action will lock the user's ability to modify distribution lines within the **Distribution** tab. Once acknowledged, the distribution's status will be updated to **Acknowledged**.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Q Search

New Distribution

| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|--------------------------|-----------------|-----------------|--------------------|------------------|--------------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Acknowledged | 2025-02 | 2025-02 | ISDTAX | | | |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |
| <input type="checkbox"/> | 14 | 14 | COM DEL | 2/10/2025 | Cancelled | 2025-02 | 2025-02 | ISDTAX | 12 | TA | 2025000015 |

Once the distribution is acknowledged, the **Unacknowledge** command button will become accessible, allowing the user to revert the acknowledgment and modify the distribution lines if necessary.

18.9 Voucher Creation

Once the distribution is acknowledged, a voucher can be created using the **Create Voucher** command. In the Voucher Information assistant, the user has the option to edit the voucher date as needed.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Q Search

Details New Distribution Unacknowledge Create Voucher

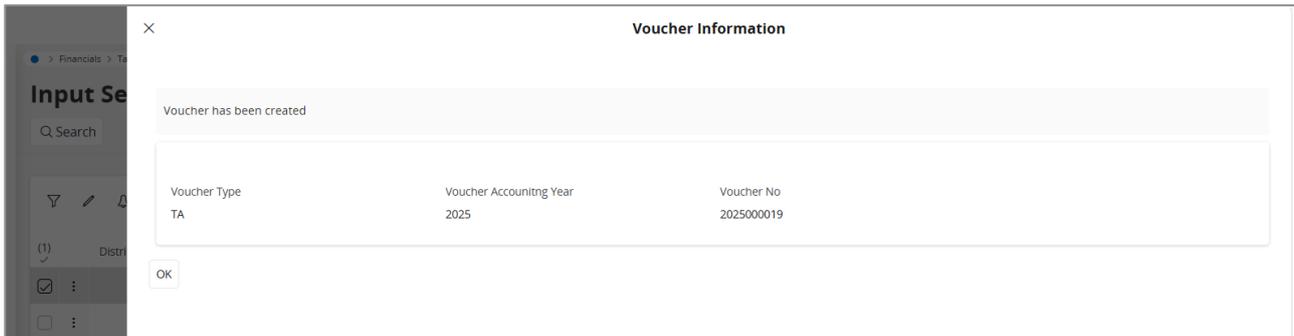
| (1) | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|-------------------------------------|-----------------|-----------------|--------------------|------------------|--------------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input checked="" type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Acknowledged | 2025-02 | 2025-02 | ISDTAX | | | |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

Voucher Information

Create Voucher

| | | | |
|--------------|-------------------|------------|--------------|
| Voucher Date | Accounting Period | User Group | Voucher Type |
| 2/14/2025 | 2025-2 | AC | TA |

OK Cancel



For the Input Service Distributor company voucher creation, it will use the newly created voucher type **TA**, and existing voucher type **D** will be used for the branch company voucher creation.

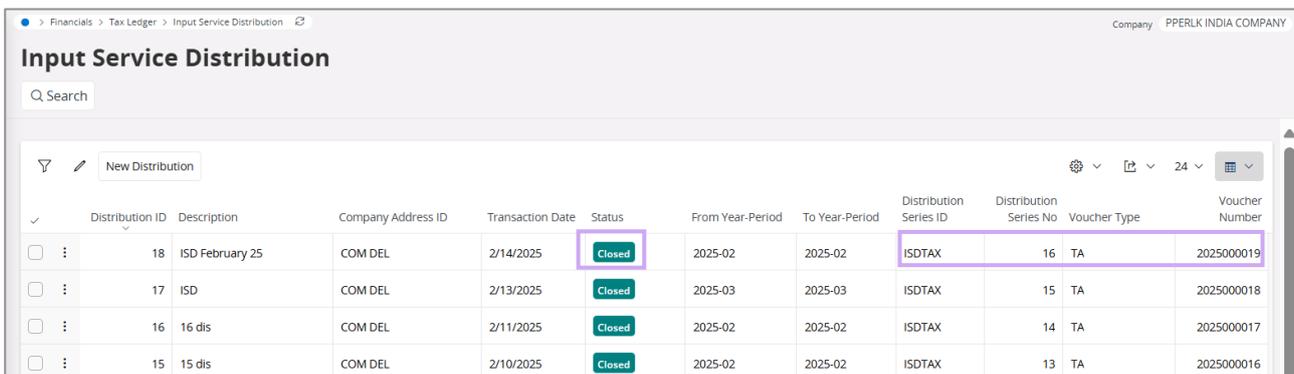
When the tax amount is distributed with a branch company, both TA and D vouchers will be created. TA voucher will consist of TAP2 and AUTOMATIC trans code when creating the voucher lines, and the D voucher will consist of TAP1 and TAP3 trans code when creating the voucher lines.

Whereas, if the tax amount is distributed within the Input Service Distributor company address IDs only a TA voucher will be created. And the TA voucher will consist of TAP1 and AUTOMATIC trans codes when creating the voucher lines.

After the voucher is created, the Distribution status will be updated to **Closed**, and details such as the **Distribution Series No**, **Voucher Type**, and **Voucher Number** will be shown on the **Input Service Distribution** page.

Note:

AUTOMATIC trans code is used in the Input Service Distributor company to reverse the original tax transactions which are distributed among the receiving companies.



| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|--------------------------|-----------------|-----------------|--------------------|------------------|--------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 16 | TA | 2025000019 |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

Additionally, the created voucher can be cancelled using the **Rollback Voucher** command, which will fully reverse the original voucher entry. In the Voucher Information assistant, the user has the option to edit the voucher date to a future date if the original voucher date period is closed.

The voucher number will also be updated on the Input Service Distribution page and the status of the distribution will be changed to **Cancelled**.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Q Search

New Distribution

| ✓ | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|--------------------------|-----------------|-----------------|--------------------|------------------|-----------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input type="checkbox"/> | 18 | ISD February 25 | COM DEL | 2/14/2025 | Cancelled | 2025-02 | 2025-02 | ISDTAX | 16 | TA | 2025000020 |
| <input type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |

18.10 View Voucher

The created voucher can be viewed using the **View Voucher** command button as shown below.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Q Search

Details New Distribution View Voucher Rollback Voucher

| (1) | Distribution ID | Description | Company Address ID | Transaction Date | Status | From Year-Period | To Year-Period | Distribution Series ID | Distribution Series No | Voucher Type | Voucher Number |
|-------------------------------------|-----------------|-------------|--------------------|------------------|-----------|------------------|----------------|------------------------|------------------------|--------------|----------------|
| <input checked="" type="checkbox"/> | 17 | ISD | COM DEL | 2/13/2025 | Closed | 2025-03 | 2025-03 | ISDTAX | 15 | TA | 2025000018 |
| <input type="checkbox"/> | 16 | 16 dis | COM DEL | 2/11/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 14 | TA | 2025000017 |
| <input type="checkbox"/> | 15 | 15 dis | COM DEL | 2/10/2025 | Closed | 2025-02 | 2025-02 | ISDTAX | 13 | TA | 2025000016 |
| <input type="checkbox"/> | 14 | 14 | COM DEL | 2/10/2025 | Cancelled | 2025-02 | 2025-02 | ISDTAX | 12 | TA | 2025000015 |

The **View Voucher** command button will navigate to the **Multi-Company Voucher Details Analysis** page if the distribution occurs between companies. If the distribution is made between different Address IDs within the same company, it will be directed to the **Voucher Details Analysis** page.

Accounting Rules > Voucher > Analysis > Multi-Company Voucher Details Analysis

Company PPERLK INDIA COMPANY

Multi-Company Voucher Details Analysis

Q Search

Entry Information

Entry Date: 2/14/2025

User ID: PP PPERLK

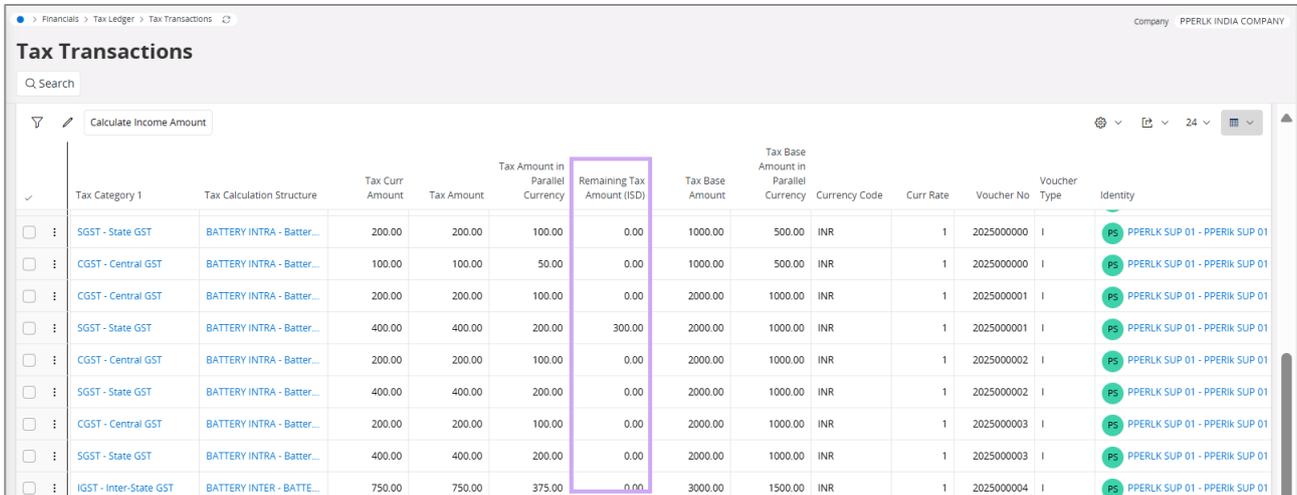
User Group: AC

Voucher Rows

| ✓ | Row No | Voucher Company | Voucher Updated | Account | Cost Cent | Project | Tax Code | Trans Code | Voucher Type Reference | Voucher No Ref | Currency Code |
|--------------------------|--------|---|-----------------|---|-----------|---------|----------|------------|------------------------|----------------|---------------|
| <input type="checkbox"/> | 1 | PPERLK INDIA 2 - pperlk-2 | No | 2641 - Charged input VAT | | | CGST | TAP1 | D | 2025000018 | INR |
| <input type="checkbox"/> | 2 | PPERLK INDIA 2 - pperlk-2 | No | 2641 - Charged input VAT | | | SGST | TAP1 | D | 2025000018 | INR |
| <input type="checkbox"/> | 3 | PPERLK INDIA 2 - pperlk-2 | No | 2860 - Payables to affiliated companies | | | | TAP3 | D | 2025000018 | INR |
| <input type="checkbox"/> | 4 | ISD-IN-1 - ISD-IN-1 | No | 2645 - Estimated input VAT on purch from outsi... | | | CGST | TAP1 | D | 2025000010 | INR |
| <input type="checkbox"/> | 5 | ISD-IN-1 - ISD-IN-1 | No | 2645 - Estimated input VAT on purch from outsi... | | | SGST | TAP1 | D | 2025000010 | INR |
| <input type="checkbox"/> | 6 | ISD-IN-1 - ISD-IN-1 | No | 2860 - Payables to affiliated companies | | | | TAP3 | D | 2025000010 | INR |
| <input type="checkbox"/> | 7 | PPERLK INDIA COMPANY - PPERLK INDIA COMPANY | No | 2641 - Charged input VAT | | | CGST | AUTOMATIC | TA | 2025000020 | INR |
| <input type="checkbox"/> | 8 | PPERLK INDIA COMPANY - PPERLK INDIA COMPANY | No | 2641 - Charged input VAT | | | SGST | AUTOMATIC | TA | 2025000020 | INR |
| <input type="checkbox"/> | 9 | PPERLK INDIA COMPANY - PPERLK INDIA COMPANY | No | 1660 - Receivables from affiliated companies | | | | TAP2 | TA | 2025000020 | INR |
| <input type="checkbox"/> | 10 | PPERLK INDIA COMPANY - PPERLK INDIA COMPANY | No | 1660 - Receivables from affiliated companies | | | | TAP2 | TA | 2025000020 | INR |

18.11 Tax Transaction page Information

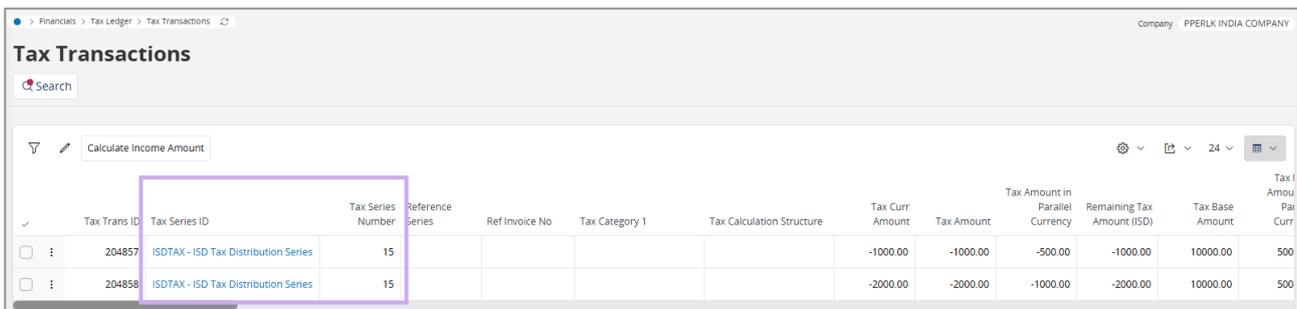
The **Remaining Tax Amount (ISD)** column on the Tax Transaction page of the Input Service Distributor company will be updated upon creating the TA voucher. This column is displayed in accounting currency.



| ✓ | Tax Category 1 | Tax Calculation Structure | Tax Curr Amount | Tax Amount | Tax Amount in Parallel Currency | Remaining Tax Amount (ISD) | Tax Base Amount | Tax Base Amount in Parallel Currency | Currency Code | Curr Rate | Voucher No | Voucher Type | Identity |
|--------------------------|------------------------|---------------------------|-----------------|------------|---------------------------------|----------------------------|-----------------|--------------------------------------|---------------|-----------|------------|--------------|----------------------------------|
| <input type="checkbox"/> | SGST - State GST | BATTERY INTRA - Batter... | 200.00 | 200.00 | 100.00 | 0.00 | 1000.00 | 500.00 | INR | 1 | 2025000000 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | CGST - Central GST | BATTERY INTRA - Batter... | 100.00 | 100.00 | 50.00 | 0.00 | 1000.00 | 500.00 | INR | 1 | 2025000000 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | CGST - Central GST | BATTERY INTRA - Batter... | 200.00 | 200.00 | 100.00 | 0.00 | 2000.00 | 1000.00 | INR | 1 | 2025000001 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | SGST - State GST | BATTERY INTRA - Batter... | 400.00 | 400.00 | 200.00 | 300.00 | 2000.00 | 1000.00 | INR | 1 | 2025000001 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | CGST - Central GST | BATTERY INTRA - Batter... | 200.00 | 200.00 | 100.00 | 0.00 | 2000.00 | 1000.00 | INR | 1 | 2025000002 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | SGST - State GST | BATTERY INTRA - Batter... | 400.00 | 400.00 | 200.00 | 0.00 | 2000.00 | 1000.00 | INR | 1 | 2025000002 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | CGST - Central GST | BATTERY INTRA - Batter... | 200.00 | 200.00 | 100.00 | 0.00 | 2000.00 | 1000.00 | INR | 1 | 2025000003 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | SGST - State GST | BATTERY INTRA - Batter... | 400.00 | 400.00 | 200.00 | 0.00 | 2000.00 | 1000.00 | INR | 1 | 2025000003 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |
| <input type="checkbox"/> | IGST - Inter-State GST | BATTERY INTER - BATTE... | 750.00 | 750.00 | 375.00 | 0.00 | 3000.00 | 1500.00 | INR | 1 | 2025000004 | I | PS PPERLK SUP 01 - PPERIK SUP 01 |

Once the voucher is created, users from the respective companies can **Update GL Vouchers** and **Fetch Tax Ledger Information** to populate the tax amounts into the tax ledgers of the respective branches or companies.

Upon fetching the tax ledger information on the Tax Transactions page for the Input Service Distributor company; Distribution Series ID and Series No will be reflected in the **Tax Series ID** and **Tax Series Number** columns.



| ✓ | Tax Trans ID | Tax Series ID | Tax Series Number | Reference Series | Ref Invoice No | Tax Category 1 | Tax Calculation Structure | Tax Curr Amount | Tax Amount | Tax Amount in Parallel Currency | Remaining Tax Amount (ISD) | Tax Base Amount | Tax I Amou Pai Curr |
|--------------------------|--------------|--------------------------------------|-------------------|------------------|----------------|----------------|---------------------------|-----------------|------------|---------------------------------|----------------------------|-----------------|---------------------|
| <input type="checkbox"/> | 204857 | ISDTAX - ISD Tax Distribution Series | 15 | | | | | -1000.00 | -1000.00 | -500.00 | -1000.00 | 10000.00 | 500 |
| <input type="checkbox"/> | 204858 | ISDTAX - ISD Tax Distribution Series | 15 | | | | | -2000.00 | -2000.00 | -1000.00 | -2000.00 | 10000.00 | 500 |

Upon fetching the tax ledger information on the Tax Transactions page for the tax receiving company; the ISD Invoice Series ID, ISD Invoice No will be reflected in the **Reference Series**, and **Ref Invoice No** columns.



| ✓ | Tax Trans ID | Tax Series ID | Tax Series Number | Reference Series | Ref Invoice No | Tax Category 1 | Tax Calculation Structure | Tax Curr Amount | Tax Amount | Tax Amount in Parallel Currency | Remaining Tax Amount (ISD) | Tax Base Amount | Tax I Amou Pai Curr |
|--------------------------|--------------|---------------|-------------------|------------------|----------------|------------------------|---------------------------|-----------------|------------|---------------------------------|----------------------------|-----------------|---------------------|
| <input type="checkbox"/> | 204495 | | | ISD | 12 | IGST - Inter-State GST | | -9900.00 | -29700.00 | -1980.00 | -29700.00 | -297000.00 | -1980 |

18.12 Delimitation

NA

19 Appendix

Sample schema (XSD) for e-Invoice sending as well as receiving can be found in the Technical Documentation (TechDocs) for 25R1.

In - Solution Manager User Guide/Integration/IFS Cloud Business Components/...

18.13 E-invoice Format

The below attached Excel file describes the mapping of the Indian GST e-invoice format and the IFS e-invoice format. Note that only mandatory tags are mapped.



E_Invoice_India_Map
ping_Document.xlsx

18.14 Response file



ReceiveEInvoiceResp
onseSampleACCEPTED