# Sales Tax

# Sales Tax Module
## For AccountMate
## SQL 7 and SQL Express 7

**AccountMate**®
SOFTWARE THAT FITS

## Overview

The Sales Tax Module was developed to seamlessly integrate in real time with AccountMate's SQL/SQL Express 7's Sales Order, Account Receivable, Return Authorization and Contact Manager Modules.

The Sales Tax Module has two primary functions: Zip Code and Sales Tax Code.

## Zip Code

In AccountMate there are many areas where you enter an address.  Without the Sales Tax Module, you enter the street address, city, state and zip code and sometimes the country.  In addition to being time consuming, this often results in misspelled city, state and country names and incorrect zip codes which appears unprofessional and the receipt of product and invoices might be delayed or not received by your customers.

With the Sales Tax Module, you enter the street address and the zip code.  The system provides the city, state and county which is a new field.  The country field has a lookup to assure proper spelling.

## Sales Tax Code

In AccountMate, you must setup and update the sales tax codes for additions, deletions and changes in the sales tax rates and for tax jurisdictions.  When you are required to collect sales tax for many locations within a state or for multiple states this is a daunting and time consuming task.

When creating new customers, sales orders or invoices, you must determine the proper sales tax code which often requires that you determine county within which the city is located.  Again, this is a time consuming task which is sometimes done incorrectly.

Based on the combination of the city, county, state and zip code, the Sales Tax Module determines the correct sales tax jurisdiction and automatically enters the proper sales tax code and rate.

The Sales Tax Module provides you with a complete set of zip codes, cities, counties, states, sales tax jurisdictions, sales tax codes and rates which are maintained and updated monthly using a simple import function.

Other features:

➢ Reseller, Government and Export Tax Exempt Types with special sales tax codes

➢ Several shortcuts for copying an address into the shipping address fields

➢ Automatic updating of sales tax rates and amounts when amending/approving sales quotes/orders

➢ Valid sales tax code required before shipping a sales order or saving an invoice

➢ Out of State sales tax code automatically entered for non-tax states

➢ Date sensitivity for sales tax codes and rates

- ➢ Freight charge included in sales tax calculation, if required by tax state

- ➢ Warning if resale number is missing when customer is a reseller

- ➢ Tax entities are increased from 3 to 9

- ➢ Sales tax adjustment function with remarks

- ➢ Enhanced Sales Tax Amount report

## Description

The Sales Tax Module affects AccountMate's Sales Order, Account Receivable, Return Authorization and Contact Manager Modules.  AccountMate Source code is not required for these modules.  All screens within these modules that have an address will function in the same manner as described below.

The sales tax code and rate provided by the Sales Tax Module are based on the city, state, county, zip code and the tax jurisdiction.  On the sales order and invoice, this is the shipping address.



When you enter the zip code, if it is shared by more than one city, the Sales Tax Module provides you with a listing of the cities to select from.



If the city selected has more than one sales tax jurisdiction, then the Sales Tax Module provides you with a listing of the tax jurisdictions to select from.  Then it enters proper sales tax code and rate.

## Tax Exempt Types

There are three Tax Exempt Types for the billing address.



### Foreign Address

Foreign Address is selected when the billing address is outside of the US. This causes all of the address fields to become available for entering the address. The country field has a lookup which contains all of the countries.

### Government

Government is selected when the sale is made to a government entity that is exempt from sales tax. The Sales Tax Module enters a special sales tax code (GO000001) which has a 0.00% tax rate.

### Reseller

Reseller is selected when the sale is made to a reseller that is exempt from sales tax. The Sales Tax Module enters a special sales tax code (CA000001) which has a 0.00% tax rate.

There are two Tax Exempt Types for the shipping address.



## Foreign Address

Foreign Address is selected when the shipping address is outside of the US. This causes all of the address fields to become available for entering the address. The country field has a lookup which contains all of the countries. The Sales Tax Module enters the "out of state" sales tax code (OS000001) which has a 0.00% tax rate.

## Export

The export tax exempt type takes a little explaining. If the product is being delivered within a tax state and is being immediately shipped to a non-tax state or out of the country, most states will allow the sales to be exempt from sales tax. However, these facts must be well documented. Selecting Export causes the sales tax code to be "out of state" (OS000001) even though the shipping address is in a tax state.

## Changing the Shipping Address

The Sales Tax Module allows you to quickly change the shipping address and its related sales tax code and rate.

You can enter the multi-ship to address number using AccountMate's Address # feature.

You can mark the "Same as Billing" checkbox and the billing address will be copied into the shipping address fields.

You can mark the "Will Call" checkbox and the Sales Tax Module will change the Address # field to Warehouse Name. Then you can enter or lookup your warehouse name. The warehouse's address will be copied into the shipping address fields.

## Other Features

1.  If the sales tax rate has changed, the Sales Tax Module updates the sales tax rate and amount, and informs you of the change when you:

    > Amend a sales quote
    > Approve a sales quote to make it a sales order
    > Amend a sales order
    > Create an advanced billing
    > Approve an advanced billing
    > Ship a sales order to create an invoice

    Without the Sales Tax Module, the sales tax rate and amount are only changed when the sales order is shipped or advanced billing is created.

2.  The Sales Tax Module will not allow you to ship a sales order or create an invoice without a valid shipping address and sales tax code.

3.  If the shipping address is not a tax state, the Sales Tax Module assigns the out of state sales tax code.

4.  The Sales Tax Module is date sensitive which provides you with the following features.

    > The import of the new and changed sales tax codes, sales tax rates, zip codes, cities and counties can be performed anytime before their effective date. Without the Sales Tax Module, you are required to enter the new sales tax codes and changes **on the effective date**.

    > When entering an accounts receivable invoice, the Sales Tax Module determines the sales tax code and rate in effect as of the invoice date. Without the Sales Tax Module, the most current rate is used even if the invoice is dated prior to the rate's effective date.

5.  If the tax state requires you to collect sales tax on freight, the Sales Tax Module includes the freight in the sales tax amount calculation. Without the Sales Tax Module, you have to setup and use a special freight code to have freight included for sales tax calculation purposes.

6.  The Sales Tax Module warns you if the customer is marked as a Reseller and does not have a Resale # or if the customer has a Resale # and is not marked as a Reseller.

7.  The Sales Tax Module has a total of 9 tax entities instead of 3 tax entities. See below.

8. At times, an invoice or sales returns will have an incorrect sales tax amount. For example, a customer is invoiced for sales tax and later it is determined that they are actually a reseller. The Sales Tax Module has a sales tax adjustment feature to assist you with creating an adjusting invoice or sales return.



9. The Sales Tax Amount report has been enhanced to provide additional information such as the state assigned tax entity numbers. You have the option to print the sales tax adjustment remarks on the report.



**For additional information or a live demonstration of the Sales Tax Module contact:**

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