



Country Solution Pakistan

IFSCLOUD26R2

Table of Contents

1	Company Set-up	2
2	System Defined Pakistan States	4
3	Pakistan Section Codes & Sales Tax WHT	5
4	Tax on Sales Price	14
5	Income Tax	19
6	Pakistan E-invoicing	22
7	Appendix	34

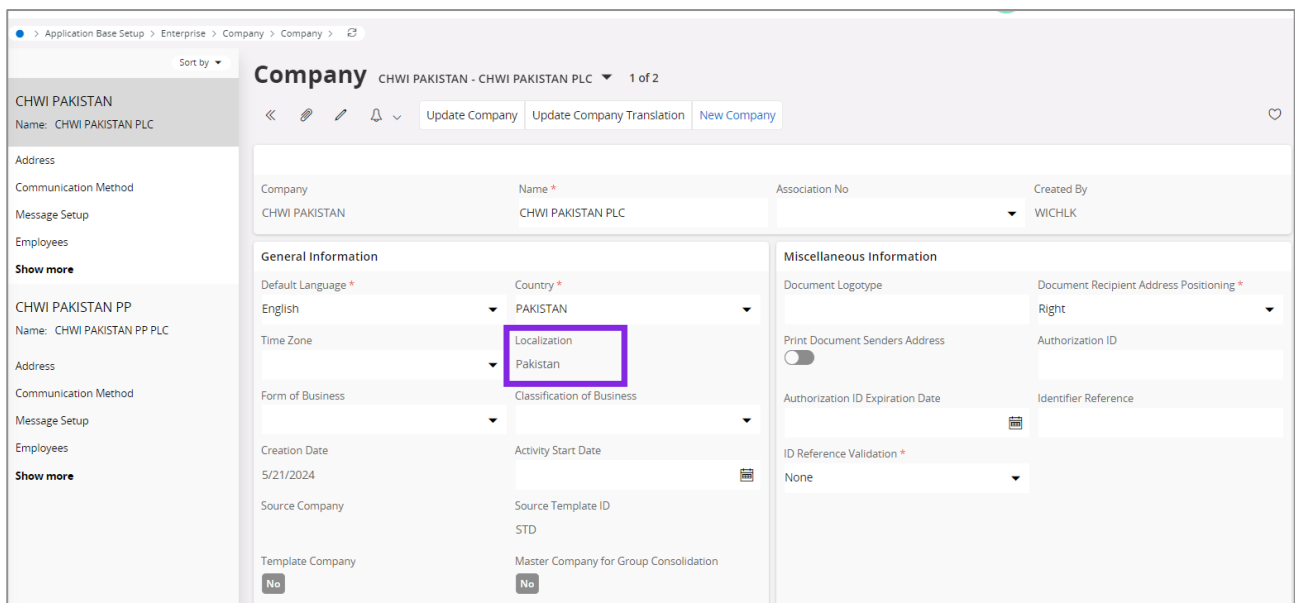
1 Company Set-up

1.1 Overview

To utilize Pakistan's functionality, the company must be set up using Pakistan localization. This is defined on the Company/General Information page.

1.2 Define Localization

- Open the page, **Company**.
- Search for the company.
- Select "Pakistan" in the drop-down list of the **Localization** field in **General Information** and save. Note that this cannot be changed once transactions are created for the company.



The screenshot shows the 'Company' setup page for 'CHWI PAKISTAN - CHWI PAKISTAN PLC'. The 'General Information' section is expanded, and the 'Localization' dropdown menu is open, showing 'Pakistan' as the selected option. Other fields include 'Default Language' (English), 'Country' (PAKISTAN), 'Time Zone', 'Form of Business', 'Classification of Business', 'Creation Date' (5/21/2024), 'Activity Start Date', 'Source Company', 'Source Template ID' (STD), 'Template Company' (No), and 'Master Company for Group Consolidation' (No). The 'Miscellaneous Information' section includes 'Document Logotype', 'Document Recipient Address Positioning' (Right), 'Print Document Senders Address' (toggle), 'Authorization ID', 'Authorization ID Expiration Date', 'Identifier Reference', 'ID Reference Validation' (None), and 'ID Reference Validation' (None).

1.3 Select Localization Functionality

Specify which functionality to use.

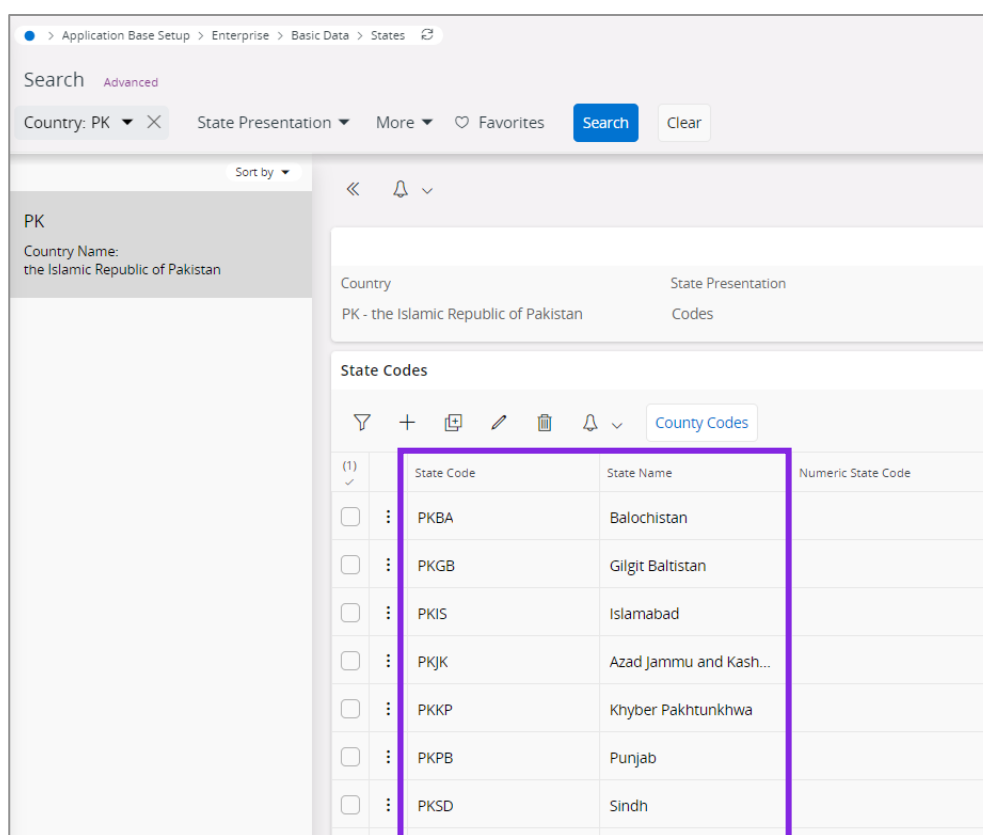
- Open the **Localization Control Center** sub-menu under **Company**.
- The localization selected in the previous step is displayed in the **Localization Control Center** field and cannot be changed.
- All functionalities available for Pakistan are presented in the list. Enable/Disable the functionalities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

2 System Defined Pakistan States

2.1 Solution Overview

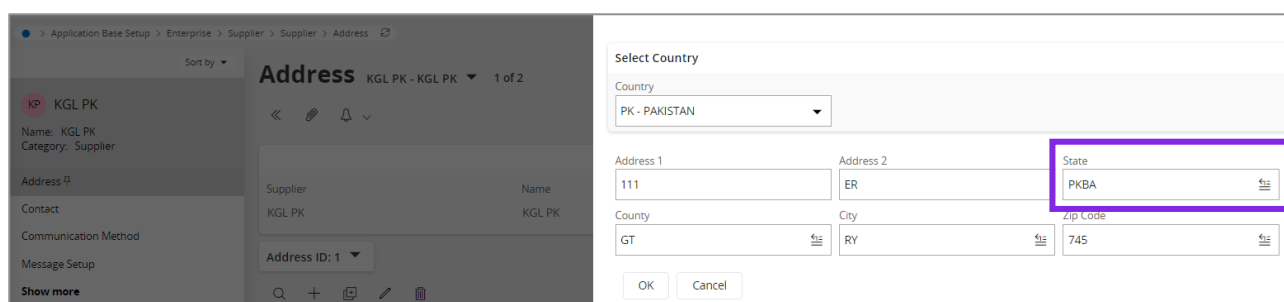
There are different scenarios relevant to the withholding tax calculation based on several criteria such as state, nature of the transaction, legal status, sales tax status income tax status, etc. State code acts as a decisive component in the tax calculation since Pakistan has state-based tax rates when supplying and buying goods and services. Hence the State codes specific to Pakistan were introduced.

Accordingly, on the **States** page, the user can view the list of system-defined Pakistan **State Codes**, **State Names**, and **Numeric State Codes** under **PK** (Pakistan) country code. The solution allows the addition, modification, and removal of States as per the user's requirement.



State Code	State Name	Numeric State Code
PKBA	Balochistan	
PKGB	Gilgit Baltistan	
PKIS	Islamabad	
PKJK	Azad Jammu and Kash...	
PKKP	Khyber Pakhtunkhwa	
PKPB	Punjab	
PKSD	Sindh	

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 of the supplier in IFS Cloud if the country is Pakistan (PK).



Address ID: 1

Country: PK - PAKISTAN

Address 1: 111

Address 2: ER

State: PKBA

County: GT

City: RY

Zip Code: 745

3 Pakistan Section Codes & Sales Tax WHT

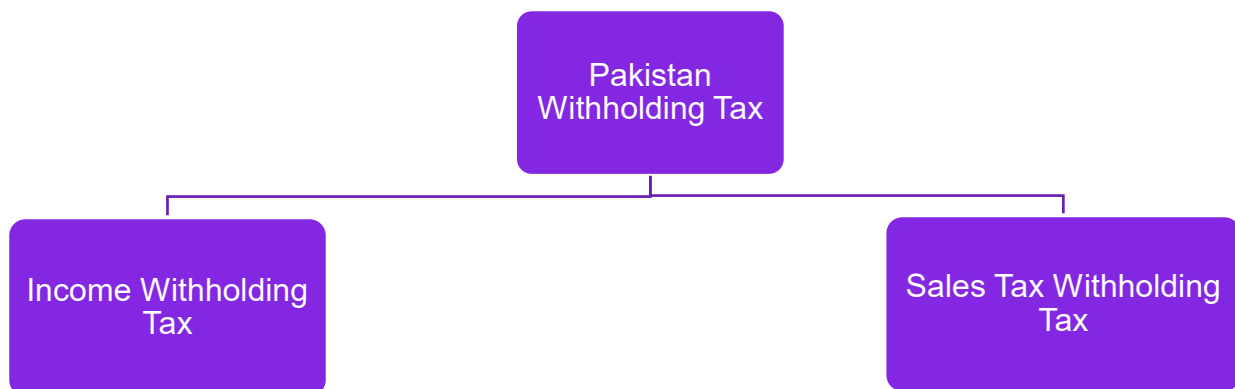
3.1 Overview Legal Requirement

Sales Tax is a tax levied by the Federal Government under the Sales Tax Act, of 1990, on the sale and supply of goods and the goods imported into Pakistan. Sales Tax on services is levied by the Federal Government under The Islamabad Capital Territory (Tax on Services) Ordinance, 2001.

Withholding sales tax under the Sales Tax Act 1990 is deducted by the provisions of Section 3(7) of the Sales Tax Act 1990.

The tax shall be withheld at the rate as specified in the Eleventh Schedule, by any person or class of persons being purchasers of goods or services, other than the services liable to pay sales tax under a Provincial enactment, as withholding agent to deposit the same, in such manner and subject to such conditions or restrictions as the Board may prescribe in this behalf through a notification in the official Gazette.

3.2 Process Overview



3.3 Solution Overview

The diagram below provides an overview of the entire solution, including calculations for both "Registered" and "Unregistered" supplier scenarios.



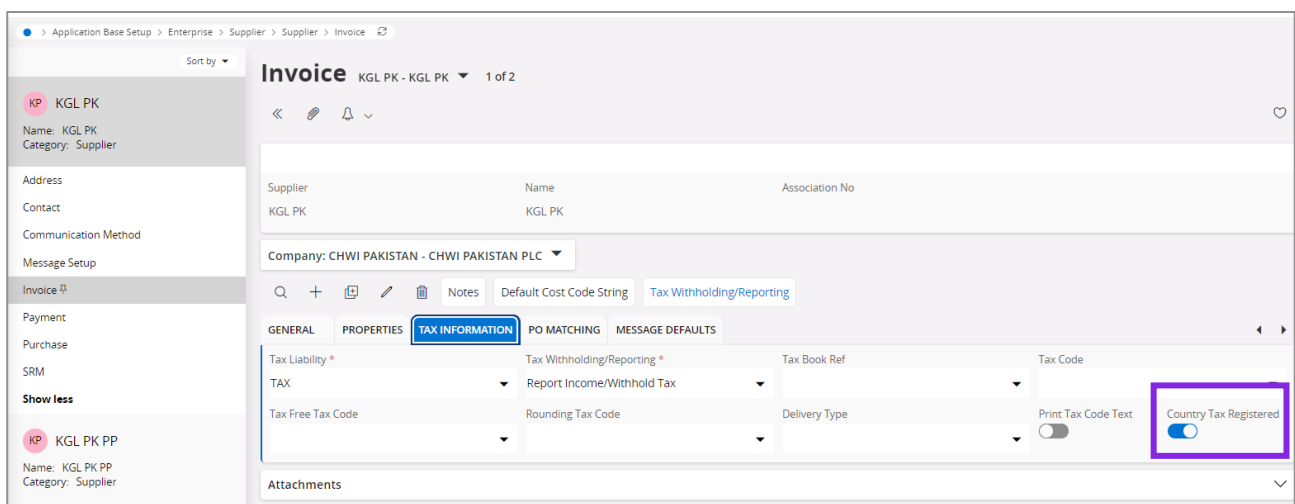
3.4 Prerequisites

- The company must be set up to use Pakistan localization, see the [Company Setup](#) chapter.
- The **Tax Method Tax Disbursed** column must be set up as **Payment** for tax codes defined under the **Tax Withhold** tax type on the **Tax Codes** page.

3.5 Supplier-level basic data

3.5.1 SUPPLIER TAX REGISTRATION STATUS

A new toggle **Country Tax Registered** is introduced in the **Supplier/Invoice/Tax Information** sub-section. This functionality will determine whether the supplier is registered for sales tax or not and carry out the tax calculations accordingly.



Application Base Setup > Enterprise > Supplier > Supplier > Invoice

Sort by

KP KGL PK
Name: KGL PK
Category: Supplier

Address
Contact
Communication Method
Message Setup
Invoice

Payment
Purchase
SRM
Show less

KP KGL PK PP
Name: KGL PK PP
Category: Supplier

Invoice KGL PK - KGL PK 1 of 2

Supplier: KGL PK Name: KGL PK Association No:

Company: CHWI PAKISTAN - CHWI PAKISTAN PLC

Q + Notes Default Cost Code String Tax Withholding/Reporting

GENERAL PROPERTIES TAX INFORMATION PO MATCHING MESSAGE DEFAULTS

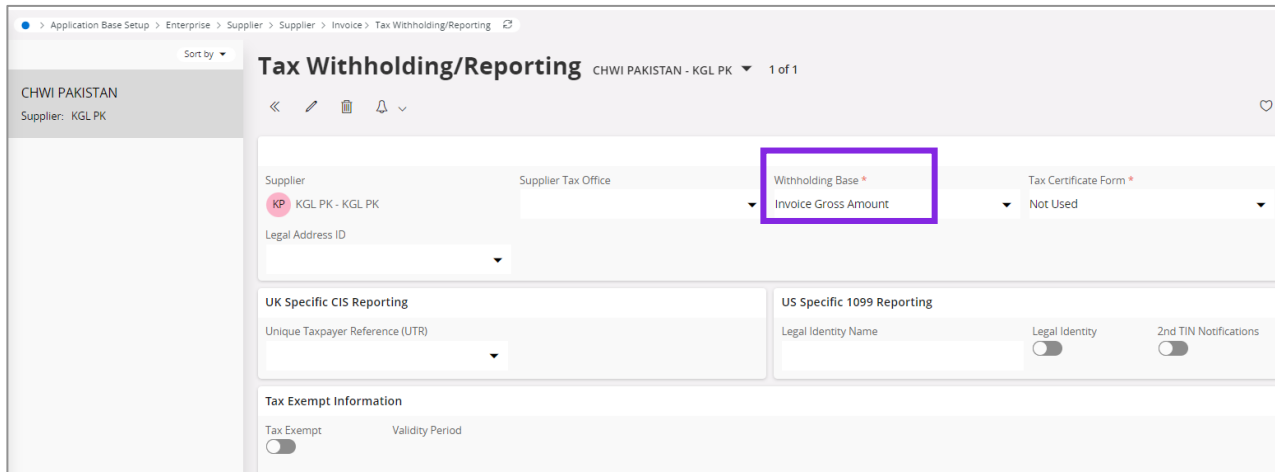
Tax Liability * TAX Tax Withholding/Reporting * Report Income/Withhold Tax Tax Book Ref Tax Code

Tax Free Tax Code Rounding Tax Code Delivery Type Print Tax Code Text **Country Tax Registered**

Attachments

3.5.2 INTRODUCTION OF A NEW WITHHOLDING BASE TO SUPPLIER BASIC DATA

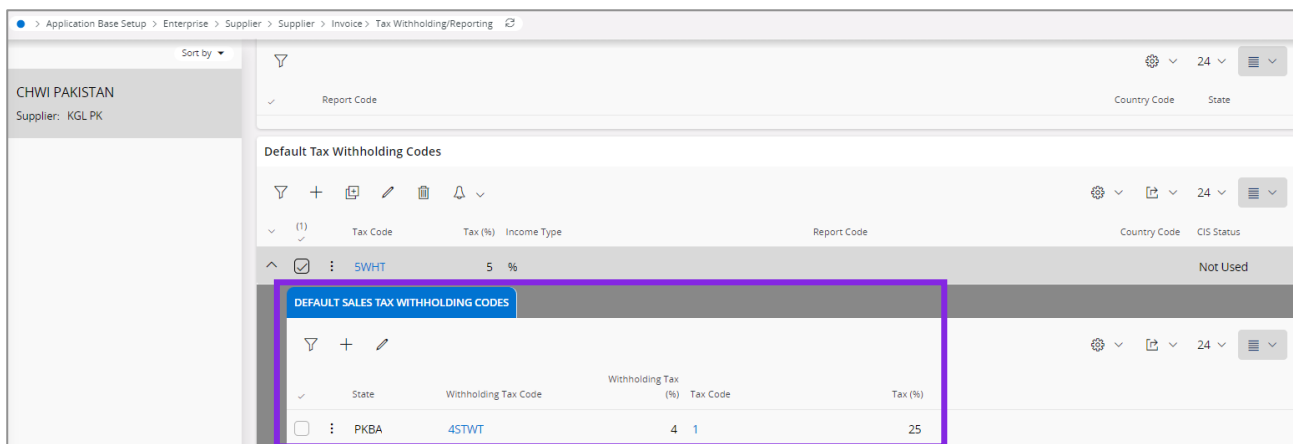
A new tax base as **Invoice Gross Amount** is introduced as a standard functionality in the **Supplier/Invoice/Tax Withholding/Reporting** page. This will enable the calculation of Income Withholding taxes to consider the Invoice Gross Amount as the Withholding tax base.



3.5.3 INTRODUCTION OF A NESTED TABLE TO STORE SALES TAX WITHHOLDING BASIC DATA

A nested table named **Default Sales Tax Withholding Codes** is introduced under the Default Tax Withholding Codes section of the **Supplier/Invoice/Tax Withholding/Reporting** page, to store information related to State, Sales Tax Withholding Tax rates and Sales Tax rates at the supplier basic data level. The functionality allows users to add, modify, and delete records related to Sales WHT.

Note - The **State** code will be a mandatory field in this nested table, and if the supplier is not registered for sales tax, entering the **Tax Code** will also be mandatory.



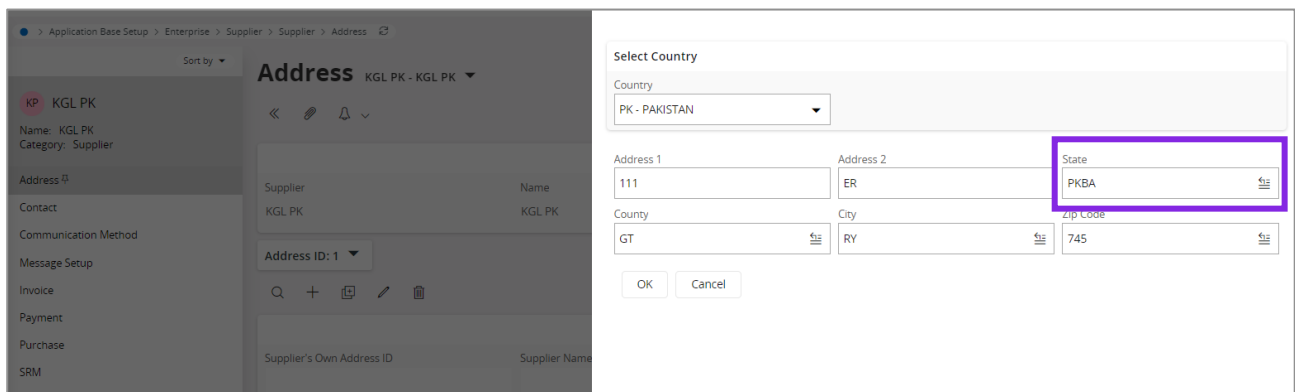
3.6 Fetching and Modifying of Income WHT and Sales Tax WHT

Fetching of Income Tax WHT and Sales Tax WHT are handled for the below three pages.

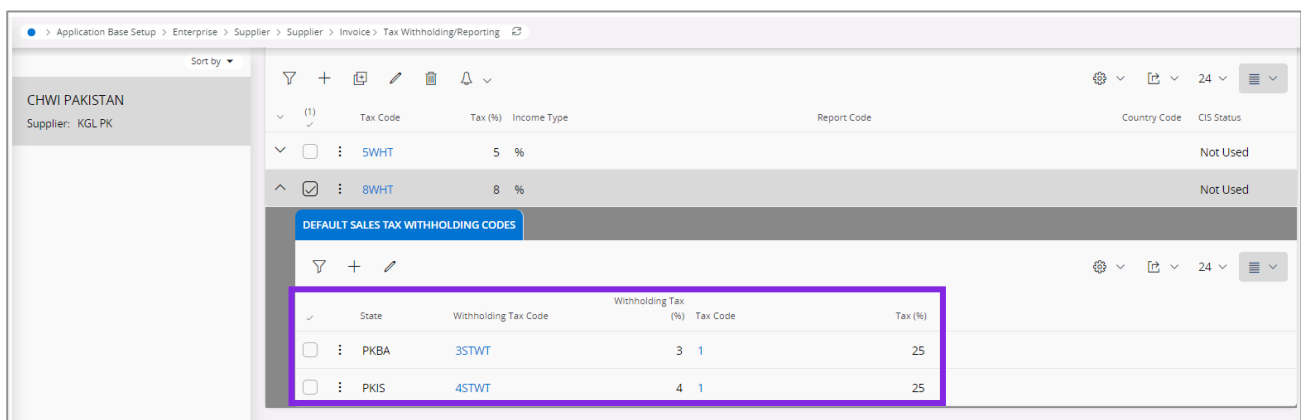
- 1) New Manual Supplier Invoice Page
- 2) Manual Supplier Invoice Page
- 3) Posting Proposal Page

Fetching of Income Withholding taxes to the manual supplier invoices will work based on the standard functionality regardless of the state and based on the Income Tax Withholding rates defined for a particular supplier on the **Supplier/ Invoice/Tax Withholding/Reporting**.

The fetching of the Sales tax WHT to the manual supplier invoice is based on the State defined on the Default Document Address on the **General Address Information** section of the **Supplier/Address** page. Users should enter sales tax withholding information on the **Default Sales Tax Withholding Code** nested table based on the **Supplier/ Invoice/Tax Withholding/Reporting** page based on the Supplier's default document address. If this condition suffices, sales tax withholding tax codes and sales tax codes will be fetched to the supplier invoice. The functionality has enabled the addition, modification, and deletion of withholding taxes and the correct amount should be fetched as per the change.



The screenshot shows the 'Supplier Address' page for 'KGL PK'. The 'State' field is highlighted with a red box, showing 'PKBA'. The 'Country' field is set to 'PK - PAKISTAN'. The 'Address 1' field is '111', 'Address 2' is 'ER', 'County' is 'GT', 'City' is 'RY', and 'Zip Code' is '745'.



The screenshot shows the 'Supplier Invoice Tax Withholding/Reporting' page for 'CHWI PAKISTAN' (Supplier: KGL PK). The 'DEFAULT SALES TAX WITHHOLDING CODES' table is highlighted with a red box. The table contains the following data:

State	Withholding Tax Code	Withholding Tax (%)	Tax Code	Tax (%)
PKBA	3STWT	3	1	25
PKIS	4STWT	4	1	25

Tax Lines, Withholding

Supplier KP KGL PK - KGL PK	Withholding Base Invoice Gross Amount	Series ID SI	Invoice No REG5
Tax Curr Rate 1	Gross Amount 1000.00	Net Amount 800.00	

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
☐	8WHT	Tax Withhold	1000.00	8	80.00	80.00	96.00	No		
☐	35TWT	Tax Withhold	200.00	3	6.00	6.00	7.20	No		

3.7 Calculation of Income WHT and Sales Tax WHT

3.7.1 INCOME WITHHOLDING TAX CALCULATION

Calculation of income withholding taxes will be based on the withholding base defined, income type, and the WHT rate defined under the Default Tax Withholding Codes section of the **Supplier/ Invoice/ Tax Withholding/Reporting** page. Note: Income WHT calculation will not depend on the state in which the invoice is raised.

Application Base Setup > Enterprise > Supplier > Supplier > Invoice > Tax Withholding/Reporting
Sort by

Income Type	Default Income Type	1099 Threshold Currency	1099 Threshold Amount	Supplier 1099 Threshold Amount
-------------	---------------------	-------------------------	-----------------------	--------------------------------

Supplier State Tax Information

Report Code	Country Code State
(No data)	

Default Tax Withholding Codes

	Tax Code	Tax (%)	Income Type	Report Code	Country Code	CIS Status
☒	8WHT	8 %				Not Used

DEFAULT SALES TAX WITHHOLDING CODES

	State	Withholding Tax Code	Withholding Tax (%)	Tax Code	Tax (%)
☐	PKBA	35TWT	3	1	25
☐	PKIS	45TWT	4	1	25

Tax Lines, Withholding

Supplier KP KGL PK - KGL PK	Withholding Base Invoice Gross Amount	Series ID SI	Invoice No REG5
Tax Curr Rate 1	Gross Amount 1000.00	Net Amount 800.00	

Line Details

Filter + Edit

 Settings 24

☐	Tax Code	Tax Type	Withholding Base Amount	Tax %	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Use Withholding Amount Table	Report Code	State
☐	8WHT	Tax Withhold	1000.00	8	80.00	80.00	96.00	No		
☐	35TWT	Tax Withhold	200.00	3	6.00	6.00	7.20	No		

OK
Cancel

3.7.2 SALES TAX WITHHOLDING CALCULATION FOR A SUPPLIER REGISTERED FOR SALES TAX

Country Tax Registered toggle should be enabled on the **Supplier/ Invoice/ Tax Information** sub tab.

Further income and sales tax withholding tax codes should be defined under the **Default Tax Withholding** section of the **Supplier/ Invoice/ Tax Withholding/Reporting** page. Entering the **State** with relevant Sales Tax WHT rates is required to fetch Sales Tax WHT values to the manual supplier invoice. If the state is defined but the Sales Tax WHT rate isn't defined on the **Default Sales Tax Withholding Codes** nested table, the relevant sales tax WHT line won't be created on the manual supplier invoice and other supported pages.

When the supplier is registered for sales tax, sales tax WHT will be calculated based on the sales tax amount derived from the manual supplier invoice line level. Hence **Withholding Base Amount** for the invoice will be the sales tax amount which will be multiplied by the sales tax withholding code defined in the nested table.

The formula to calculate Sales WHT is as below.

Sales Tax WHT = Sales Tax Amount X Sales Tax WHT %

Example: $200 * 3\% = 6$

Application Base Setup > Enterprise > Supplier > Supplier > Invoice > Tax Withholding/Reporting

Sort by

CHWI PAKISTAN
Supplier: KGL PK

Supplier State Tax Information

Report Code

(No data)

Default Tax Withholding Codes

(1) Tax Code Tax (%) Income Type Report Code Country Code CIS Status

8WHT 8 % Not Used

DEFAULT SALES TAX WITHHOLDING CODES

(1) State Withholding Tax Code Withholding Tax (%) Tax Code Tax (%)

PKIS 3STWT 3 25

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
CHWI PAKISTAN	KGL PK	SI	FF	PKR			

Line Information

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax Amount	Cost Amount
1000.00	800.00	200.00	0.00	800.00

Lines

Done Cancel Edit

Line ID	Delivery Type	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Method Tax Received	Gross Amount	Net Amount	Tax Amount	Tax Amount in Accounting Currency	Tax A Parallel
1		1	1		No	25	Invoice Ent...	1000.00	800.00	200.00	200.00	

Previous Next Finish Cancel

Tax Lines, Withholding

Supplier: KP KGL PK - KGL PK

Withholding Base: Invoice Gross Amount

Series ID: SI

Invoice No: REG5

Tax Curr Rate: 1

Gross Amount: 1000.00

Net Amount: 800.00

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
8WHT	Tax Withhold	1000.00	8	80.00	80.00	96.00	No		
3STWT	Tax Withhold	200.00	3	6.00	6.00	7.20	No		

OK Cancel

3.7.3 SALES TAX WITHHOLDING CALCULATION FOR A SUPPLIER NOT REGISTERED FOR SALES TAX

The **Country Tax Registered** toggle should be disabled on the **Supplier/ Invoice/ Tax Information** sub-tab.

Further income and sales tax withholding tax codes should be defined under the Default Tax Withholding section of the **Supplier/ Invoice/ Tax Withholding/Reporting** page. Entering the **State** and **Tax Code** with relevant Sales Tax WHT rates is mandatory to fetch Sales Tax WHT values to the manual supplier invoice. If the state and sales tax code are defined but the Sales Tax WHT rate isn't defined on the **Default Sales Tax Withholding Codes** nested table, the relevant sales tax WHT line won't be created on the manual supplier invoice.

When the supplier is not registered for sales tax, sales tax WHT will be calculated based on the calculated net amount derived from the gross amount of the manual supplier invoice. Hence **Withholding Base Amount** for the invoice will be the calculated net amount derived from the sales tax rate defined on the Default Sales Tax Withholding codes nested table which will be multiplied by the sales tax withholding code to arrive at the sales tax WHT amount.

The formula to calculate Sales WHT is as below.

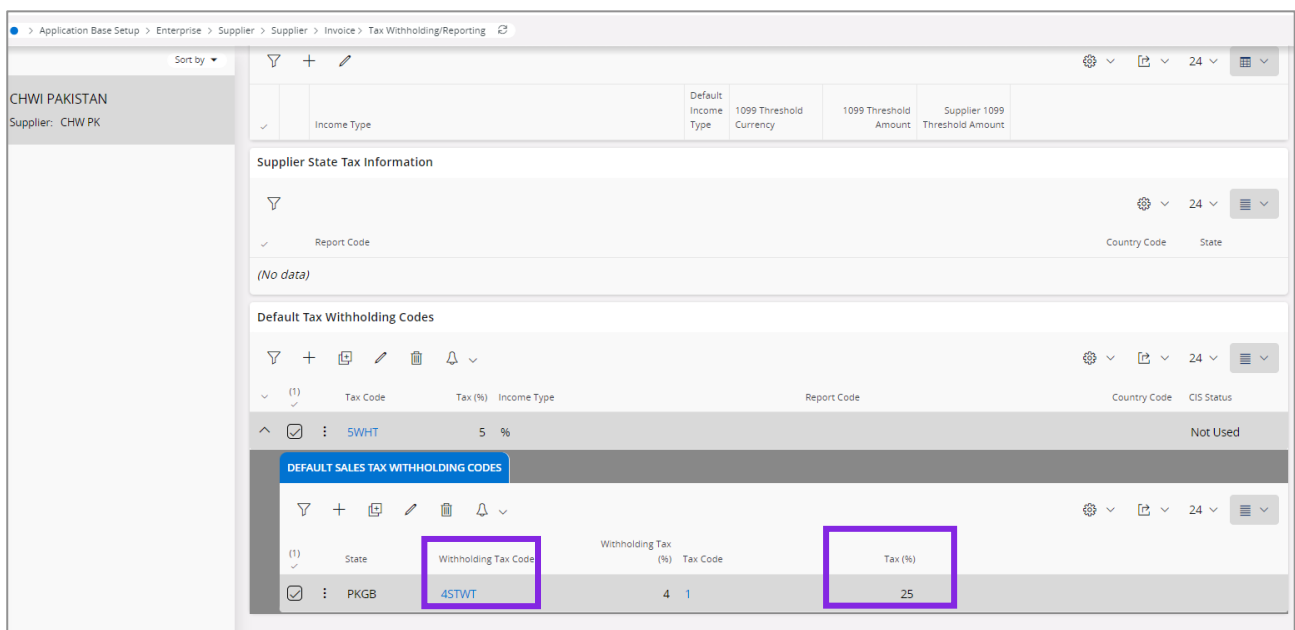
$$\text{Sales Tax WHT} = \text{Calculated Invoice Net Amount} \times \text{Sales Tax WHT \%}$$

$$\text{Calculated Invoice Net Amount} = \text{Invoice Gross Amount} / (100\% + \text{Sales Tax WHT \%})$$

Example:

$$\text{Net Amount} = 1000 / (100\% + 25\%) = 800$$

$$\text{Sales WHT} = 4\% \times 800 = 32$$



State	Withholding Tax Code	Withholding Tax (%)	Tax Code
PKGB	4STWT	4	1

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
CHWI PAKISTAN	CHW PK	SI	FF	PKR			

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

(1)	Line ID	Delivery Type	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax (%)	Tax Method Tax Received	Gross Amount	Net Amount	Tax Amount	Tax Amount i Accountin Currenc
☒	1		1	0		No	0	Invoice Ent...	1000.00	1000.00	0.00	0.00

Previous Next Finish Cancel

×

Tax Lines, Withholding

Supplier	Withholding Base	Series ID	Invoice No
CP CHW PK - CHW PK	Invoice Net Amount	SI	6/8 SI

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 State

☐	5WHT	Tax Withhold	1000.00	5	50.00	50.00	60.00	No		
☐	4STWT	Tax Withhold	800.00	4	32.00	32.00	38.40	No		

OK Cancel

The standard IFS procedure can be followed to update the general ledger and to fetch tax ledger information on the tax transaction page.

3.8 Delimitations

- Sales Tax Withholding functionality for customers is not handled by this development.
- Adding new tax lines to the Tax Lines, Withholding dialog box manually, will be considered as an Income Withholding Tax Line regardless of whether the relevant tax code is defined in the Default Sales Tax Withholding Codes nested table as a Sales Tax Withholding Code.
- Supplier Invoice Template is not handled by this development considering the business scenarios with different tax combinations.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

4 Tax on Sales Price

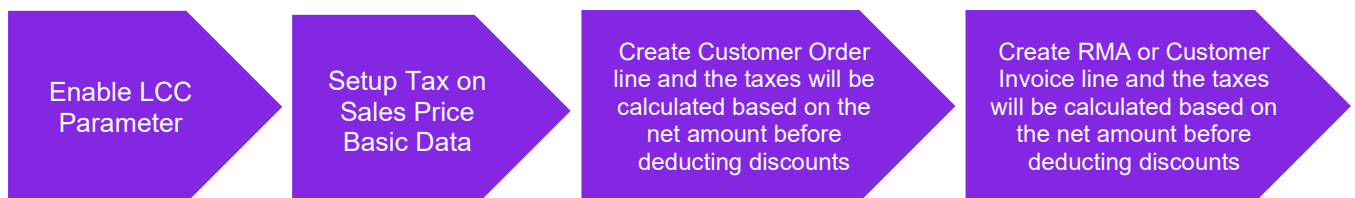
4.1 Overview Legal Requirement

In general conditions tax is applied on discounted sales price. But for some specific customers within Pakistan this is not applicable. In such situations tax should be applied on sales price before deducting discounts.

4.2 Solution Overview

To support this, the tax calculation logic has been adjusted to calculate the tax on the net amount before deducting discounts, when using the Pakistan localization. A new basic data setup has been introduced to site page, where the user can specify which customers this should be applied on based on the Form of Business. The tax calculation logic can be used in the Customer Order, Return Material Authorization and the Customer Invoice.

4.3 Process Overview



4.4 Prerequisites

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

4.5 Basic Data Setup

4.5.1 TAX ON SALES PRICE LOCALIZATION CONTROL CENTER PARAMETER

Enable Localization Control Center parameter **Tax on Sales Price**. This parameter enables the possibility to calculate tax on sales price before deducting discounts on Customer Orders, Return Material Authorizations and Customer Invoices, based on Customers Forms of Business.

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

Localization Control Center

Search (4)

IP-CO-PK - IP Company Pakistan 3 of 4

Company: IP-CO-PK, Name: IP Company Pakistan, Association No: , Created By: IDPESE, Localization: Pakistan

Functionality	Description	Mandatory	Enabled
☐ Tax on Sales Price	Enables the possibility to calculate tax on Sales Price before discounts on Customer Orders based on Customers Form of Business.	Yes	Yes
☐ Sales Tax Withholding	Enables the calculation of Sales Tax Withholding for tax registered and unregistered suppliers.	Yes	Yes

4.6 Tax on Sales Price setting on Site

Tax on Sales Price toggle in the **Site/Sales and Procurement/Sales/Pricing** sub-menu will determine whether the site is applicable for Tax on Sales Price or not. Along with the **Tax on Sales Price** toggle, a list with the field **Form of Business** is introduced and will be visible once the **Tax on Sales Price** toggle is enabled. The list of values in the field **Form of Business** contains all the Forms of Business registered for the Country Pakistan. When adding a Form of Business in the list, all the Customers registered with the same Form of Business will be applicable for the Tax on Sales Price when sales is done from the specific site.

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

Sales and Procurement

Search (19)

PKS1 - Pakistan Site 1 - IP-CO-PK 1 of 19

Create Internal Customer Create Internal Supplier

Company Site Group: Inter-Site

SALES | PROCUREMENT

General

Branch: BRANCH1, Print Pick Report: Detailed, Order Type: , Priority: , Forwarder ID: , Replicate Doc Text: , Reserve from Transport Task: , Customer Order Confirmation: , Order Level: , Allow Automatic Substitution of Parts: , Create CO in Released Status: , Use Part Catalog Description for Sales: , Unattach Handling Unit at Delivery: , Print Condition Codes on Report: , Fair Share Reservation: , Allow Override Limit Sales to Assortme..., Transfer ATP Info in Internal Direct Del..., Part Availability Controls at Pick By Ch...

Pricing

Discount Method: Single Discount, Discount Type: G, Pricing Method: System Date, Update Price Effective Date Automatic..., Use Price Ind Tax, Create Sales Part Base Prices in Planne..., Freeze Discounts along with Price Free..., Tax on Sales Price: ☒

Message Defaults

Incoming Customer Order Approval: Not Applicable, Incoming Change Request Approval: Not Applicable, Release Incoming Customer Order: Not Applicable, EDI Auto Approval User, EDI Coordinator ID, Execute Order Change Online

Forms of Business for Tax on Sales Price

Form of Business: DEALER - DEALER...

Application Base Setup > Enterprise > Customer > Customer >

Customer

Search (7)

IP-CU-PK - IP Customer Pakistan 2 of 7

Copy Customer View End Customer Connections View B2B Users Customer 360

Customer

IP-CU-PK

One-Time Customer

☐

Name *

IP Customer Pakistan

B2B Customer

☒

Association No

Logo

 Browse

General Information

Default Language *	Country *	Category	Creation Date
English	PAKISTAN	Customer	2024-10-14
Form of Business	Classification of Business	Date of Registration	Identifier Reference
DEALER - DEALER...			
ID Reference Validation *	Entity Use Code		
None			

4.7 Tax on Sales Price in Customer Order and Customer Invoice

For Customers that are registered with the Form of Business determined on the site, the taxes should be calculated based on the Net Amount before deducting discounts. For these Customers the tax calculations on Customer Order and Customer Invoice have been adjusted accordingly.

When creating the Customer Order line and/or Customer Invoice line the application will first validate if the LCC Parameter **Tax on Sales Price** is enabled and then if **Tax on Sales Price** toggle is enabled on the sending site, if the Customer is registered with the Form of Business added in the list on site and if the Delivery address on Customer Order line is within country Pakistan. If all conditions are true, the taxes will be calculated based on the Net amount before deducting discounts on the Customer Order line and/or Customer Invoice line.

The new base to calculate the Sales tax will be as below.

$$\text{Sales Tax Base} = \text{Sales qty} * \text{Price/Curr} * \text{Price Conversion Factor}$$

Example:

Sales price = 10
 Sales Quantity = 10
 Price Conversion Factor = 1
 Tax % = 25
 Discount % = 10

Tax base amount = $(10 * 10 * 1) = 100$ (Sales price * sales quantity * price conversion factor)
 Tax = $100 * .25 = 25$

Once the tax is calculated, application will follow the standard logic to update tax amounts to respective fields and tables. Further there are no changes to order line net amount calculation and discount calculation.

When changing the Customer Order line and/or Customer Invoice line, the application will re-fetch the tax accordingly. Re-fetch of tax based on the Net amount before deducting discounts is done for below changes:

- Delivery Address
- Sales Qty
- Price/Curr
- Price/Base
- Tax Code
- Tax Calculation Structure

4.8 Tax on Sales Price in Return Material Authorization (RMA)

For Return of goods from Customers that are registered with the Form of Business determined on the returning site, the taxes should be calculated based on the Net Amount before deducting discounts.

When creating the Return Material Authorization line, with connection to Customer Order or Customer Invoice, the application will first validate if the LCC parameter **Tax on Sales Price** is enabled on the returning site. Then if **Tax on Sales Price** toggle is enabled on the returning site, if the Customer is registered with the **Form of Business** added in the list on site and if the Return to address on the RMA header is within country Pakistan. If all conditions are true, the taxes will be calculated based on the Net amount before deducting discounts on the RMA line.

The new base to calculate the Sales tax will be as below.

Sales Tax Base = Price/Curr (from CO/CO Invoice) * Return qty * Price Conversion Factor

Example:

Sales price = 10
Sales Quantity = 10
Price Conversion Factor = 1
Tax % = 25
Discount % = 10

In the Return Material Authorization:

Qty to Return = 10
Price = 9
Price Conversion Factor = 1
Tax % = 25

Tax base amount = $(10 * 10 * 1) = 100$ (Sales price * return quantity * Price Conversion factor)
Tax = $100 * .25 = 25$

Once the tax is calculated, application will follow the standard logic to update tax amounts to respective fields and tables.

When changing the Return Material Authorization line, the application will re-fetch the tax accordingly. Re-fetch of tax based on the Net amount before deducting discounts is done for below changes:

- Return Address
- Qty to Return
- Tax Code
- Tax Calculation Structure
- Order No
- Debit/Corr Inv No

4.9 Delimitations

- Tax on Sales Price is not handled for Sales Quotation
- Use price incl tax functionality is not handled when using Tax on Sales Price.

Additional delimitations may apply; all relevant flows should be tested to ensure completeness.

5 Income Tax

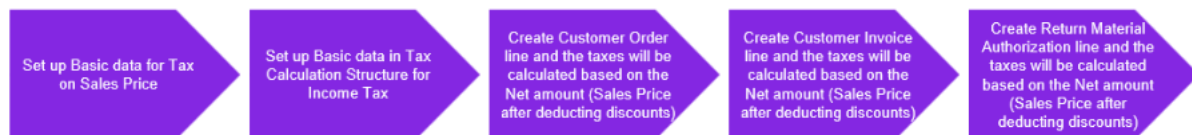
5.1 Overview Legal Requirement

In contrast to Tax on Sales Price, when calculating **income tax**, the system should consider the **price after discounts (including the sales tax amount)** as the tax basis for income tax.

5.2 Solution Overview

On **Tax Calculation Structure** page, **Income Tax** toggle is enabled based on Tax on Sales Price Localization Control Center parameter. This toggle indicates if the tax base for the respective tax line will be calculated based on the discounted sales price. Income Tax is supported in the Customer Order, Customer Order Invoice and Return Material Authorization.

5.3 Process Overview



5.4 Prerequisites

The company must be set up to use Pakistan localization, see the [Company Setup](#) chapter. Localization Control Center Parameter, **Tax on Sales Price**, must be enabled.

5.5 Basic Data Setup

On **Tax Calculation Structure** page, **Income Tax** toggle can be enabled to indicate that the tax line should be calculated with discounted price as the base

IFS

IFS.ai Copilot

Accounting Rules > Tax > Tax Calculation Structure

Company IP Pakistan Company

Tax Calculation Structure

Search

HP-INC TAX2 - HP Income tax structure2 Active

» + [Icons] [Buttons: Set Preliminary, Set Obsolete, Translation]

Structure: HP-INC TAX2
Description: HP Income tax structure2

Structure Items

Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Income Tax
1	1	2 - Tax with reduction 1, 12%	12	Yes	No
2	2	INCOMETAX - INCOMETAX	0,5	Yes	Yes

5.6 Tax Calculation based on the Income Tax

When creating the Customer Order line, Customer Invoice line and/or Return Material Authorization line using a tax calculation structure, the application will validate if the Income Tax toggle is set to Yes for any of the tax lines. If yes, the tax line for the Income Tax will be calculated based on the standard Net amount (Sales Price after deducting discounts).

The base to calculate the Sales tax for Income Tax will be as below.

Sales Tax Base = Price/Curr * Sales qty * Price Conversion Factor - Discounts

Example:

Customer Order Line Tax Lines

Gross Amount: 115.63
Net Amount: 90.00
Tax Amount: 25.63

Set Default

Tax Base Amount	Tax Code	Tax Type	Tax(%)	Tax Amount/Curr	Tax Amount/Base	Income Tax
100.00	1	Tax	25	25.00	25.00	No
115.00	INCOMETAX	Tax	0.5	0.58	0.58	Yes

OK Cancel

- First line Tax Base = Net Amount before deducting discounts (Tax on Sales Price)
- Second line Tax Base = Net Amount after deducting discount (Income Tax)

In this example, the second line is connected to the first structure item reference in the Tax Calculation Structure so the Tax Amount from the first line is added to the Tax Base for the second line.

Once the tax is calculated, application will follow the standard logic to update tax amounts to respective fields and tables.

5.7 Handling Income Tax in Pakistan E-Invoices

Display the income tax separately at the line level without altering the totals in the XML file. To clearly distinguish the income tax amount from other taxes, update the hardcoded default value from “VAT” to “INCOMETAX” on the relevant tax line so that the income tax is correctly identified. Based on this adjustment, the service provider will be able to modify the gross amount (i.e., “TotalValues”) accordingly and proceed with processing the e-invoice.

Delimitations

- Income Tax is not handled for Sales Quotation or Customer Order Rental or Charges lines
- Use price incl tax functionality is not handled when using Income Tax

6 Pakistan E-invoicing

6.1 Overview Legal Requirement

The Federal Board of Revenue (FBR) in Pakistan introduced a mandatory digital invoicing system primarily to improve tax compliance from 1st September 2025. This integration will require businesses to connect with the FBR's computerized system through licensed integrators or PRAL (Pakistan Revenue Automation Limited) to generate and transmit electronic invoices. Non-compliance results in fines, daily penalties, and possible business suspension.

IFS Cloud standard UBL XML file needs to be extended with some additional data to comply with the Pakistan E-invoice schema.

6.2 Process Overview

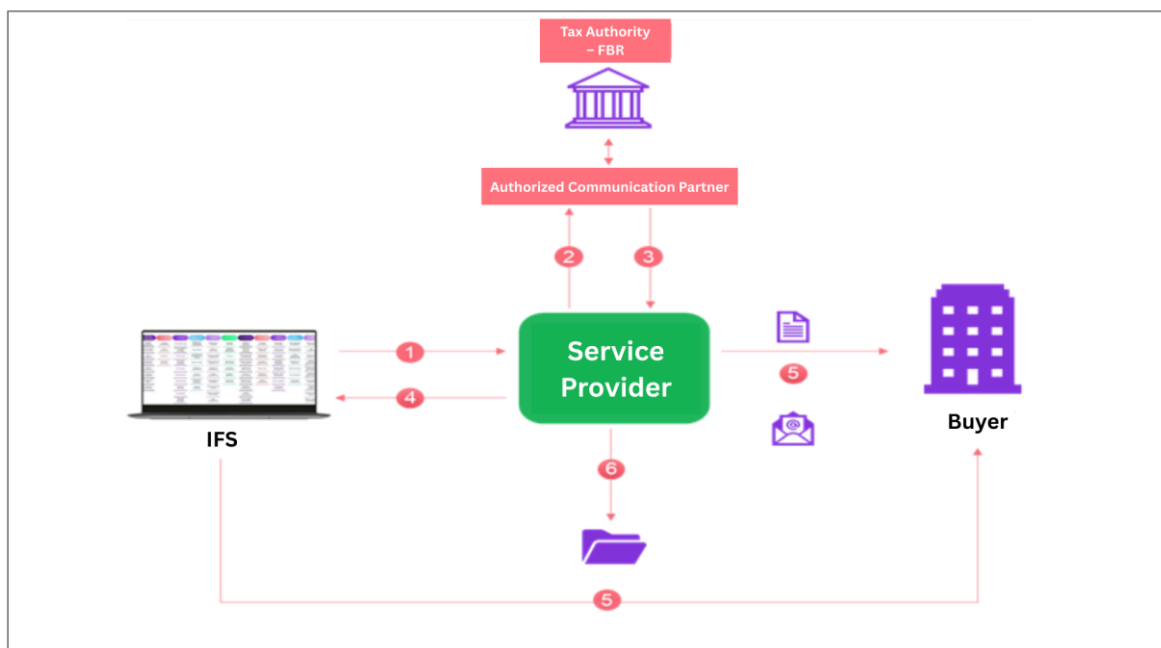
IFS Cloud standard UBL E-invoicing will be used for Pakistan E-invoicing.



6.3 Solution Overview

Customer invoices will be generated as electronic invoices (e-invoices) in XML format and submitted to the relevant tax authorities in compliance with the UBL standard. The standard IFS Cloud UBL e-Invoicing functionality will be used to support Pakistan e-Invoicing requirements. All mandatory data elements required by Pakistan regulations will be incorporated within the UBL e-invoice structure.

The solution is based on the e-invoice processing framework, which integrates with a third-party service provider responsible for managing the transmission of invoice data to the authorities. The service provider performs the required transformation of the IFS style invoice file into the authority mandated format and converts the response file received from the authorities back into an IFS style format for system processing.



1. Invoice 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 FBR.
3. The service provider receives a response file including unique invoice number 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 is printed in IFS Cloud including the unique invoice number and QR-code and sent to buyer.
6. The service providers offer archiving of all relevant documents as well as other services.

6.4 Prerequisites

The company must be set up to use Pakistan localization, see the [Company Set-up](#) chapter. In addition to this, the following localization parameters must be enabled:

- **E-invoice in Pakistan**

6.5 Basic data set-up

6.5.1 DEFINE BASIC DATA FOR E-INVOICE PROCESSING

A new process type could be defined by the user with the parameters set as below:

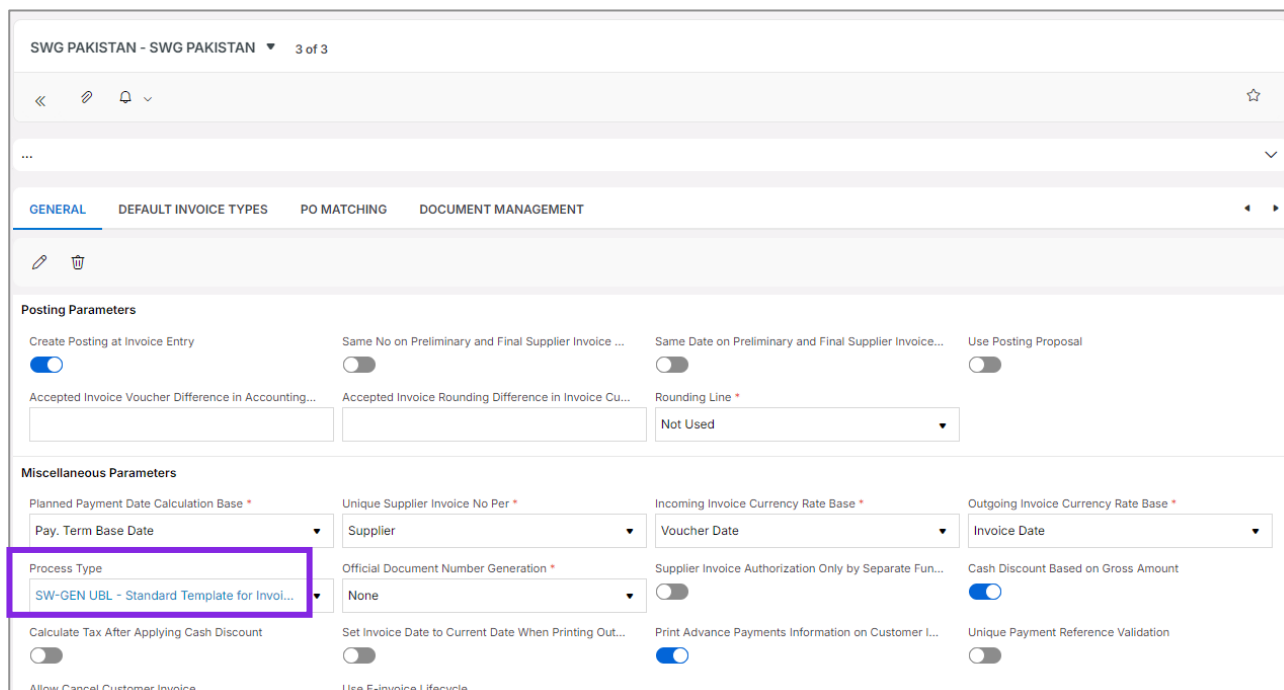
- E-invoice Process = Yes
- Process after Response = Yes
- E-invoice Standard = UBL Invoice
- Format = E-invoice General
- Approval User needs to be added.

The process type must be connected in the **Company** and/or **Customer** page for invoices to be sent to customers. 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.

6.5.1 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



SWG PAKISTAN - SWG PAKISTAN 3 of 3

GENERAL DEFAULT INVOICE TYPES PO MATCHING DOCUMENT MANAGEMENT

Posting Parameters

Create Posting at Invoice Entry ☒ Same No on Preliminary and Final Supplier Invoice ... ☐ Same Date on Preliminary and Final Supplier Invoice... ☐ Use Posting Proposal ☐

Accepted Invoice Voucher Difference in Accounting... Accepted Invoice Rounding Difference in Invoice Cu... Rounding Line *

Miscellaneous Parameters

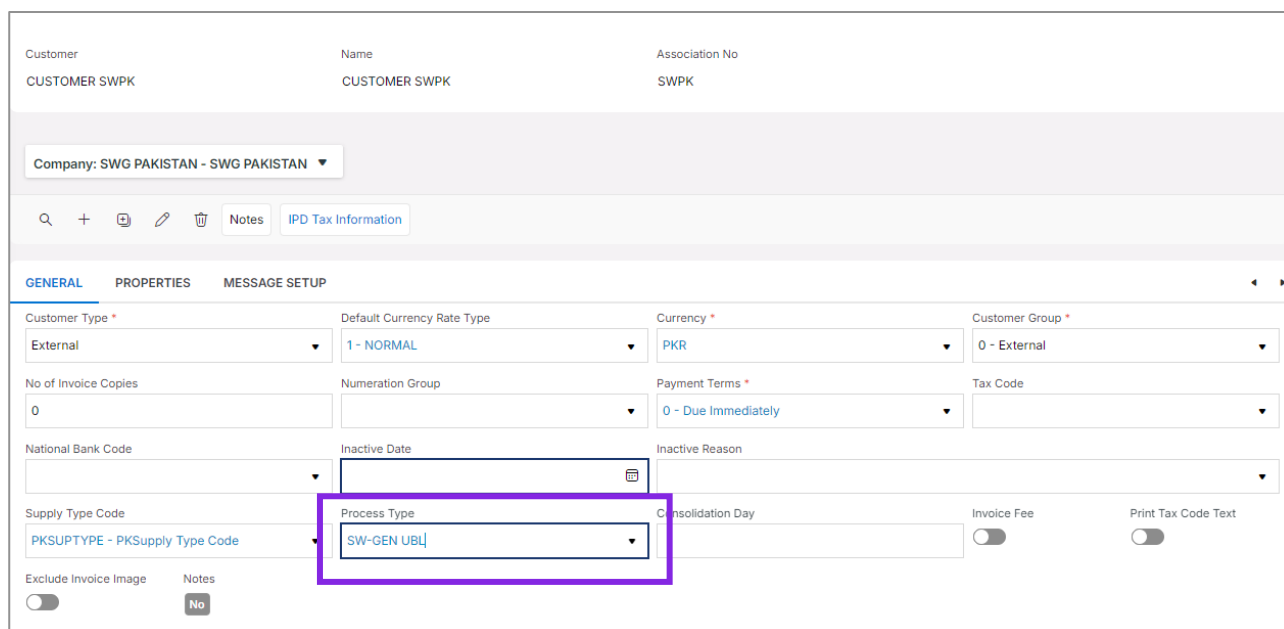
Planned Payment Date Calculation Base * Unique Supplier Invoice No Per * Incoming Invoice Currency Rate Base * Outgoing Invoice Currency Rate Base *

Process Type Official Document Number Generation * Supplier Invoice Authorization Only by Separate Fun... ☐ Cash Discount Based on Gross Amount ☒

Calculate Tax After Applying Cash Discount ☐ Set Invoice Date to Current Date When Printing Out... ☐ Print Advance Payments Information on Customer L... ☒ Unique Payment Reference Validation ☐

Allow Cancel Customer Invoice ☐ Use E-Invoice Lifecycle ☐

Basic data is set up in the **Customer** Page/ **Invoice /General** tab.



Customer Name Association No
CUSTOMER SWPK CUSTOMER SWPK SWPK

Company: SWG PAKISTAN - SWG PAKISTAN

GENERAL PROPERTIES MESSAGE SETUP

Customer Type * Default Currency Rate Type Currency * Customer Group *

No of Invoice Copies Numeration Group Payment Terms * Tax Code

National Bank Code Inactive Date Inactive Reason

Supply Type Code Process Type Consolidation Day Invoice Fee ☐ Print Tax Code Text ☐

Exclude Invoice Image ☐ Notes

To have the Send E-invoice option enabled in **Instant Invoice**, **Customer Invoice**, **Print Customer Invoices** and **Print Invoice** Pages it requires connecting the above defined process type in the **Company** and/ or **Customer** page.

PR - 233958
Preliminary

More Information
Installment Plan and Discounts
Pre Posting
Send E-invoice
Print Work Copy
Advance Invoices

Customer
CS CUSTOMER SWPK - CUSTOMER SWPK

Invoice Type
INSTINV

Series ID
PR

Invoice No
233958

Project ID

Invoice Date *
18/02/2026

Delivery Date
18/02/2026

Invoice Address
CUSADD1

Delivery Address
CUSADD1

Notes
No

Advance Invoice
No

Invoice Fee
No

Correction Invoice
No

Correction Exists
No

Preposting
No

Currency
PKR

Currency Rate
1

Gross Amount
2500.00

Net Amount
2000.00

Tax Amount
500.00

External Tax Use Code

Payment and Tax Information

Pay Term Base Date *
Payment Terms *
Due Date *
Payment Method
Payment Address ID

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.

More Information

Process Type
SW-GEN UBL

Payment Reference

Payer
CS CUSTOMER SWPK -...

Language *
English

Transfer Status

Tax Currency Rate
1

Our Reference

Customer Reference

Creator Reference

Sales > Invoicing > Customer Invoice

Customer Invoice

CUSTOMER SW - CUSTOMER SW - 213357 - CUSTORDDEB - V12368 2 of 3

Customer No
CUSTOMER SW

Customer Address Name
CUSTOMER SW

Series ID
PR

Invoice No
213357

Company
SWG - SWG

Site
SWG

Invoice Created
2/20/2025

Order Created
2/20/2025

Amounts

Currency
USD

Gross Amt
27400.00

Net Amt
20000.00

Tax Amt
7400.00

Currency Rate
1

Tax Currency Rate
1

LINES

GENERAL
HISTORY

Invoice Type
CUSTORDDEB - Customer Order Invoice, Debit

Invoice Address
SWAD

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 Management > Invoicing > Project Invoice

Project Invoice

Search (2)

PJ - 20010002

Notes Invoice Text Printout Customer Installment Plan

Customer: CUSTOMER SW Customer Name: CUSTOMER SW Project: Invoice Series: PJ

Invoice No: 20010002 Invoice Period Start: 2/1/2025 Invoice Period End: 2/17/2025 Notes: No Invoice Text: No

Amounts

Currency: USD	Gross Amount: 2270.09	Net Amount: 1657.00	Tax Amount: 613.09
---------------	-----------------------	---------------------	--------------------

LINES GENERAL PRE POSTING ACCOUNTING

Invoice Information

Invoice Date: 2/17/2025 Invoice Type: PRIINV Process Type: UF-GEN-1 - UF GEN 1 Series Reference:

Invoice Number Reference: 1 Our Reference: Customer Ref:

6.5.1 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).

6.5.1.1 Sending

Routing rule Setup

Example_Send_UBL_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_UBL_E-Invoice

Rule Name	Route Type	Queue	Enabled	Customized
Example_Send_UBL_E-Invoice	APPLICATION_MESSAGE	OUT1	Yes	Yes

The Routing Rule has been set up with the following conditions.

Example_Send_UBL_E-Invoice 1 of 1

Unset Customized

Rule Details

Route From: APPLICATION_MESSAGE Enabled: Yes Customized: Yes Rule Name: Example_Send_UBL_E-Invoice

Queue: OUT1 Direction: Outbound

Content Based Conditions

Search Path	Operation	Match
MESSAGE_FUNCTION	=	SEND_UBL_EINVOICE_MESSAGE

Destination Addresses

Chain Link No	Main Address	Description	Connector	Address
1	Yes	Example_Send_UBL_E-Invoice	Ftp	/OUT

Routing Address Set Up

Example_Send_UBL_E-Invoice is the routing address used.

6.5.1.2 Receiving

Routing Rule Setup

Example_Receive_UBL_E-Invoice has been introduced to handle the response file.

Routing Rules				
INBOUND OUTBOUND Rule Name: Example_Receive_UBL... Route Type Queue More Favorites Apply Clear Rule Name Route Type Queue Enabled Customized Example_Receive_UBL_E-Invoice UNKNOWN_XML IN1 Yes Yes				

Routing Rule

Search (1)

Example_Receive_UBL_E-Invoice

1 of 1

Unset Customized

Set Location Based Condition

Rule Details

Route From *

UNKNOWN_XML

Enabled

Customized

Yes

Rule Name

Example_Receive_UBL_E-Invoice

Queue

IN1

Direction

Inbound

Content Based Conditions

Search Path

Operation

Match

Invoice

ex

UBLVersionID

=

2.1

Destination Addresses

Set Destination Address

Routing Address Set Up

Example_Receive_UBL_E-Invoice is the routing address used.

6.6 Create Invoice

Create invoices by following the standard processes specified in IFS Cloud Documentation.

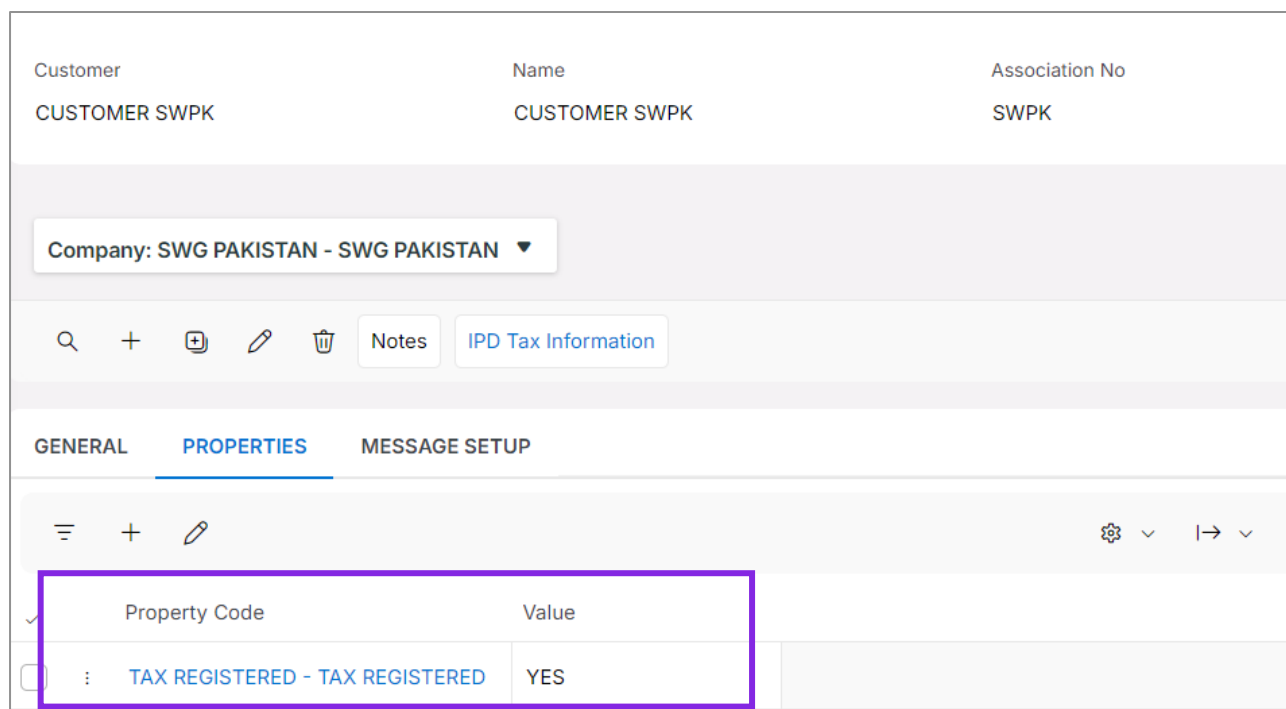
6.6.1 SELLER AND BUYER PROVINCE

The province can be defined using the State field and the system will automatically populate the seller's and buyer's province information in the corresponding XML tags, <cbc:CountrySubentity> and <cbc:CountrySubentityCode> within both the <cac:AccountingSupplierParty> and <cac:AccountingCustomerParty> sections.

6.6.2 TYPE OF BUYER REGISTRATION

New property code “TAX REGISTERED” needs to be added to the Invoice Property Codes page. This property code should be linked to the customer, with the value “YES” set in the Customer > Invoice > Properties tab.

By default, the value “Unregistered” will be populated in the <cbc:ID></cbc:ID> tag. When a valid property code is associated with the customer, the value “Registered” will be populated in the tag instead.



Property Code	Value
TAX REGISTERED - TAX REGISTERED	YES

6.6.3 SCENARIO ID

The existing core functionality utilizes the Supply Type Code to address the Scenario ID requirement in Pakistan. The required basic data must be defined manually 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. The Supply Type Code field is available on the Customer Invoice page, and the Supply Type Code selected for a particular invoice will be fetched in the <cbc:ProfileID> tag in the XML file.

6.6.4 HS CODE

The HSN/SAC code defined in the Sales Part/Sales Object is automatically retrieved to the invoice line. The code can be modified at the invoice line level if required, and the finalized HSN/SAC code will be populated in the XML under the <cbc:ItemClassificationCodeListID="HS"></cbc:ItemClassificationCode> tag.

6.6.5 SRO SCHEDULE NO & ITEM SERIAL NUMBER

Use the existing core solution with Tax Category 1, where the required basic data is maintained in the Tax Category 1 subtab on the Tax Categories page and linked to the relevant tax codes through the Tax Category 1 field on the Tax Codes page. When a tax code is entered in the invoice line, the corresponding tax category is automatically retrieved. The Tax Category 1 ID represents the SRO Schedule Number, while the Tax Category 1 Description represents the Item Serial

Number. These values are populated in the XML file, with the Category ID mapped to the <cbc:ID></cbc:ID> tag and the Description mapped to the <cbc:Name></cbc:Name> tag.

6.6.6 TYPE OF SALE

To cater to the Type of Sale requirement, the existing Document Type Code functionality will be utilized. The Document Type Code field will be enabled through the Pakistan e-Invoice LCC parameter. This field is located under Customer > Address > Delivery Tax Information > Supply Country, allowing a default Type of Sale to be defined at the customer level. Additionally, the Document Type Code can be edited on the Customer Invoice page if necessary. The selected Document Type Code for a particular invoice will be populated in the XML file under the <cbc:ProfileExecutionID></cbc:ProfileExecutionID> tag.

6.7 Generate XML file

Generate the E-invoice file as per the standard process defined in the IFS Cloud documentation. The generated XML file will be available in the IFS Connect OUT folder. To ensure compliance with Pakistan legislation, the XML includes the necessary information. Please see the Pakistan E-invoice Mapping in the Appendix for details.

Tag Name	Description	UBL Tag Reference
InvoiceType	Type of the Invoice whether it is Sales Invoice or Debit Note	<Invoice> <cbc:InvoiceTypeCode>
invoiceDate	Date when the invoice was issued.	<Invoice> <cbc:IssueDate>
sellerNTNCNIC	Seller NTN/CNIC (Tax ID)	<cac:AccountingSupplierParty> <cac:PartyTaxScheme> <cbc:CompanyID>
sellerBusinessName	Seller Business Name	<cac:AccountingSupplierParty> <cac:PartyLegalEntity> <cbc:RegistrationName>
sellerAddress	Seller Business Address	<cac:AccountingSupplierParty> <cac:Party> <cac:PostalAddress>
buyerNTNCNIC	Buyer Registration No	<cac:AccountingCustomerParty> <cac:PartyTaxScheme> <cbc:CompanyID>
buyerBusinessName	Buyer Business Name	<cac:AccountingCustomerParty> <cac:PartyLegalEntity> <cbc:RegistrationName>
buyerAddress	Buyer Address	<cac:AccountingCustomerParty> <cac:Party> <cac:PostalAddress>
invoiceRefNo	Reference Invoice no for the debit	<cac:InvoiceDocumentReference> <cbc:ID>
productDescription	Product detail	<cac:Item> <cbc:Name>
rate	Tax Rate (ratE_DESC from reference API 5.8)	<cac:ClassifiedTaxCategory>/ <cbc:Percent>

uoM	Unit of Measurement	<cac:InvoiceLine> <cbc:InvoicedQuantity unitCode="xx">
quantity	Item Quantity	<cac:InvoiceLine> <cbc:InvoicedQuantity>
totalValues	Total Sales Value (Including Tax)	
valueSalesExcludingST	Sales Value Excluding sales tax	<cac:InvoiceLine> <cbc:LineExtensionAmount>
fixedNotifiedValueOrRetailPrice	Fixed Notification Value / Retail Price (Item Based)	<cac:InvoiceLine> <cac:TaxTotal> <cac:TaxSubtotal> <cbc:TaxableAmount>
salesTaxApplicable	Amount of Sales Tax/ FED in sales tax mode (Excluding Further & Extra tax)	<cac:InvoiceLine> <cac:TaxTotal> <cac:TaxSubtotal> <cbc:TaxAmount>
sroScheduleNo	SRO Schedule No	<cac:InvoiceLine> <cac:TaxTotal> <cac:TaxCategory> <cbc:ID>

6.8 E – Invoice Flow and Response File Handling

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

Installation Plan and Discounts

Pre Posting

Send E-invoice

Print Work Copy

Advance Invoices

Use Invoice Template

Create Invoice Template

Create Recurring Invoice

Notes

Customer

KD-IN - For India

Invoice Type

INSTINV

Series ID

PR

Invoice No

205042

Project ID

Invoice Date

5/13/2023

Delivery Date

5/13/2023

Invoice Address

CH-DOC

Delivery Address

DELHI-DL

Company Delivery Address

CH

Use Customer Invoice Address for Tax

Notes

No

Advance Invoice

No

Invoice Fee

No

Correction Invoice

No

Correction Exists

No

Preposting

No

Currency

INR

Currency Rate

1

Gross Amount

1250.00

Net Amount

1000.00

Tax Amount

250.00

Payment and Tax Information

Pay Term Base Date

5/13/2023

Payment Terms

0 - Due Immediately

Due Date

5/13/2023

Payment Method

Payment Address ID

Supply Country

INDIA

Tax Liability

TAX

Customer Invoice Tax ID Number

Customer Delivery Tax ID Number

E-invoice Information

Status

E-invoice Reference Number

E-invoice Reference Date

Response Error Code

Response Error

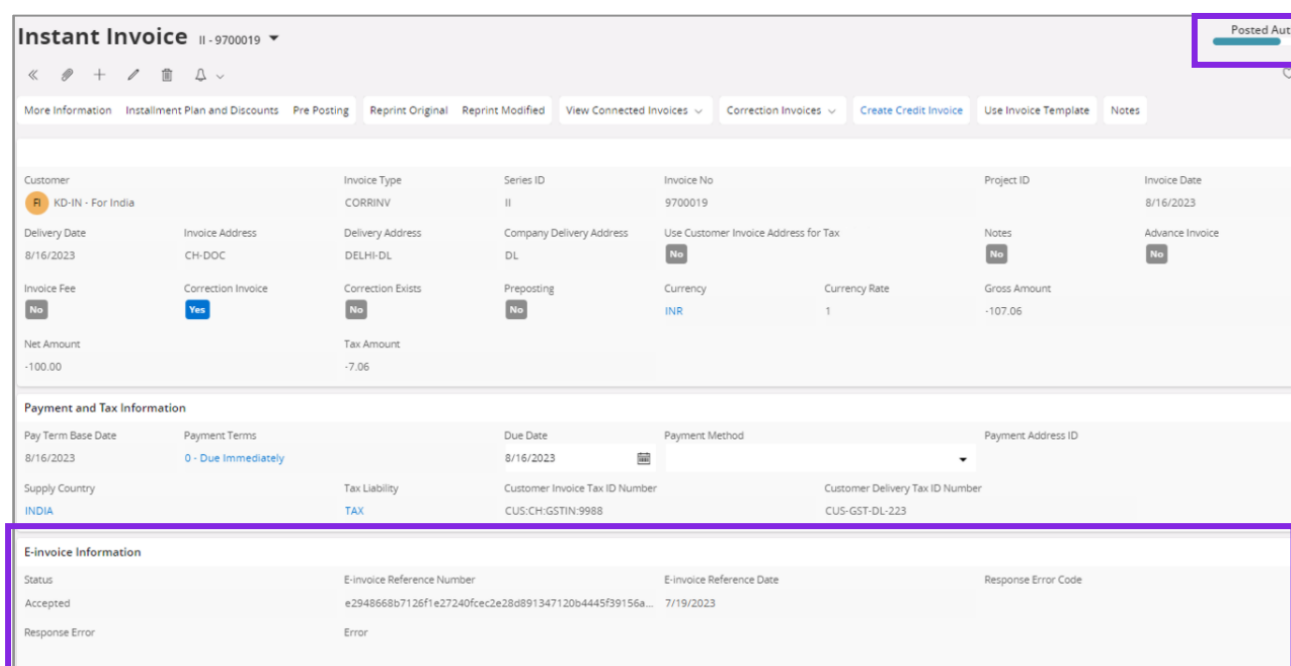
Error

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 FBR.

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 | Installment 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 generated by the Tax Authority and sent with a response file.

E-invoice Reference Date: Date on which the response with unique number 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

6.8.1 NEW E-INVOICE PROCESS MONITORING PAGE

The E-invoice Process Monitoring page has been introduced to monitor the Invoice 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

24

Document Type ▾ Identity ▾ Series ID ▾ More ▾ Favorites
Saved Filters ▾

✓	Document Type	Identity	Series ID	Document No	Document Status	Attachmen...	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	Attachments...	Sent Time	E-Invoice Status	Response Error Code	Response Error	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.

6.8.2 Print invoice including e-invoice reference number and qr code

Invoices with state Accepted can be printed and sent to the customer which includes the E-invoice Reference Number 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.

6.8.3 Uploading response file

Response File received from the 3rd party service provider should be uploaded to the IN Folder.



ReceiveInvoiceResp
onseSampleACCEPTED

6.9 Delimitations

- Only tags with a mandatory legal requirement for the E-invoice XML are supported.
- The solution does not support the following invoice types:
 - Interest Invoice
 - Manual Customer Invoice
 - External invoice

7 Appendix

Sample schema (XSD) for e-Invoice sending as well as receiving can be found in the Technical Documentation (TechDocs) for 26R1.

In - Solution Manager User Guide/Integration/IFS Cloud Business Components/...

18.1 E-invoice Format

The below attached Excel file describes the mapping of the Pakistan e-invoice format. Note that only mandatory tags are mapped.



PK_E-invoice_Mapping.xlsx

18.2 Response file



ReceiveEInvoiceResponseSampleACCEPTED.xml