



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

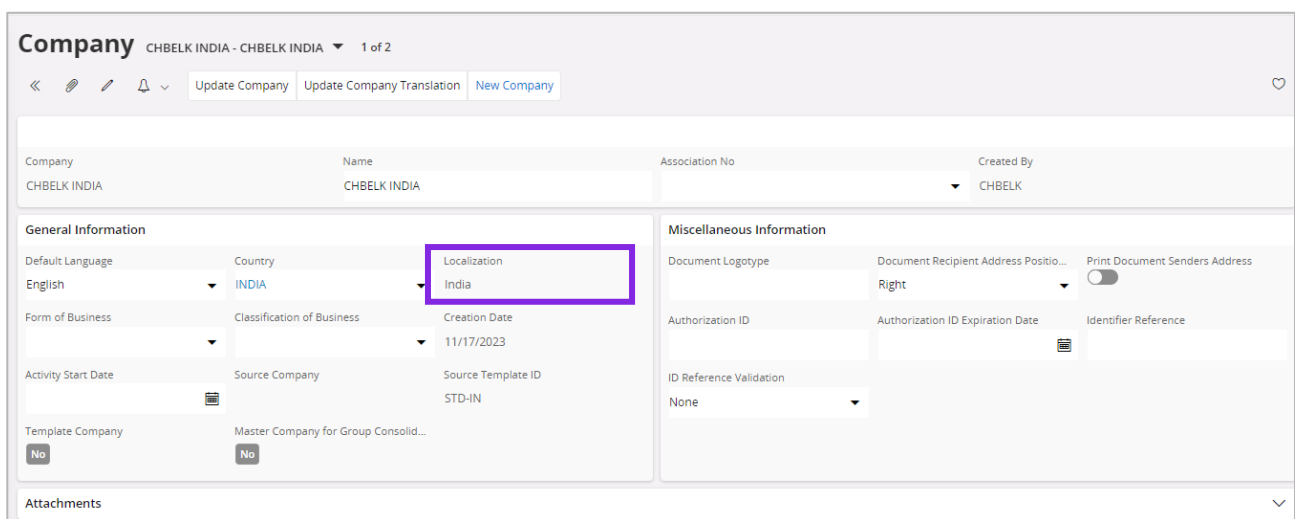
1 Company Set-up

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.



Company CHBELK INDIA - CHBELK INDIA 1 of 2

Update Company Update Company Translation New Company

Company	Name	Association No	Created By
CHBELK INDIA	CHBELK INDIA		CHBELK

General Information

Default Language: English

Country: INDIA

Localization: India

Form of Business:

Classification of Business:

Creation Date: 11/17/2023

Activity Start Date:

Source Company:

Source Template ID: STD-IN

Template Company: No

Master Company for Group Consolidation: No

Miscellaneous Information

Document Logotype:

Document Recipient Address Position: Right

Print Document Senders Address: ☐

Authorization ID:

Authorization ID Expiration Date:

Identifier Reference:

ID Reference Validation: None

Attachments

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.

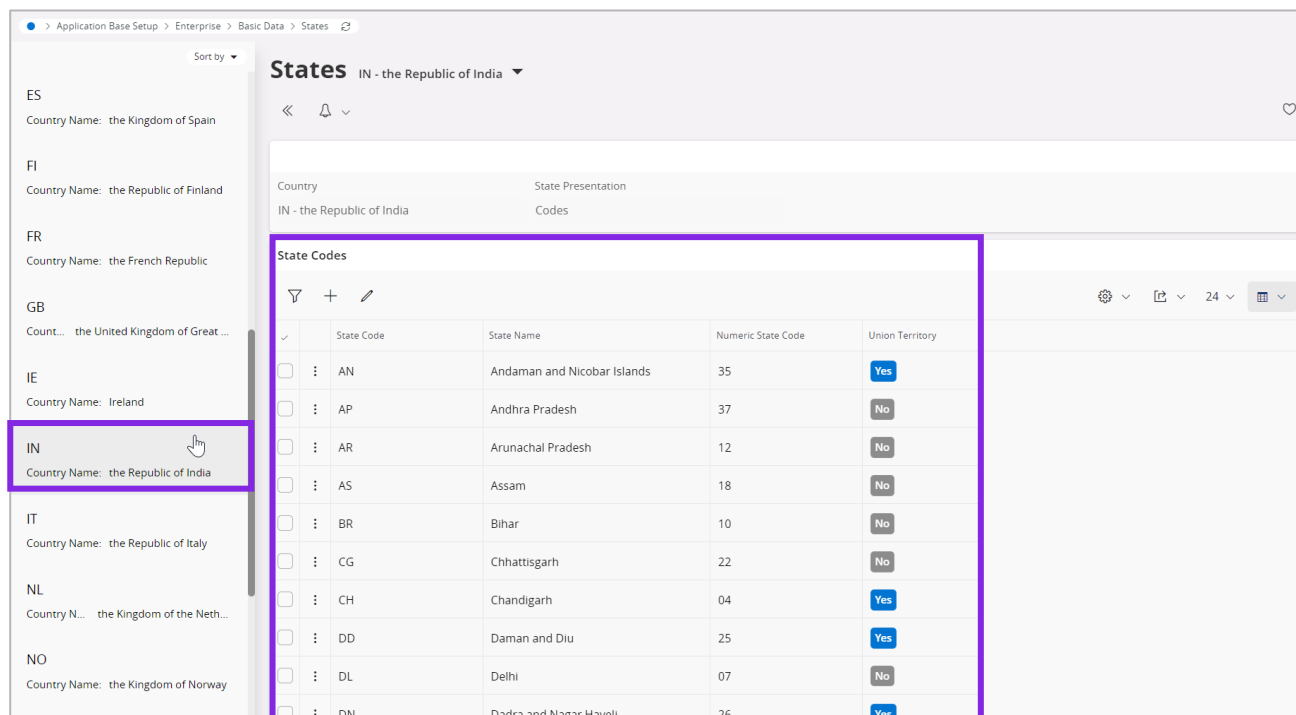
Accordingly, if the two delivery ends of a transaction (buyer's state and seller's state) is within one state, the transaction is categorized as 'Intrastate' and if the same is across two states, then the transaction is categorized as 'Interstate'.

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.

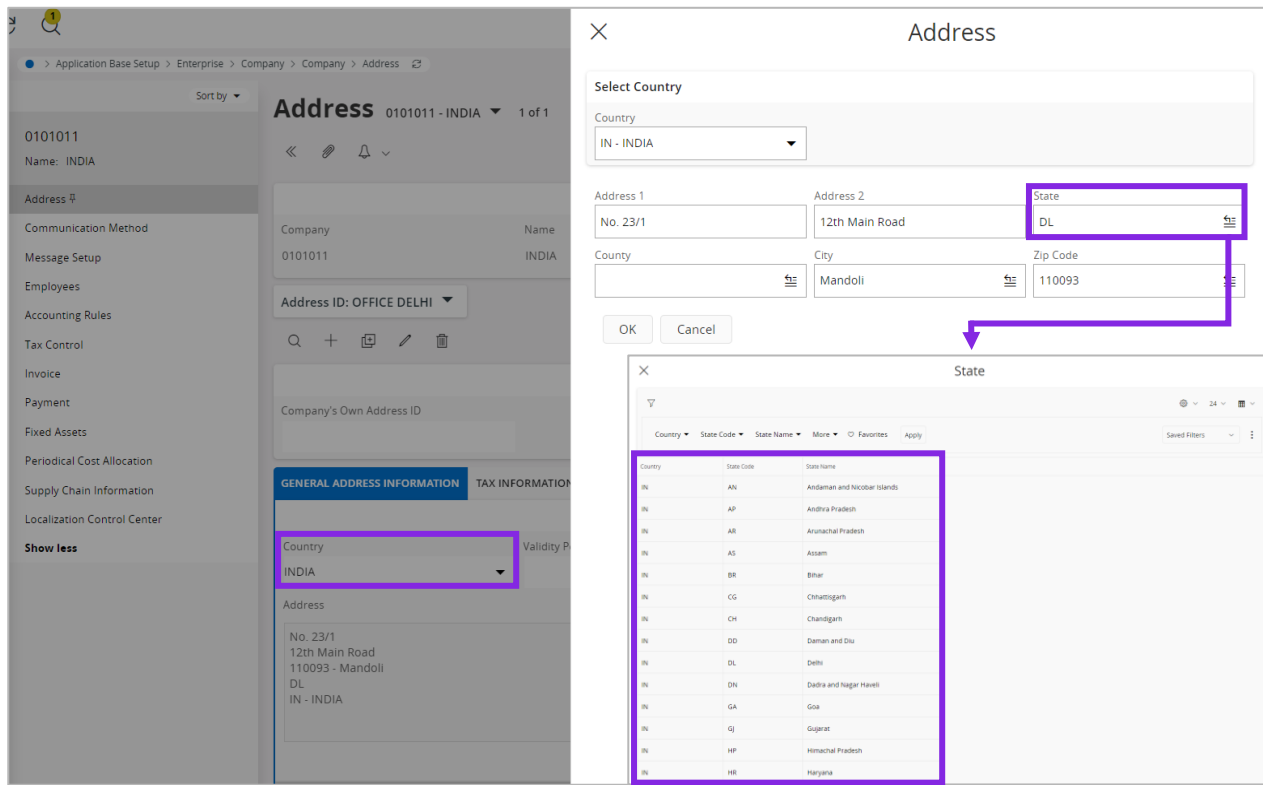
The new **State Code No** column is only visible when there is an IN value in the **Country Code** field.



Country	State Presentation
IN - the Republic of India	Codes

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 Haveli	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).



The screenshot displays the 'Address' setup form in IFS Cloud. The main form is titled 'Address' and shows details for '0101011 - INDIA'. The 'Country' field is set to 'INDIA'. The 'Address 1' field contains 'No. 23/1', 'Address 2' contains '12th Main Road', and the 'State' field is highlighted with a red box, showing 'DL'. The 'City' field contains 'Mandoli' and the 'Zip Code' field contains '110093'. A red arrow points from the 'State' field to a modal window titled 'State'.

The 'State' modal window shows a list of states for India (IN). The list is filtered by 'Country' and 'State Code'. The 'State Name' column lists the states, and the 'State Code' column lists the corresponding codes. The 'State Code' 'DL' is highlighted in red.

Country	State Code	State Name
IN	AN	Andaman and Nicobar Islands
IN	AP	Andhra Pradesh
IN	AR	Arunachal Pradesh
IN	AS	Assam
IN	BR	Bihar
IN	CG	Chhattisgarh
IN	CH	Chandigarh
IN	DD	Daman and Diu
IN	DL	Delhi
IN	DN	Dadra and Nagar Haveli
IN	GA	Goa
IN	GJ	Gujarat
IN	HP	Himachal Pradesh
IN	HR	Haryana

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

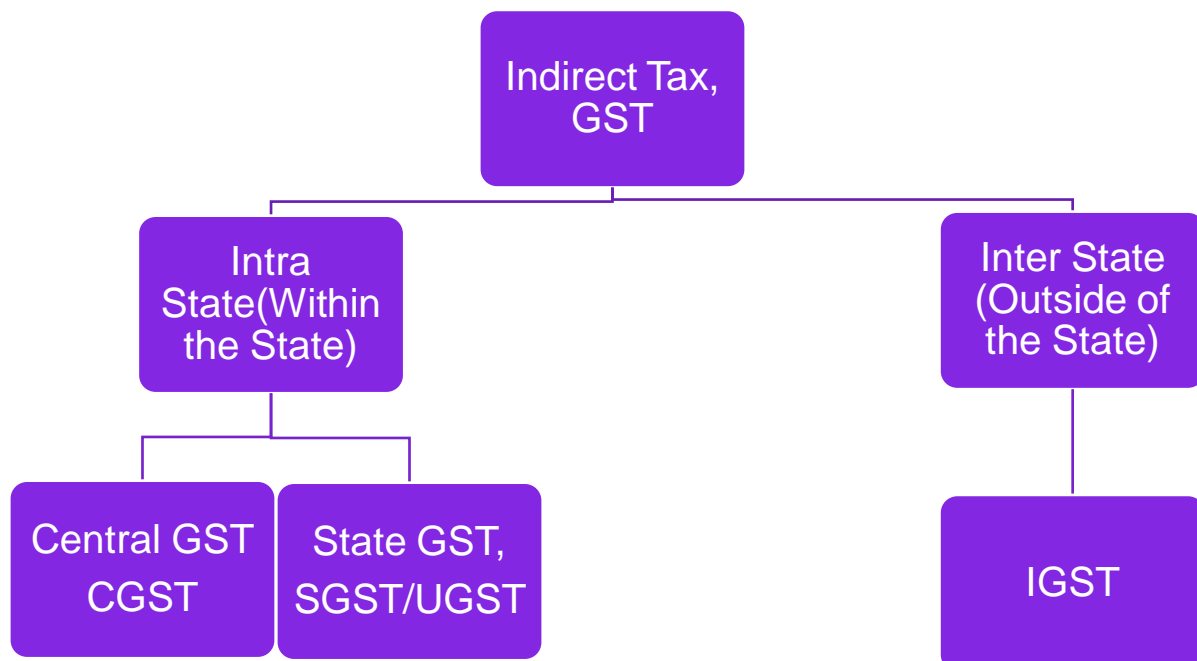
3.1 Overview Legal Requirement

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.

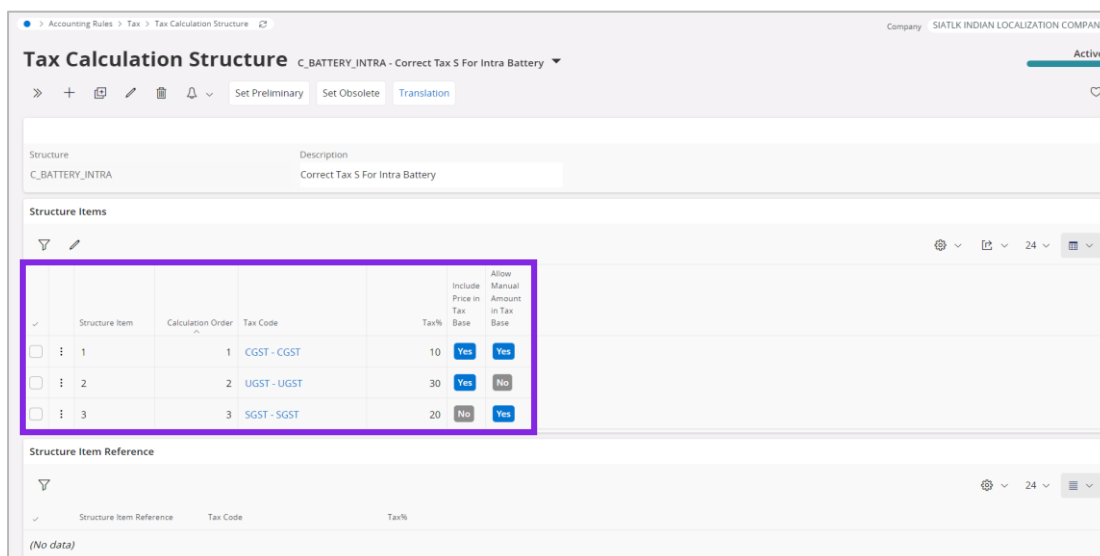
3.4 Define different Tax Structures for Inter State and Intra State transactions

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).



Tax Calculation Structure C_BATTERY_INTRA - Correct Tax S For Intra Battery

Structure: C_BATTERY_INTRA, Description: Correct Tax S For Intra Battery

Structure Items

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

Structure Item Reference

(No data)

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.

Accounting Rules > Tax > Tax Calculation Structure

Sort by

BATTERY_INTER

Description: BATTERY_INTER

Active

Company: INDIA

Active

Tax Calculation Structure

BATTERY_INTER - BATTERY_INTER

1 of 1

Set Preliminary

Set Obsolete

Translation

Structure	Description
BATTERY_INTER	BATTERY_INTER

Structure Items

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

Structure Item Reference

Structure Item Reference	Tax Code	Tax%
(No data)		

4 Tax Code Structures – Manual Tax Base Amount

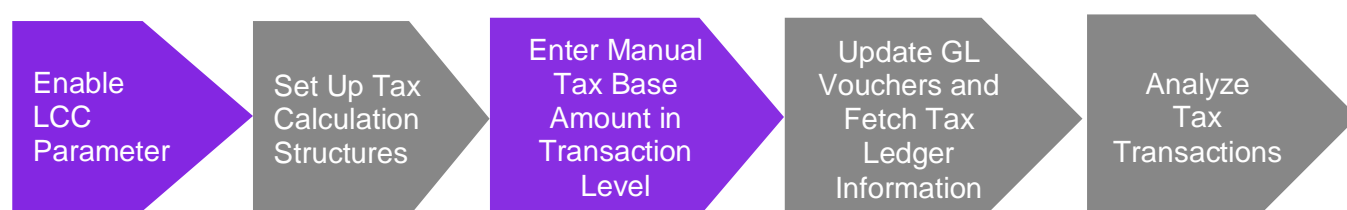
4.1 Overview Legal Requirement

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.

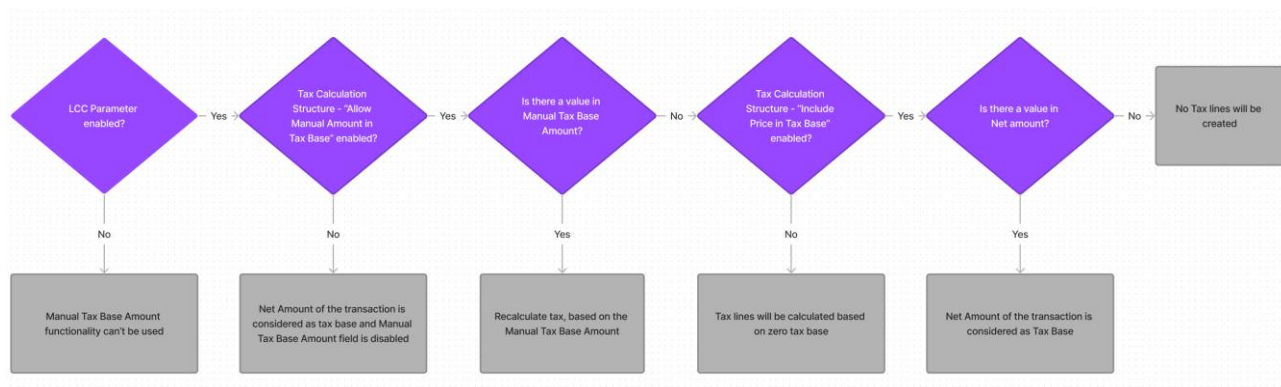
4.2 Process Overview



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.

Application Base Setup > Enterprise > Company > Company > Localization Control Center 6 of 7

Localization Control Center 0101011 - INDIA

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

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

Sort by

BATTERY_INTRA

Description: BATTERY_INTRA

Active

Tax Calculation Structure

BATTERY_INTRA - BATTERY_INTRA

1 of 1

Set Preliminary

Set Obsolete

Translation

Structure

Description

BATTERY_INTRA

BATTERY_INTRA

Structure Items

Filter

Edit

Settings

Print

24

Calendar

✓	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	Yes
<input type="checkbox"/>	2	2	CGST TAX 001 - CGST TAX 001	12.5	Yes	Yes

Structure Item Reference

Filter

Settings

24

Menu

✓	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

Set Preliminary Set Obsolete Translation

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 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

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

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	

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

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.

Accounting Rules > Tax > Tax Calculation Structure

Company INDIA

Tax Calculation Structure TAX_STRUCTURE__SC01 - TAX_STRUCTURE__SC01 1 of 1

Active

TAX_STRUCTURE__SC01

Descript... TAX_STRUCTURE__...

Active

Structure

TAX_STRUCTURE__SC01

Description

TAX_STRUCTURE__SC01

Structure Items

(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	No
<input type="checkbox"/>	2	2	CGST TAX 001 - CGST TAX 001	12.5	No	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.

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 02	INR	1000.00	1000.00	0.00

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

Lines

Filter: Tax Lines | Tax Lines, Withholding

(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		Yes	TAX_STRUCTURE_SC01	1350.00	1000.00	2000.00	350.00	

Previous Next Finish Cancel

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

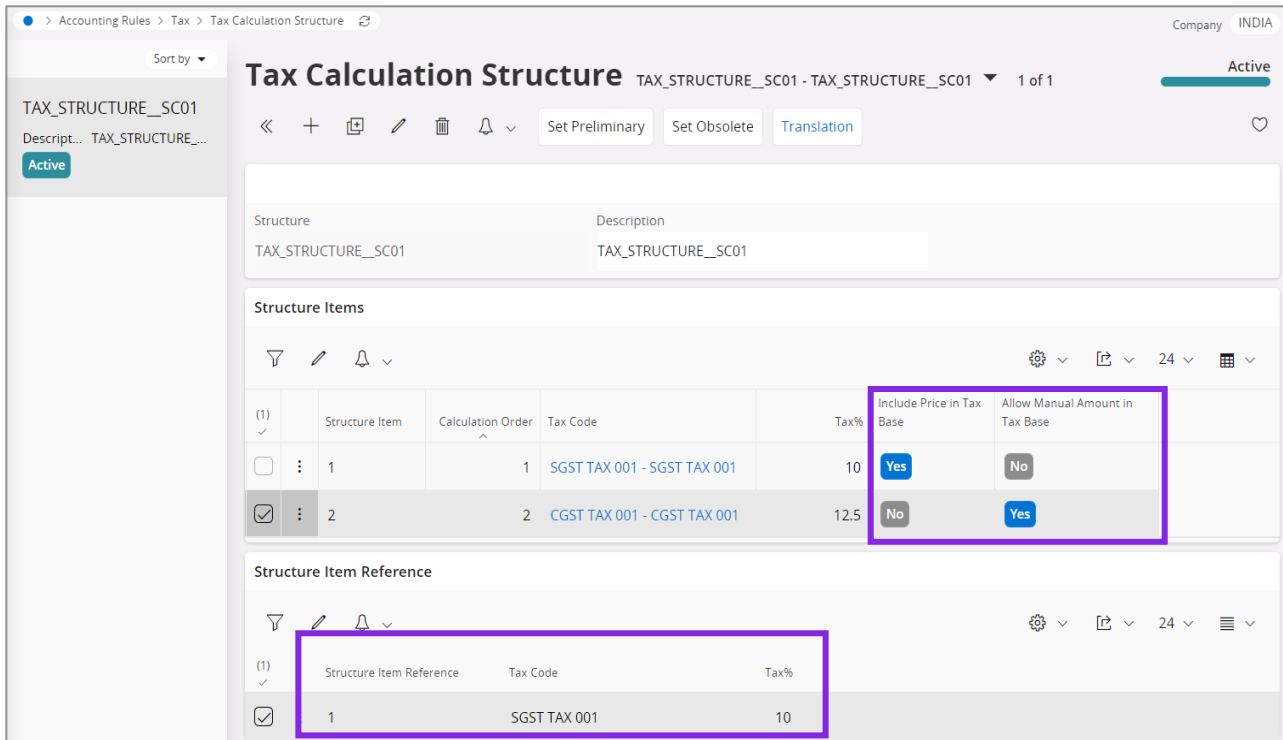
Tax Line Details

	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
:	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

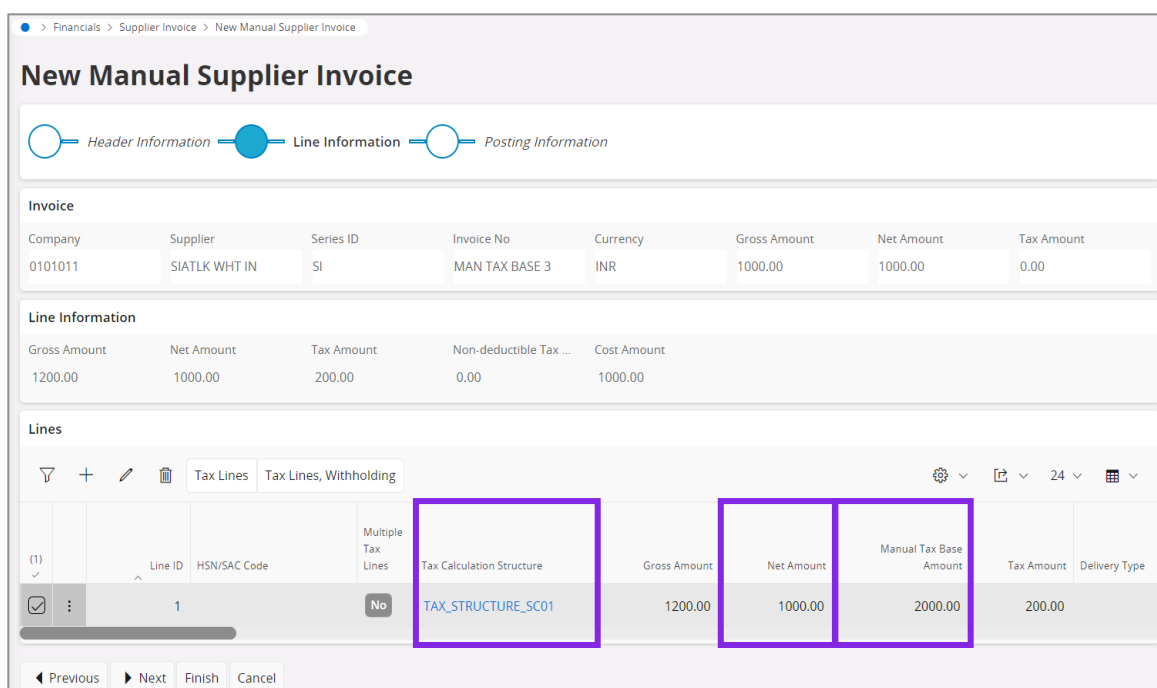
Structure Items

(1)	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	1	1	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

Structure Item Reference

(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

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 3	INR	1000.00	1000.00	0.00

Line Information

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

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"/>	1		No	TAX_STRUCTURE_SC01	1200.00	1000.00	2000.00	200.00	

Previous Next Finish Cancel

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

×
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

OK
Cancel

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
<input type="checkbox"/>	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

(1)	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

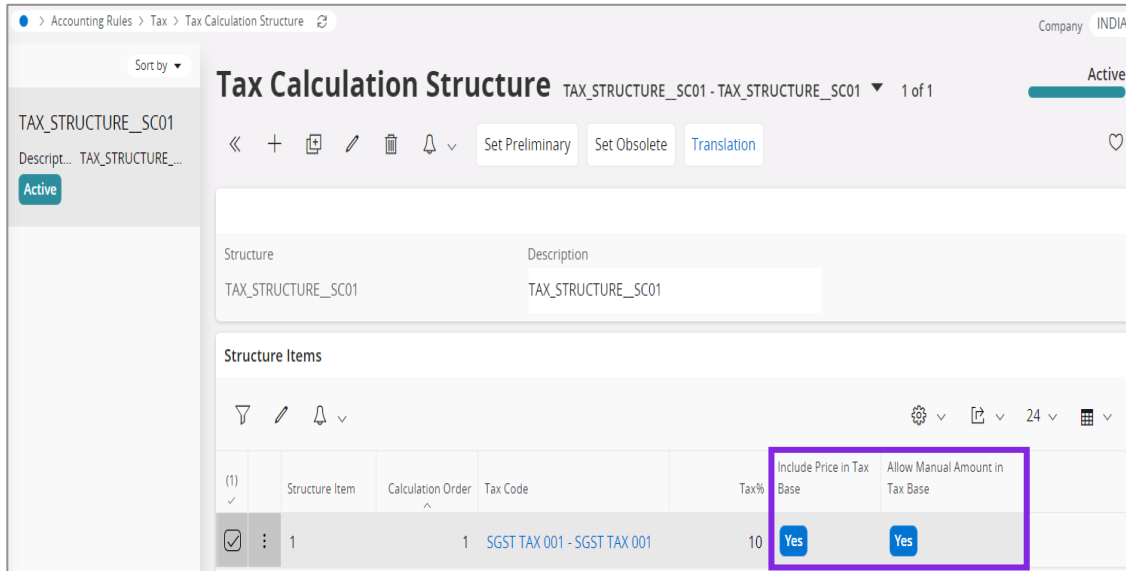
Tax Base Amount	Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1
0.00	SGST TAX ...	Tax	10	100	0.00	0.00	0.00	0.00	0.00	SGST - State GST

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**.

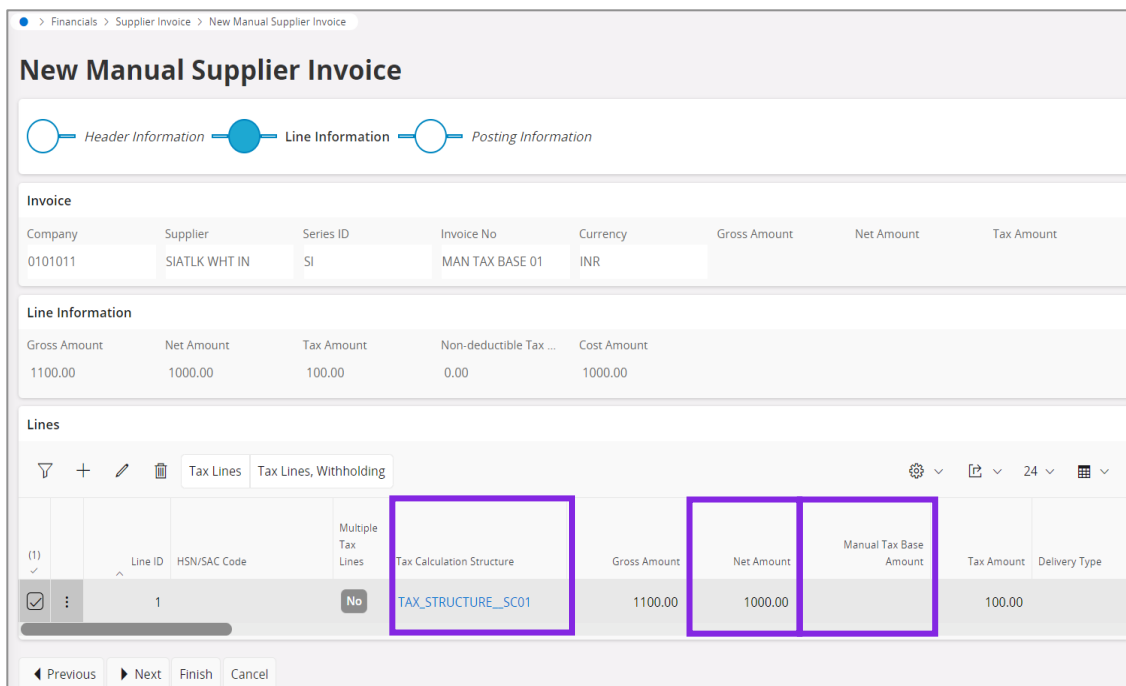
4.8.5 SCENARIO 5 – TAX CALCULATION STRUCTURE WITH BOTH ALLOW MANUAL TAX BASE AMOUNT AND INCLUDE PRICE IN TAX BASE ENABLED.

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



(1)	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

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.



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

Gross Amount	Net Amount	Tax Amount	Non-deductible Tax ...	Cost Amount
1100.00	1000.00	100.00	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
✓	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” ($1000 \times 10\% = 100$)

Manual Supplier Invoice Tax Lines

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

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
1000.00	SGST TAX...	Tax	10	100	100.00	100.00	50.00	0.00	100.00	SGST - State GST

OK

Cancel

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.

Customer Order P11542 1 of 1

Share

Operations

Invoice

RMA

Related Pages

Copy Order

Order History

Sales Promotions

Commissions

Project

Access

Document

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

Order Amounts

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

LINES

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

⌵

	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.

Financials > Tax Ledger > Tax Transactions
Company: INDIA

Tax Transactions

⌵
✎ Calculate Income Amount
⚙️
📄
480
📅

✓	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
<input type="checkbox"/>	SI	2022000095	IP3	SGST TAX 001	250.00		25.00	12/8/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000093	IP3	SGST TAX 001	2680.00	2680.00	268.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000094	IP3	SGST TAX 001	10720.00	10720.00	1072.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000080	IP3	SGST TAX 001	5625.00		562.50	11/18/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000087	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000088	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000089	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000090	IP3	SGST TAX 001	2000.00	2000.00	200.00	12/6/2022	SGST - State GST	
<input type="checkbox"/>	SI	2022000083	IP3	SGST TAX 001	8000.00	8000.00	800.00	12/2/2022	SGST - State GST	
<input type="checkbox"/>	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

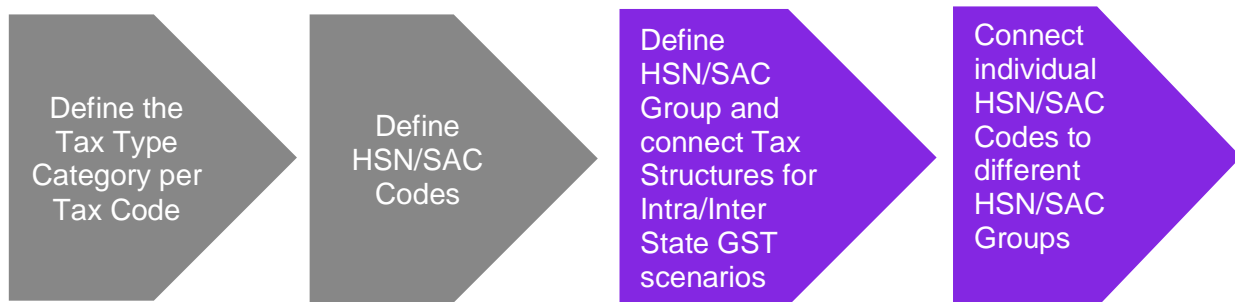
5.1 Overview Legal Requirement

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.

Accounting Rules > Tax > Tax Categories Company INDIA

Tax Categories

TAX CATEGORY 1 TAX CATEGORY 2

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.

Accounting Rules > Tax > Tax Codes Company INDIA

Tax Codes

Save Cancel Edit 24

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 - Central GST	Invoice Entry
3	Tax with reduction 2, 6%	Tax	6	100	1/1/2020	12/31/2049	CGST - Central GST	Invoice Entry
2	Tax with reduction 1, 12%	Tax	12	100	1/1/2020	12/31/2049	CGST - Central GST	Invoice Entry
1	Tax with no reduction 25%	Tax	25	100	1/1/2020	12/31/2049	CGST - Central GST	Invoice Entry
0	Tax 0%	Tax	0	100	1/1/2020	12/31/2049	CGST - Central GST	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			
<div> ✓ + </div>			
✓	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

12% - 12%

+

GENERAL INFORMATION
SUPPLY CHAIN INFORMATION

Intra State Tax Calculation Structure *
Inter State Tax Calculation Structure *

INTRASTATE 12% - Intrastate 12%
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

>> 12% - 12%

+

GENERAL INFORMATION
SUPPLY CHAIN INFORMATION

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:

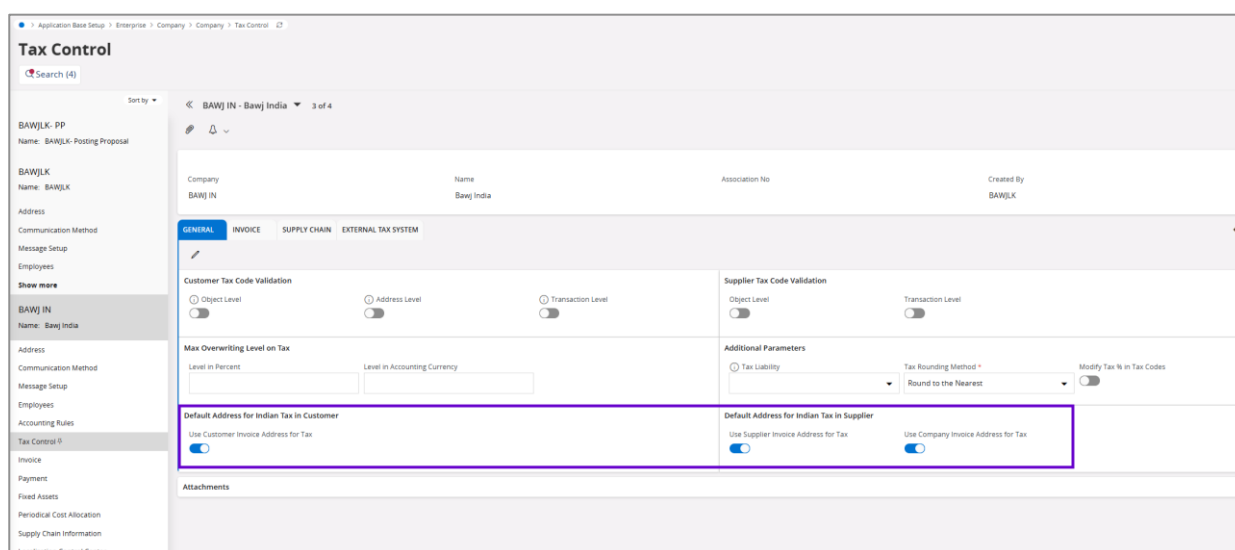
HSN/SAC Code	HSN/SAC Group	Valid From
78456989	5%	01/01/2023
78456989	12%	01/02/2023

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 page for 'BAWJ IN - Bawj India'. The left sidebar lists various configuration areas, with 'Tax Control' selected. The main content area shows the 'GENERAL' tab, which includes sections for 'Customer Tax Code Validation', 'Supplier Tax Code Validation', 'Max Overwriting Level on Tax', and 'Additional Parameters'. The 'Default Address for Indian Tax in Customer' section contains a toggle for 'Use Customer Invoice Address for Tax', which is currently enabled. The 'Default Address for Indian Tax in Supplier' section contains two toggles: 'Use Supplier Invoice Address for Tax' and 'Use Company Invoice Address for Tax', both of which are currently enabled. The 'Use Customer Invoice Address for Tax' toggle is highlighted with a red box.

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

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: | Intrastat Exempt: ☐

Delivery Confirmation

Confirm Deliveries | Check Sales Group S: | 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 Terms: | 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: No Tax | 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

Search (1)

BAWJ CUS INDIA

Customer Address Name: BAWJ Cus India DL
Invoice No: 970000007
Invoice Type: CUSTORDDEB
Order No: V12596
Printed

Sort by

BAWJ CUS INDIA - BAWJ Cus India DL - 970000007 - CUSTORDDEB - V12596 1 of 1

Printed

Customer No: BAWJ CUS INDIA Customer Address Name: BAWJ Cus India DL Series ID: CD Invoice No: 970000007 Company: BAWJ (N - Bawj) 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

LINES

GENERAL HISTORY

Invoice Type: CUSTORDDEB - Customer Order Invoice, Debit

Invoice Date: 2/26/2025

Our Reference: Harald Hess

Branch: Customer Branch

Process Type: [Dropdown]

Invoice Address: INDIA 123

Printed Date: 2/26/2025

Preliminary Invoice No: 214657

Customer Reference Name: [Dropdown]

Invoice Status: Non Invoiced

Indicators

Price Adjustment: No

Advance/Prepayment Invoice: No

Use Price Incl Tax: No

Notes: No

Correction Exist: No

Correction Invoice: No

Correction Reason ID: [Dropdown]

Correction Reason: [Dropdown]

Payment: [Dropdown]

Delivery: [Dropdown]

References: [Dropdown]

Invoice Text: [Dropdown]

Tax Registration Details

Customer Invoice Tax ID Number: [Dropdown]

Customer Delivery Tax ID Number: [Dropdown]

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

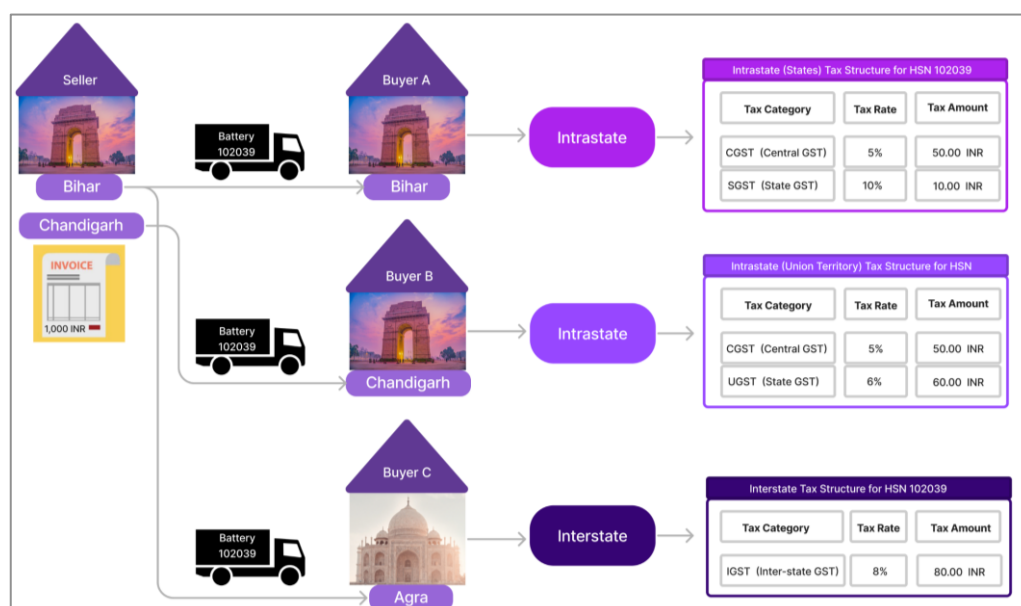
As per Sections 8, 10 and 12 of the Integrated Goods and Services Tax Act, 2017, the legislation that describes the Supply of Goods or Services, the tax rate relevant to a GST liable transaction, depends on two major attributes.

- **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'.

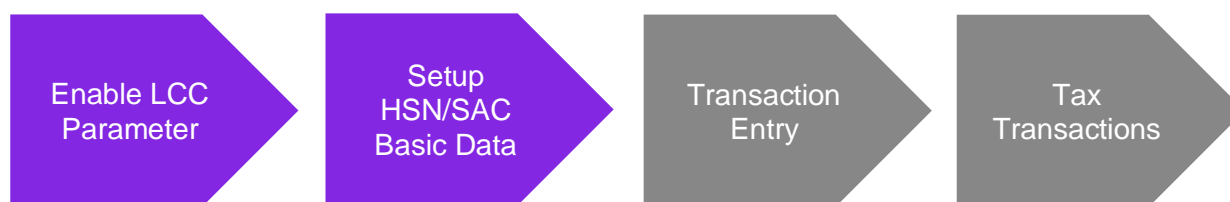
For example, assume, a company in Bihar (BR) is selling a product with HSN code 102039 to another company's delivery address in Bihar (BR). The Transaction will be identified as an Intrastate transaction (state to state) and the Tax rates or Structures applicable will be levied.

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: 0 Created: 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 Created: 2022-10-10

Notes: 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
2022-10-10		0	
Customs Statistics No			
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

Note:

MAIN	ALTERNATE PARTS	MATERIAL PRICE ELEMENTS	CHARACTERISTICS	MANUFACTURING
General				
Classification				
Commodity Group 1	Commodity Group 2	Asset Class		
		S		
ABC Class	ABC Class Locked Until	Frequency Class		
C		Very Slow Mover		
Frequency Class Locked Until	Lifecycle Stage	Lifecycle Stage Locked Until		
	Development			
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 ▾

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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

Charge Price	Charge Price Incl Tax	Charge Cost
70,00	87,50	0,00

Charge (%)	Charge Cost (%)	HSN/SAC Code
		109900 - Internal transport ▾

Tax

Tax Code	Tax Class	Delivery Type
1 - TAX WITH NO RED... ▾		

Taxable	Use Price Including Tax
<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

Status Share Operations Sales Promotions Quotation History Copy Quotation Create Lines from Template Document Text

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/Ti...

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	INTR12% - INTRA STATE 12%
2	1	2	HP-SP	HP SP	5	22223333LT - Laptop	INTER8% - 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

Search Advanced Search with Time Zone ①

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

Sort by ▾

V1042
 Customer: CMWCUSINDIA1
 Name: CMWCUSINDIA1
 Site: CMWIN
 Planned

Quotation No: V1042
 Customer: C CMWCUSINDIA1 - CMWCUSINDIA1
 Category: Customer
 Site: CMWIN
 Wanted Delivery Date/Time

Sales Quotation Amounts

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

General

Delivery Address: 1 - CMWCUSINDIA1
 Single Occurrence: ☐ Global Address:

Document Address

Sales Quotation Dates

Miscellaneous

Market: Region: District: Net Weight: Volume: Add Rebate Customer: Classification Standard: Print Code: Document Text: Notes - to Customer Order:

Invoice

Invoice Customer: Address ID: Payment Terms: 10 - 10 Days Net Use Price Ind 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	Manufacturing Calendar	Manufacturing Calendar Status
*	Generated	*	Generated
Time Zone Code	Time Zone Offset (hours)	Delivery Address	
	0	ADD1	

Customer (buyer) Delivery Address

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

Sales Quotation P1110

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

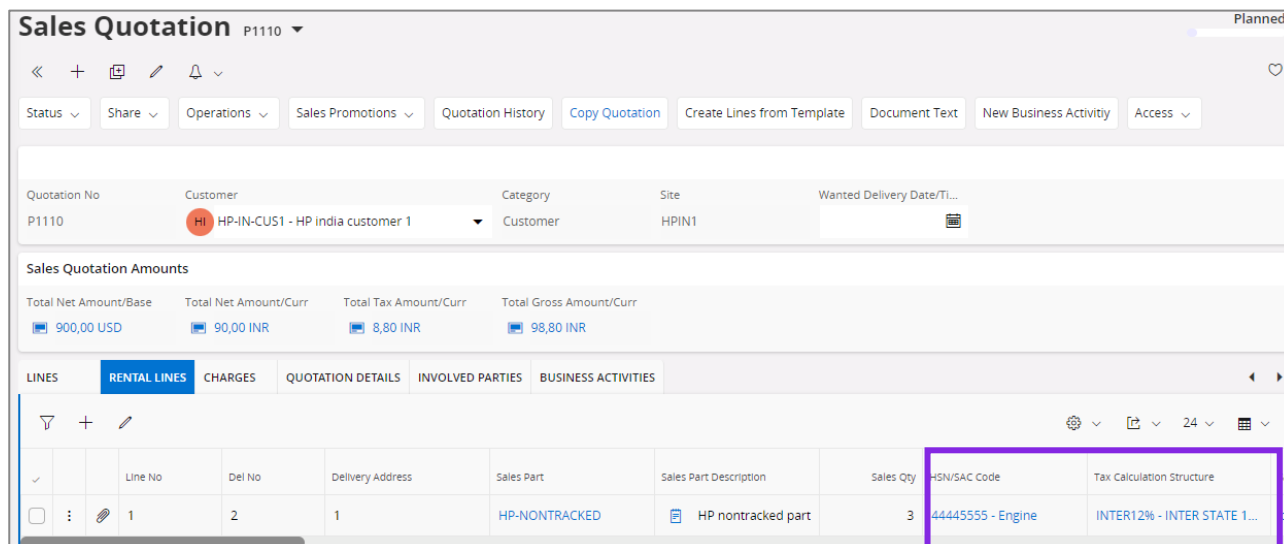
Sales Quotation Amounts

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...

- 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.



- 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.

Sales Quotation P1110 ▾

« + 📄 ✎ 🔔 ▾

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

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

Sales Quotation Amounts

Total Net Amount/Base	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr	Charges Exist
1000,00 USD	100,00 INR	10,00 INR	110,00 INR	

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

🔍 + ✎ ⚙️ ▾

✓	Sequence No	Charge Type	Charge Group	Charge Group Description	HSN/SAC Code	Tax Calculation Structure	Connect to Line	Customer Ta
<input type="checkbox"/>	1	OTHER - Other charge	10	Standard Insurance Charge	109900 - Internal trans...	INTER12%	No	

- 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

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

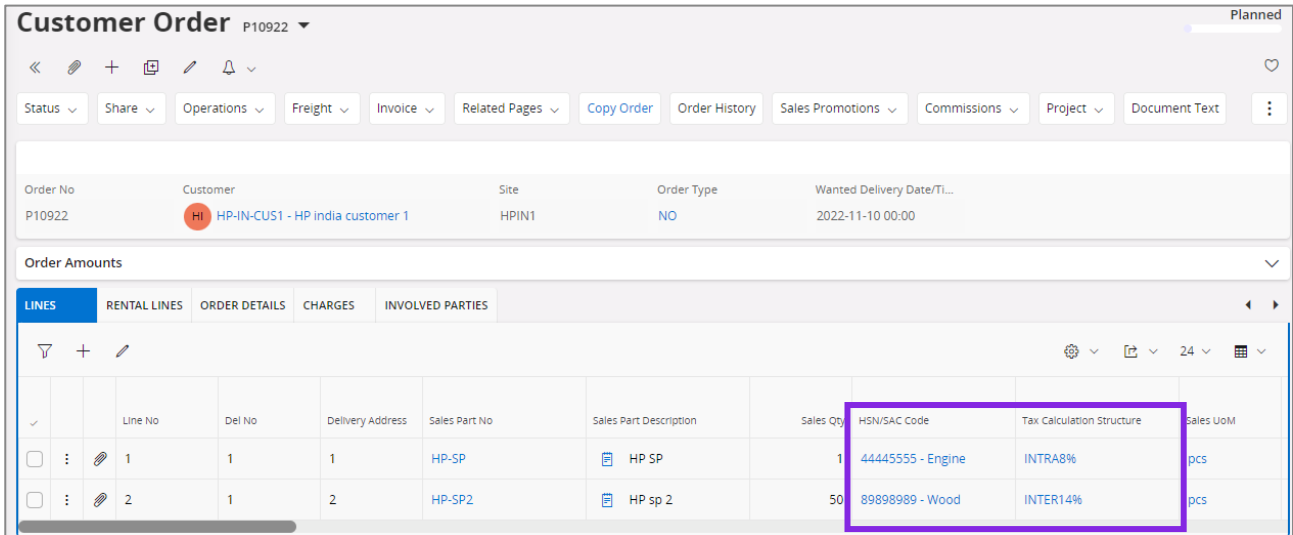
Total Net Amount/Base	Total Contribution Margi...	Contribution Margin(%)	Total Net Amount/Curr	Total Tax Amount/Curr	Total Gross Amount/Curr
5250,00 USD	5100,00 USD	100,00	525,00 INR	72,00 INR	597,00 INR

Charges Exist

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

- 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 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.



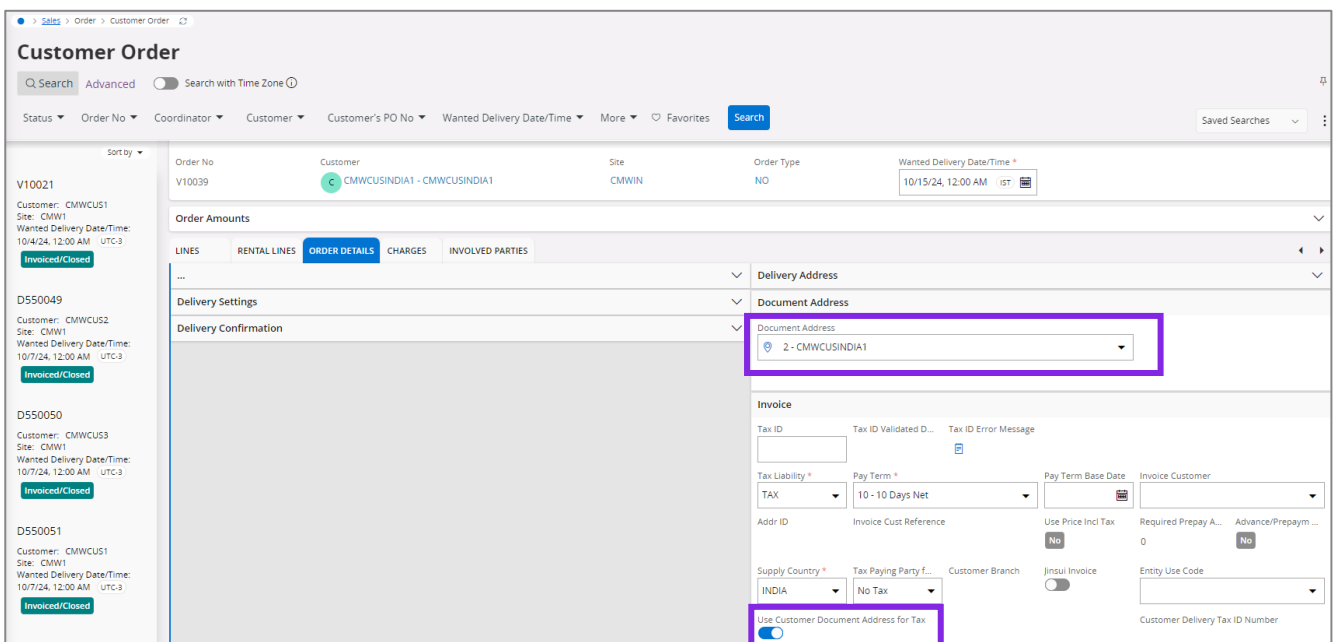
Customer Order P10922

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

Order Amounts

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

- 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.



Customer Order V10021

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

Order Amounts

Delivery Address

Document Address

Document Address: 2 - CMWCUSINDIA1

Invoice

Tax ID: , Tax ID Validated D..., Tax ID Error Message:

Tax Liability: TAX, Pay Term: 10 - 10 Days Net, Pay Term Base Date: , Invoice Customer:

Addr ID: , Invoice Cust Reference: , Use Price Incl Tax: No, Required Prepay A..., Advance/Prepaym...: No

Supply Country: INDIA, Tax Paying Party f..., Customer Branch: , Jinsul Invoice: , Entity Use Code:

Use Customer Document Address for Tax (Toggle is ON)

- 5) 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/Time: 2022-11-10 00:00

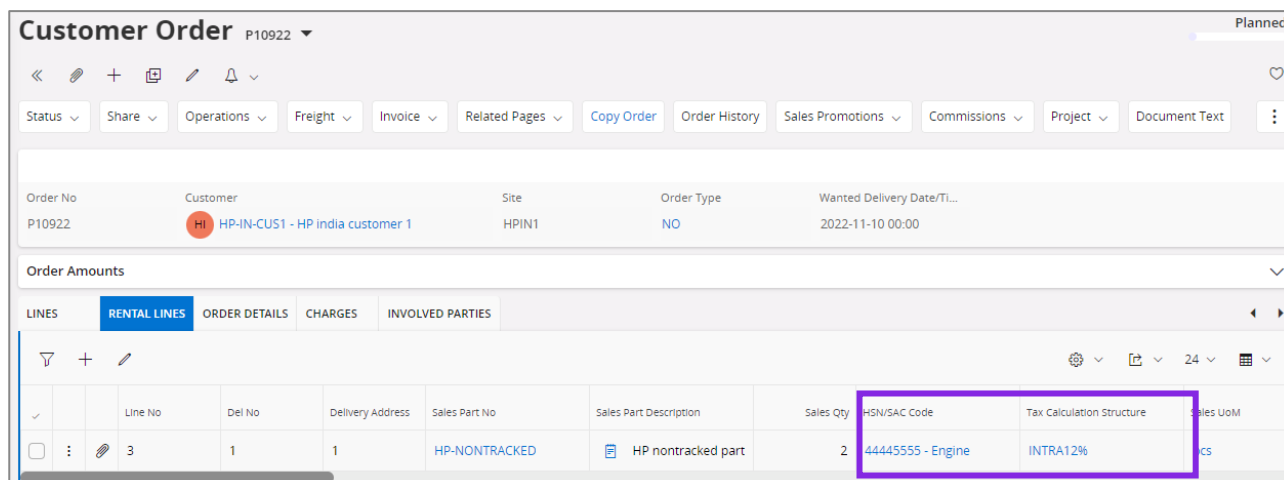
Order Amounts

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	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.

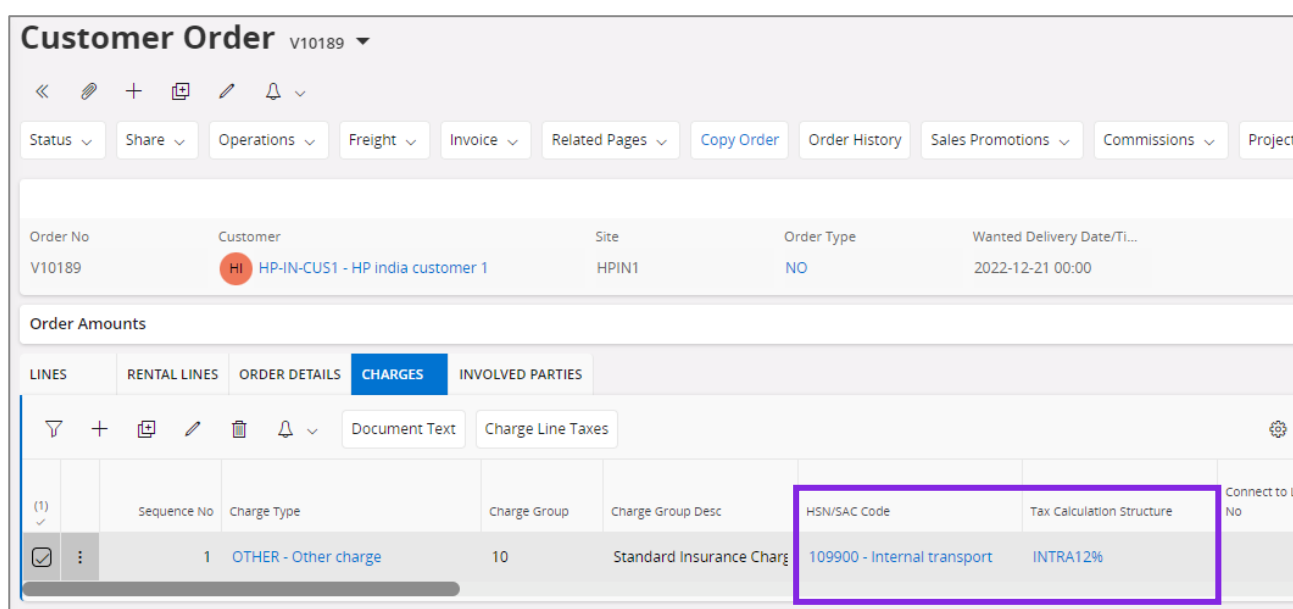
Company (Seller) Delivery Address	Customer (Buyer) Delivery Address
Company (Seller) Delivery Address available on site is validated.	The customer (buyer) Delivery Address available on the Customer Order header is validated.

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.



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

Share Posting Installment Plan and Discounts Notes

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

GENERAL

HISTORY

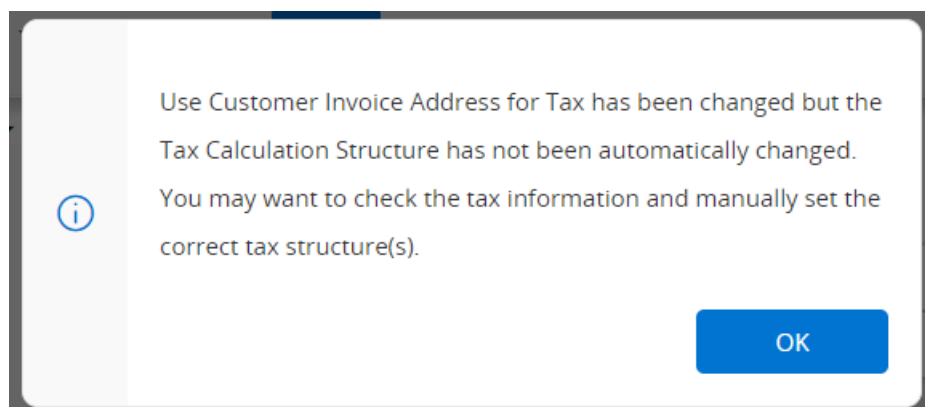
Pos	Invoice Item	Description	Invoiced Qty	HSN/SAC Code	Tax Calculation Structure	Sales UoM
1	HP-NONTRACKED	HP nontracked part	2	44445555 - Engine	INTRA12%	pcs
2	HP-SP	HP SP	1	22223333LT - Laptop	INTRA8%	pcs
3	FREIGHT	Freight Charge	1	109900 - Internal trans...	INTRA12%	pcs

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 - Delhi</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

Return to Address

Return Address: ADD1 | Name: | Delivery Terms: | Ship-Via: | Credit Information: Credit Customer: | Credit Address: |

Document Information

Document Address: 2DOC - HP india customer 1

- 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
<input type="checkbox"/>	:	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

Q Search

» 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**

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

Return Material Authorization

Q Search

» 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

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

- 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.

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: HI 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

Deny RMA Charge Tax Lines Document Text

(1)	RMA Charge No	Status	Charge Type	Charge Type Description	Charge Price/Curr	HSN/SAC Code	Tax Calculation Structure	Charge Price Incl Tax/Curr
<input checked="" type="checkbox"/>	1	Planned	OTHER	Other charge	10,00	109900 - Internal transport	INTRA12%	11,20

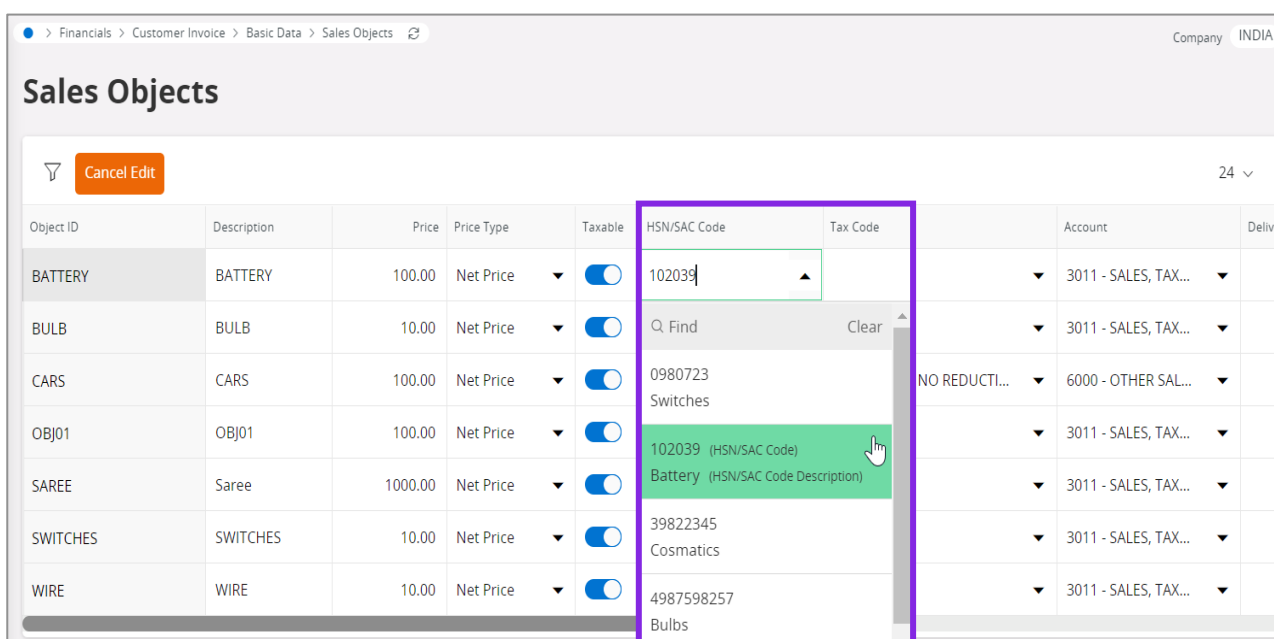
4) Select the **Use Customer Document Address for Tax** toggle to fetch Indian GST Taxes based on the customer document address and company delivery address.

- 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		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...	

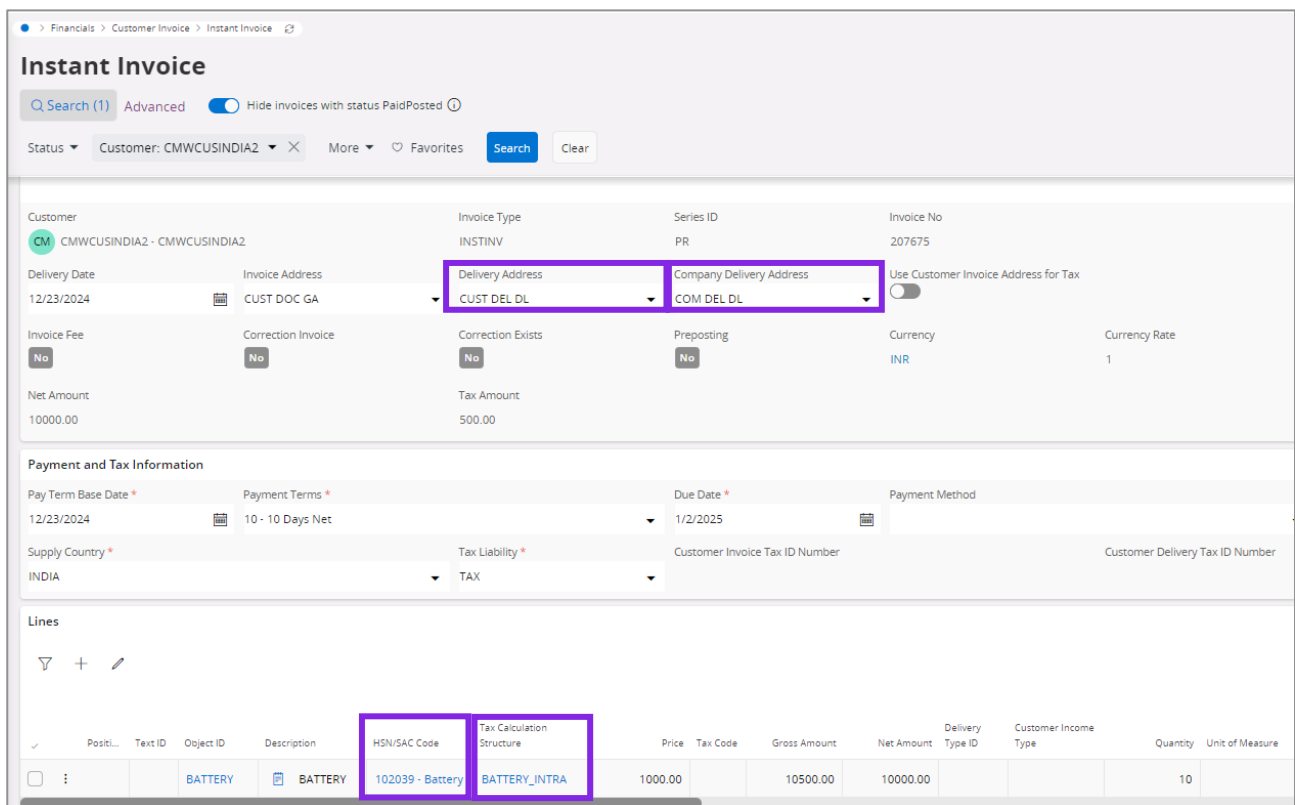
Note that, default tax information (tax codes, tax classes, or tax structures) relevant for the company, customer, supplier, or objects that are defined in the basic data level will not be automatically fetched to invoice line items in Indian Localization enabled companies, as the tax fetching for India 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

Postl...	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 Notes

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	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.

Financials > Customer Invoice > New Manual Customer Invoice

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: 0 | Deduction Amount: | 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: |

Financials > Customer Invoice > New Manual Customer Invoice

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

(1)	Delivery Type	Income Type	Tax Code	HSN/SAC Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percent	Tax Method Tax Discoursed	Gross Amount	Net Amount	Net Amount in Accounting Currency	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Withheld Tax Amount
<input checked="" type="checkbox"/>				102039 - Battery	BATTERY_INTRA	No			10500.00	10000.00	10000.00	500.00	500.00	10.00	

Previous | Next | Finish | Cancel

- 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 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.

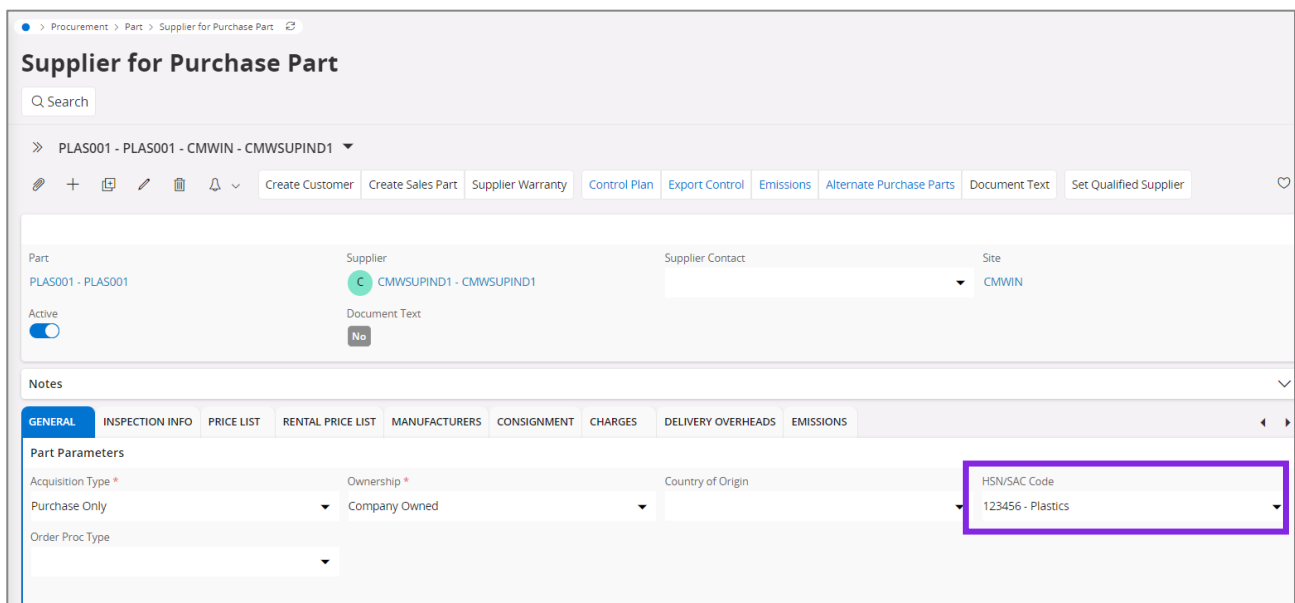
6.6 Procurement flow - Validation of States, fetch HSN/SAC Code and the Tax Structure

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

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

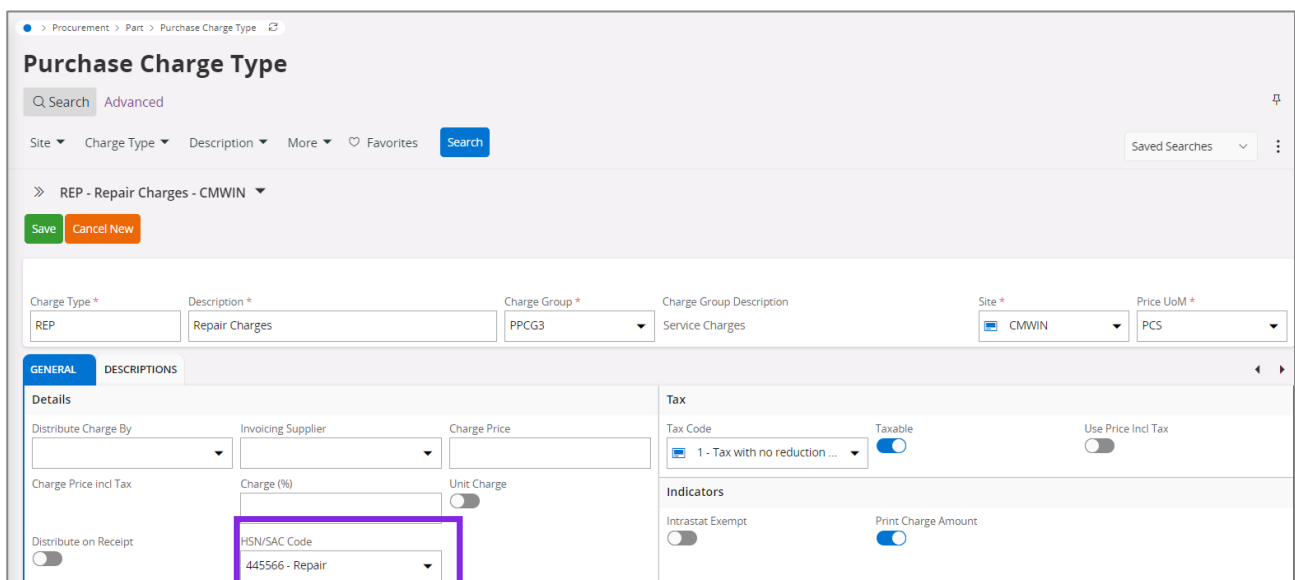
Use this field to enter the HSN/SAC code for the part or charge type. The list of Values shows HSN/SAC codes defined on the **HSN/SAC Codes** page.

6.6.1 SUPPLIER FOR PURCHASE PART



The screenshot shows the 'Supplier for Purchase Part' form. The 'HSN/SAC Code' field is highlighted with a red box, showing the value '123456 - Plastics'. The form includes a search bar, a breadcrumb trail, and various tabs for different sections. The 'Part Parameters' section is expanded, showing fields for Acquisition Type, Ownership, Country of Origin, and HSN/SAC Code.

6.6.2 PURCHASE CHARGE TYPE



The screenshot shows the 'Purchase Charge Type' form. The 'HSN/SAC Code' field is highlighted with a red box, showing the value '445566 - Repair'. The form includes a search bar, a breadcrumb trail, and various tabs for different sections. The 'Details' section is expanded, showing fields for Distribute Charge By, Invoicing Supplier, Charge Price, and HSN/SAC Code.

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

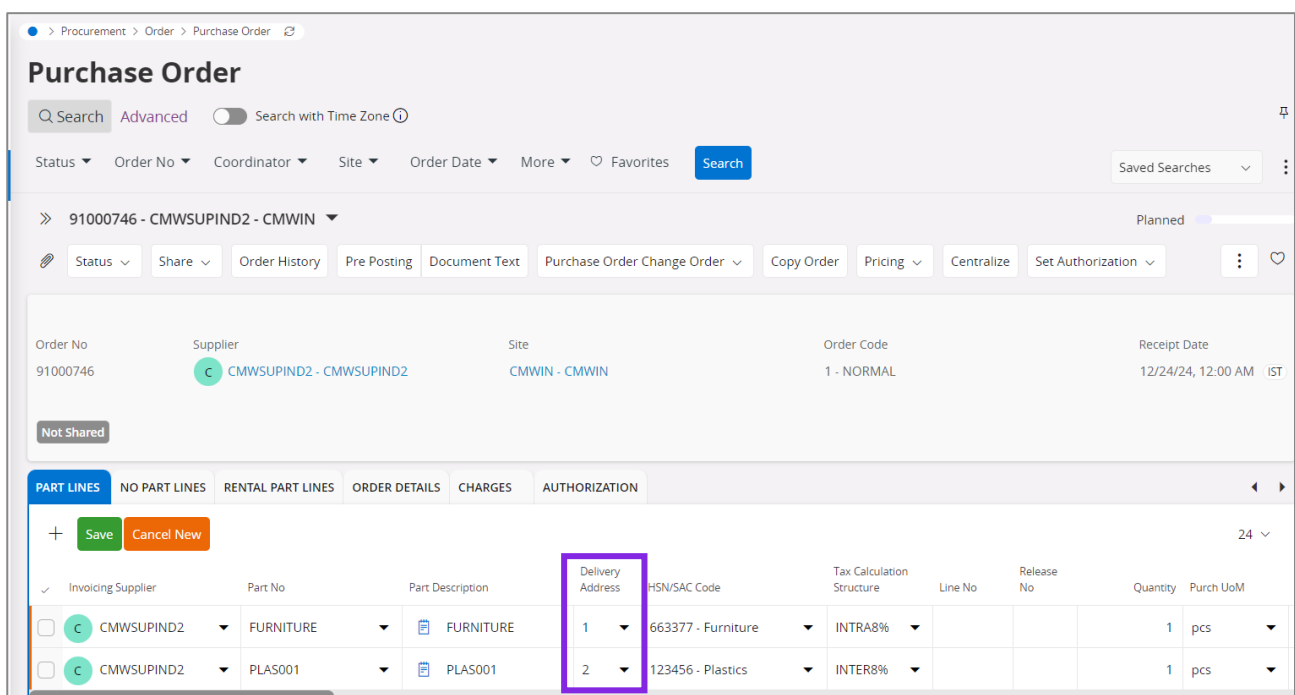
- 1) A new column is added to the **Purchase Order/Part Lines** tab:

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

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

- 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	INTR8%	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

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) 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

1

Single Occurrence

Document Address

Document Address

2

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

- 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

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

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: No

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: No Use Supplier Document Address for Tax: Yes

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

1 2

Delivery Terms Location Route Forwarder External Transport Calendar

Delivery Lead Time Internal Destination ID Internal Destination Description Intrastat Exempt

0

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

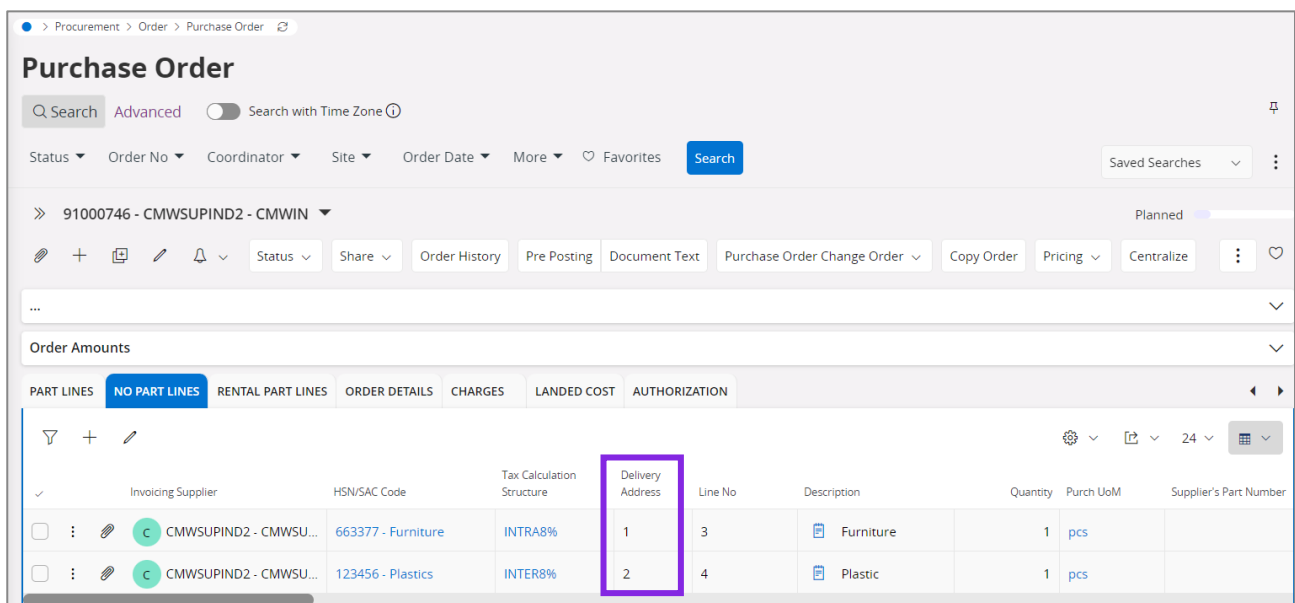
- 1) A new column is added to the **Purchase Order/No Part Lines** tab:

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.

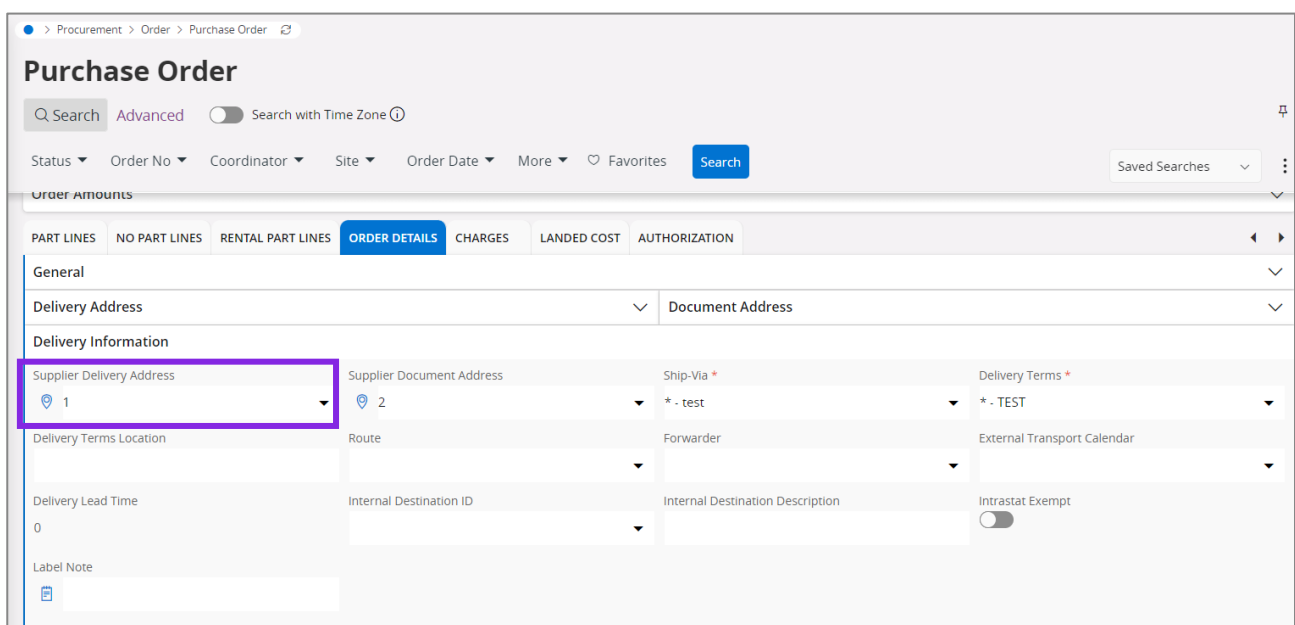


The screenshot shows the 'Purchase Order' interface with the 'NO PART LINES' tab selected. The table below lists the order details:

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

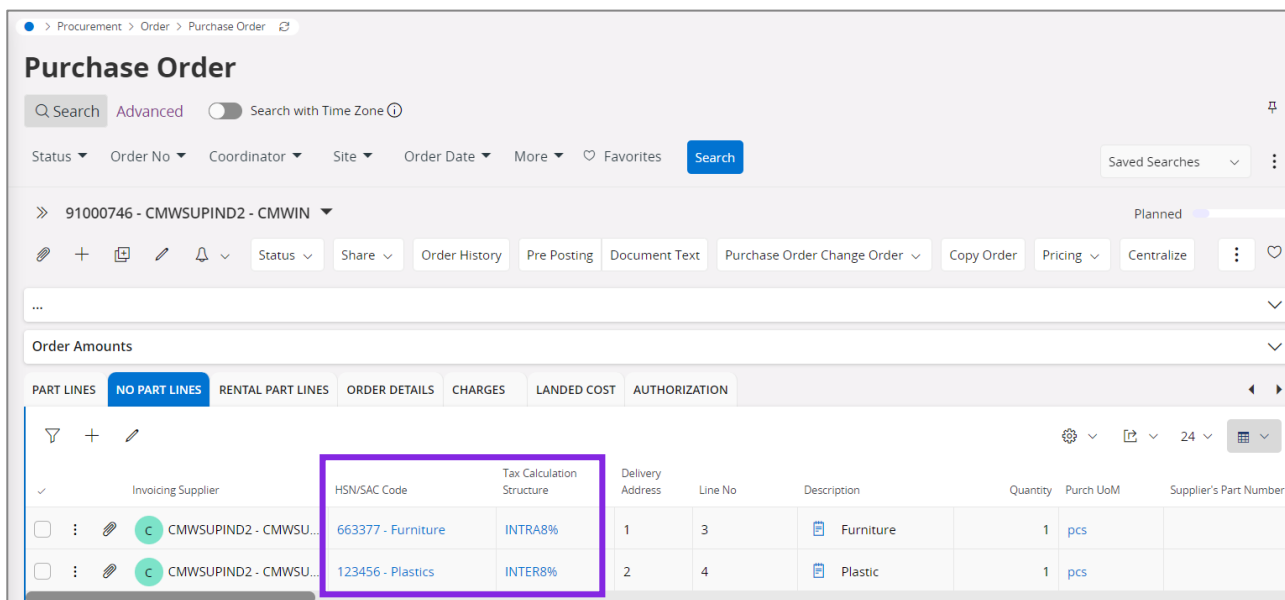
Supplier (seller) Delivery Address available on the **Order Details** tab is validated.



The screenshot shows the 'Purchase Order' interface with the 'ORDER DETAILS' tab selected. The 'Delivery Information' section is expanded, showing the following fields:

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

- 3) 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.



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

- 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 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.

- 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 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

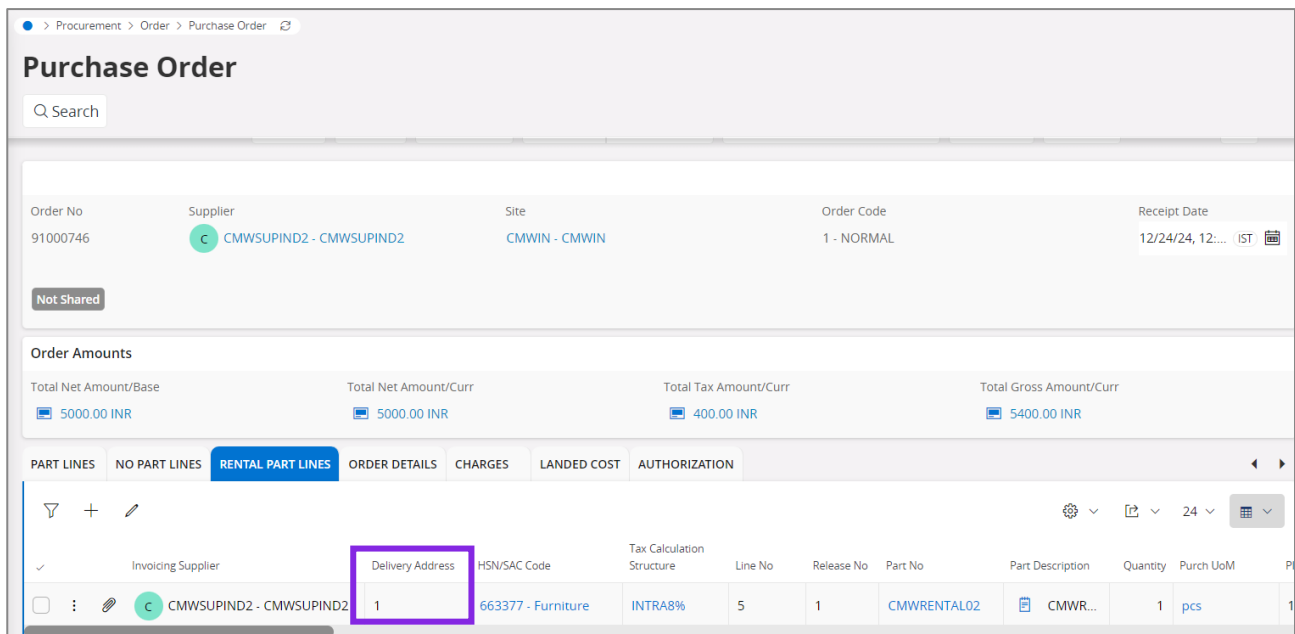
- 1) A new column is added to the **Purchase Order/Rental Part Lines** tab:

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 with the 'RENTAL PART LINES' tab selected. The table below shows the details for the rental part lines.

Invoicing Supplier	Delivery Address	HSN/SAC Code	Tax Calculation Structure	Line No	Release No	Part No	Part Description	Quantity	Purch UoM
CMWSUPIND2 - CMWSUPIND2	1	663377 - Furniture	INTRA8%	5	1	CMWRENTAL02	CMWR...	1	pcs

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

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

- 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.

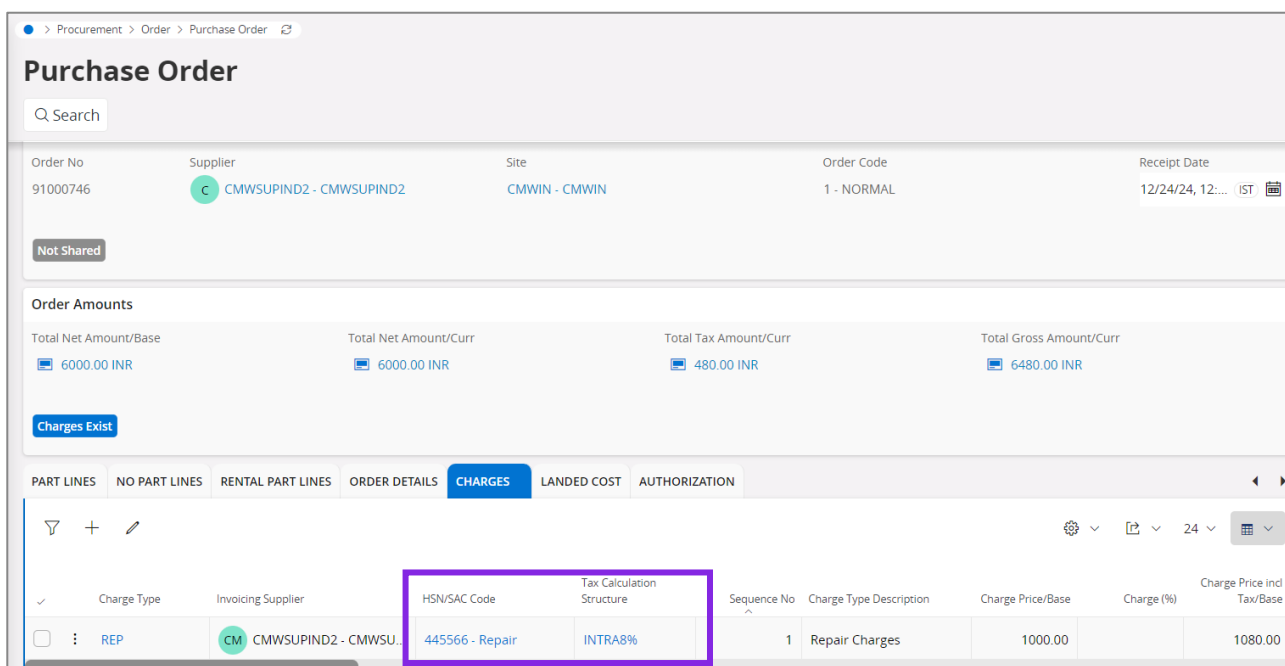
Scenario-01: Charge Line is not connected to a Part Line, No Part Line or Rental Part Line.

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 - CMWSUPIND2'.

- 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*

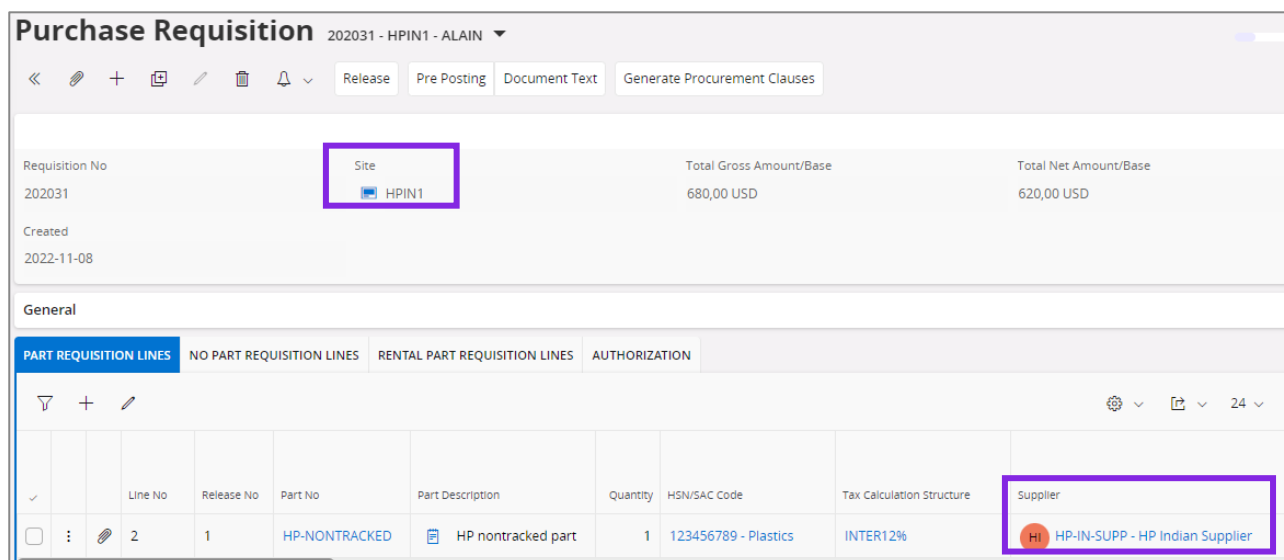
Purchase Requisition Part Lines

- 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: 202031 Site: HPIN1 Total Gross Amount/Base: 680,00 USD Total Net Amount/Base: 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: 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

- 3) 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

- 4) 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

- 1) 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.
- 2) 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	2222333LT - 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	2222333LT - 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*

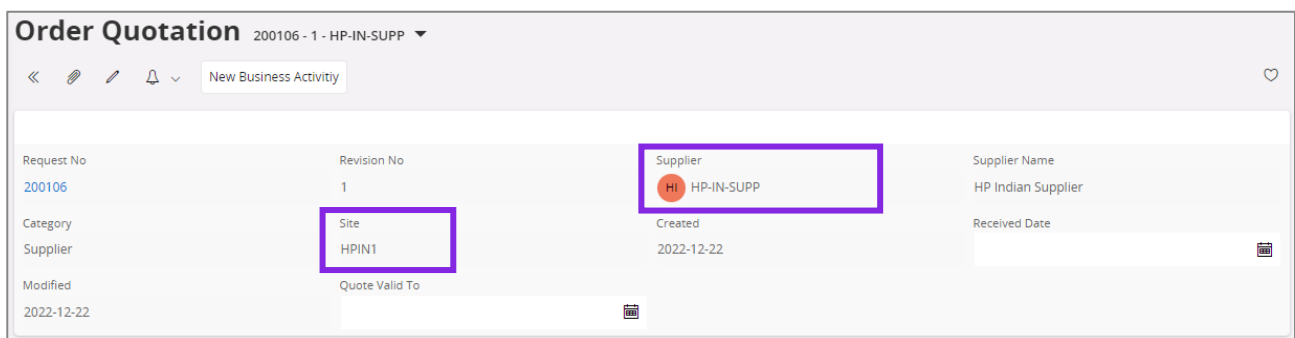
Order Quotation Lines

- 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

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

- 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: Supplier, Site: HPIN1, Created: 2022-12-22, Modified: 2022-12-22, Quote Valid To: [empty]

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: Supplier, Site: HPIN1, Created: 2022-12-22, Modified: 2022-12-22, Quote Valid To: [empty]

- 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	no part	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

- 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.
- 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	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-d Ta
[]	[]	[]	[]	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

+ Done Cancel New

(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 - Batt...	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

+

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

- 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.

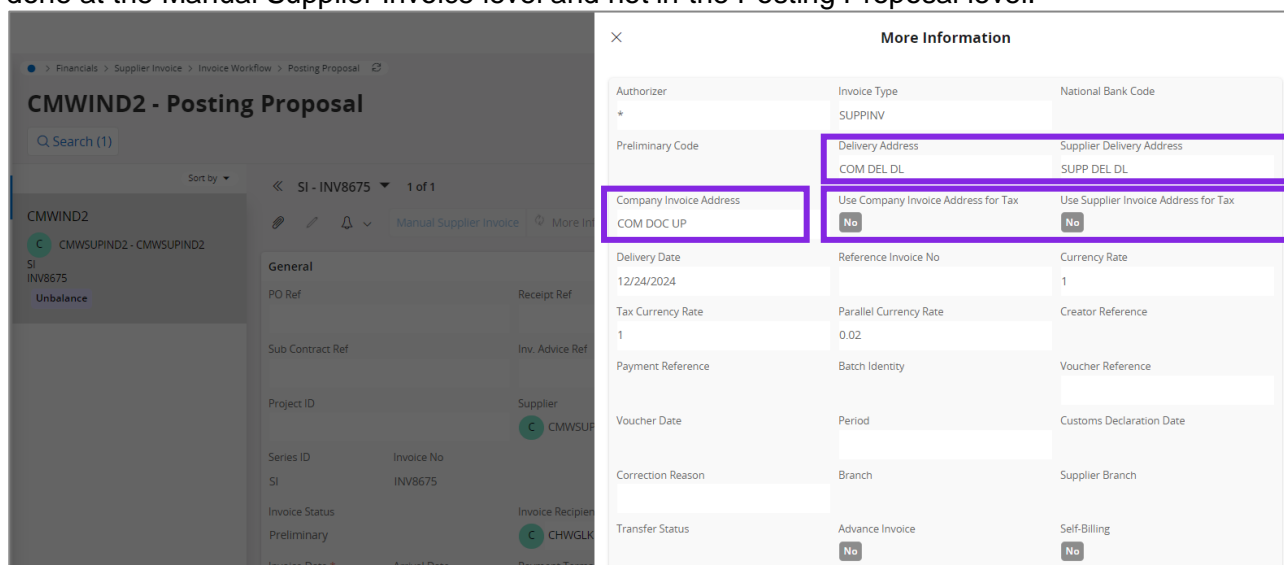
*Example 1: Once the toggle **Use Company Invoice Address for Tax** is enabled at Manual Supplier invoice level, the comparison will now change to the state in the **Supplier Delivery Address** that is DL and the state in **Company Invoice Address** that is UP, the same transaction is now classified 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 Intrastate 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
<input type="checkbox"/>	D01	Designing	Time		Yes	Invoicability	102200 - DESIGN - 102200 - DESIGN	Yes	0 - Tax 0%	2/1/2024	12/31/9999
<input type="checkbox"/>	IN01	Install	Time		Yes	Invoicability	103300 - INSTALL - 103300 - INSTALL	Yes	0 - Tax 0%	2/1/2024	12/31/9999
<input type="checkbox"/>	M01	Make	Cost		Yes	Invoicability	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

PR - 212714

1 of 1

Preliminary

»

Notes

Invoice Text

Printout

Send E-Invoice

Customer Installment Plan

Cancel Invoice

Customer

UN INDIA

Invoice No

212714

Customer Name

Un India

Invoice Period Start

2/1/2024

Project

Invoice Period End

2/28/2024

Invoice Series

PR

Notes

No

Invoice Text

No

Amounts

Currency

SEK

Gross Amount

767.00

Net Amount

650.00

Tax Amount

117.00

LINES

GENERAL

PRE POSTING

ACCOUNTING

▽

+

⚙

24

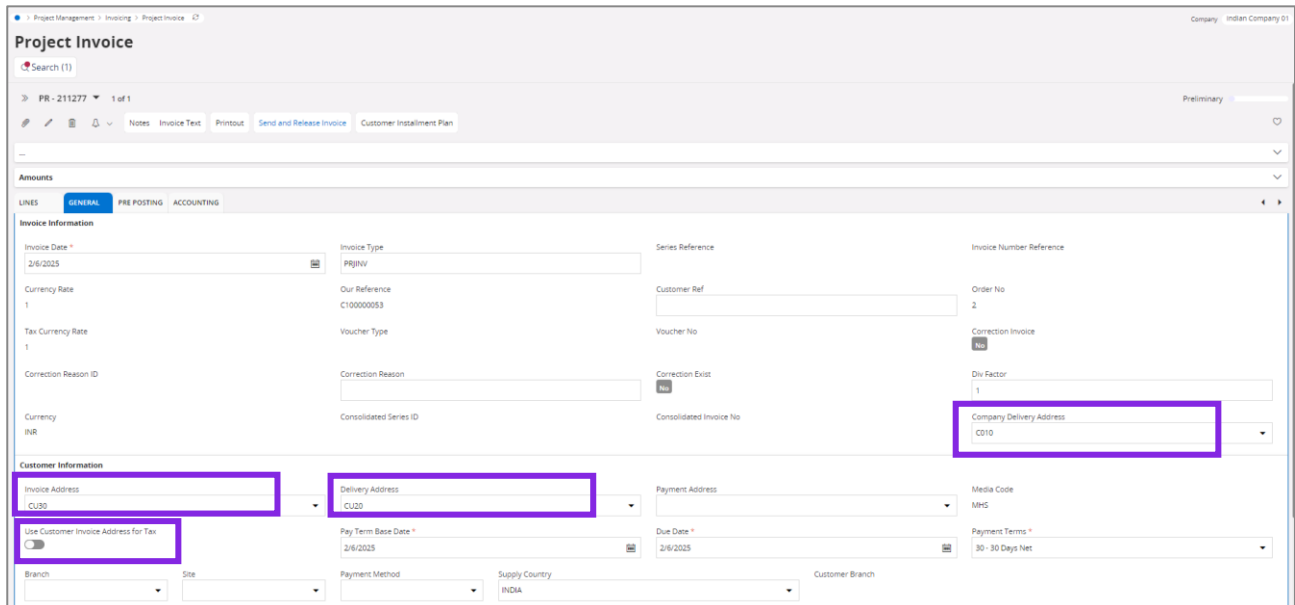
✓	Item ID	Invoice Text	Description	Project	Sub Project	Activity	Report Code	Quantity	Price	Net Amount	HSN/SAC Code	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Percentage	Tax Amount	Withheld Tax Amount	Gross Amount	Report Code Group ID	Total Certified	Certified
<input type="checkbox"/>	1	No	Install	DP001 - DP Construction	S1 - st	1 - Design	IN01 - Install	2	250.00	500.00	103300 - INSTALL - 103300 - INSTALL	INTRA1		Yes		90.00		590.00			
<input type="checkbox"/>	2	No	Designing	DP001 - DP Construction	S1 - st	1 - Design	D01 - Designing	1	150.00	150.00	102200 - DESIGN - 102200 - DESIGN	INTRA1		Yes		27.00		177.00			

Attachments

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 screenshot displays the 'Project Invoice' form in 'Preliminary' status. The 'Invoice Information' section includes fields for Invoice Date, Invoice Type, Series Reference, Invoice Number Reference, Currency Rate, Our Reference, Customer Ref, Order No, Tax Currency Rate, Voucher Type, Voucher No, Correction Invoice, Correction Reason, Correction Exist, Div Factor, Consolidated Series ID, Consolidated Invoice No, and Company Delivery Address. The 'Customer Information' section includes Invoice Address, Delivery Address, Payment Address, Media Code, Use Customer Invoice Address for Tax (toggle), Pay Term Base Date, Due Date, Payment Terms, Branch, Site, Payment Method, Supply Country, and Customer Branch. The 'Company Delivery Address' field is set to 'CD10' and the 'Use Customer Invoice Address for Tax' toggle is set to 'OFF'.

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).

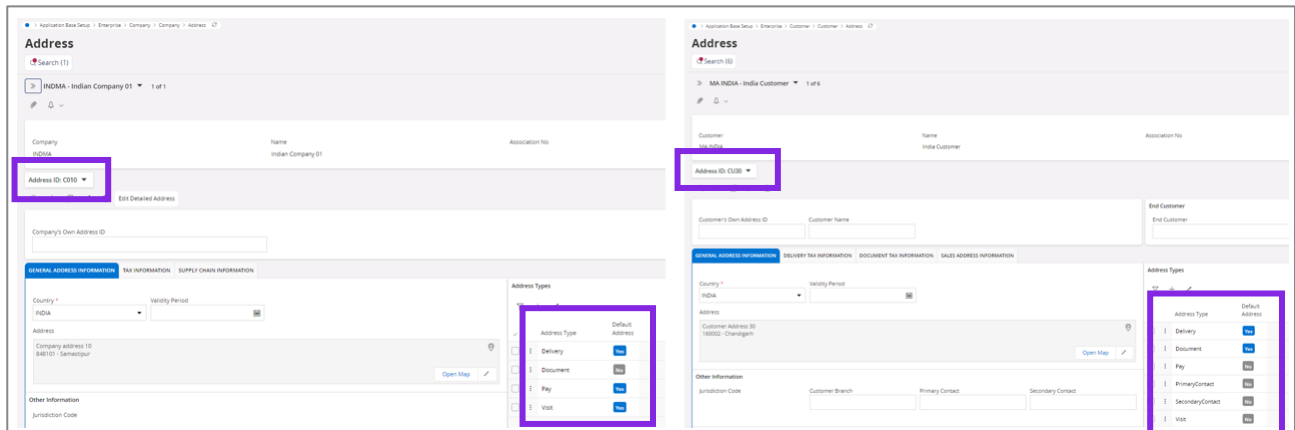
Based on the HSN/SAC code in the Project Invoice Line and the intra-state or inter-state nature of the transaction, the correct tax calculation structure is fetched.

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

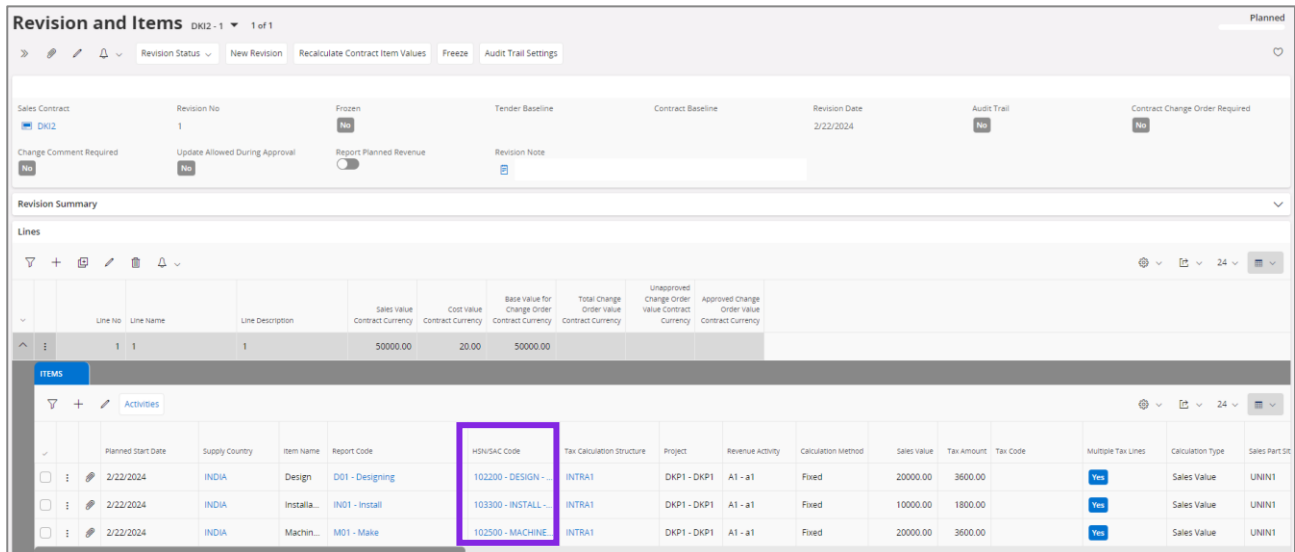
HSN/SAC Codes and tax fetching logic have been introduced in the Sales Contract Management flow. This applies to Sales Contracts, Applications for Payment, and Project Invoices created through the Application for Payment process.

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	Invoicability	102200 - DESIGN - 102200 - DESIGN	Yes	0 - Tax 0%	2/1/2024	12/31/9999	
<input type="checkbox"/> : IN01	Install	Time		Yes	Invoicability	103300 - INSTALL - 103300 - INSTALL	Yes	0 - Tax 0%	2/1/2024	12/31/9999	
<input type="checkbox"/> : M01	Make	Cost		Yes	Invoicability	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**.

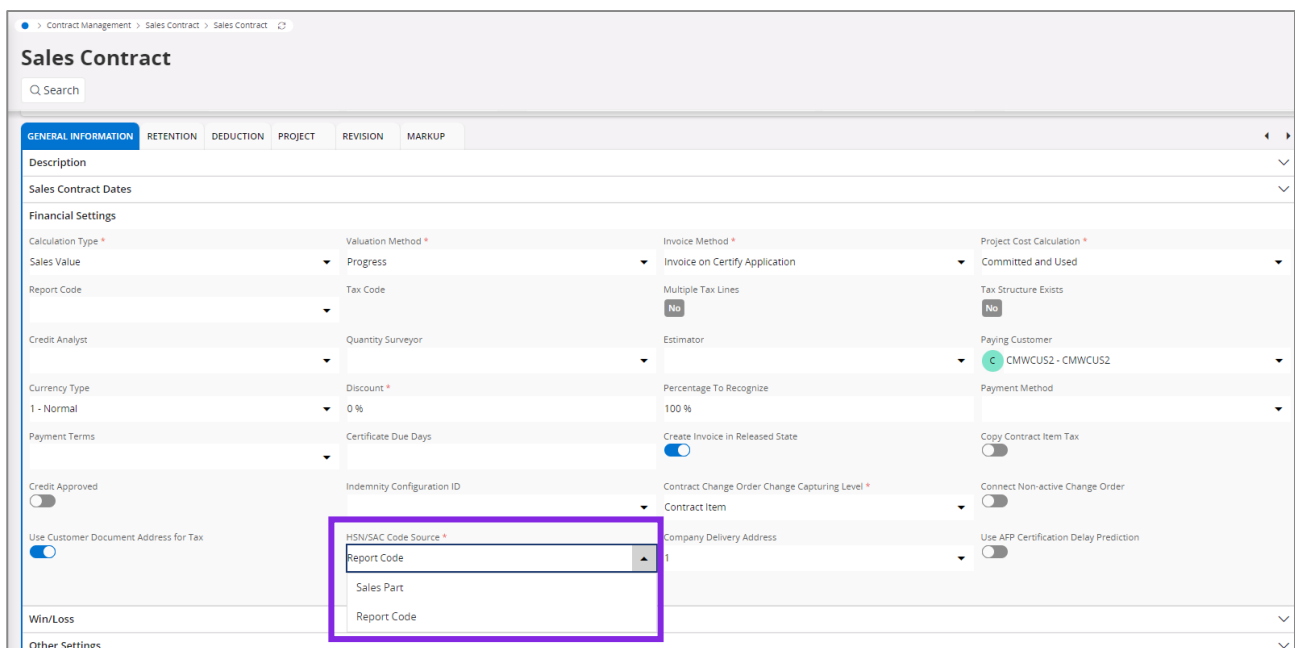


Line No	Line Name	Line Description	Sales Value Contract Currency	Cost Value Contract Currency	Base Value for Change Order Contract Currency	Total Change Order Value Contract Currency	Unapproved Change Order Value Contract Currency	Approved Change Order Value Contract Currency
1	1	1	50000.00	20.00	50000.00			

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	D01 - Designing	102200 - DESIGN - ...	INTRA1	DKP1 - DKP1	A1 - a1	Fixed	20000.00	3600.00		Yes	Committed and Used	UNIN1
2/22/2024	INDIA	Install...	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

Q Search

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 No Tax Structure Exists No

Credit Analyst Quantity Surveyor Estimator Paying Customer CMWCUS2 - CMWCUS2

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

Credit Approved Indemnity Configuration ID Contract Change Order Change Capturing Level * Connect Non-active Change Order

Use Customer Document Address for Tax HSN/SAC Code Source * Report Code Company Delivery Address Use AFP Certification Delay Prediction

Win/Loss Sales Part

Other Settings Report Code

- 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.

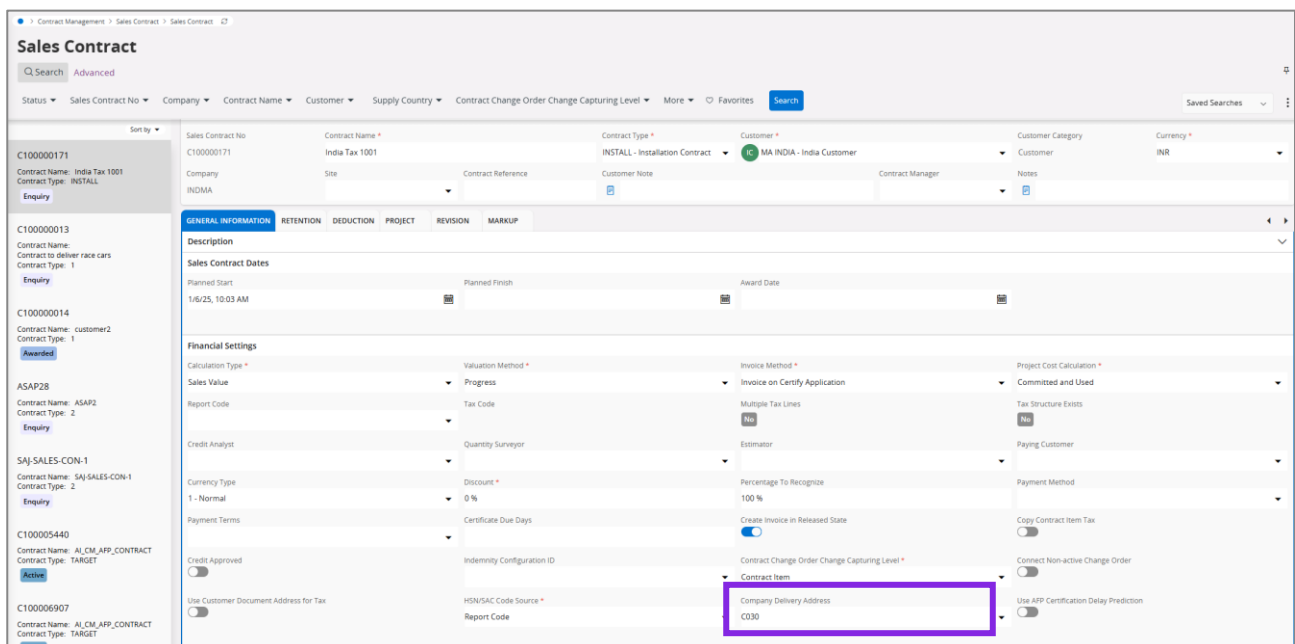
The taxability of the Report Code is considered when fetching tax in Sales Contract Management, and Sales Part taxability is not considered.

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

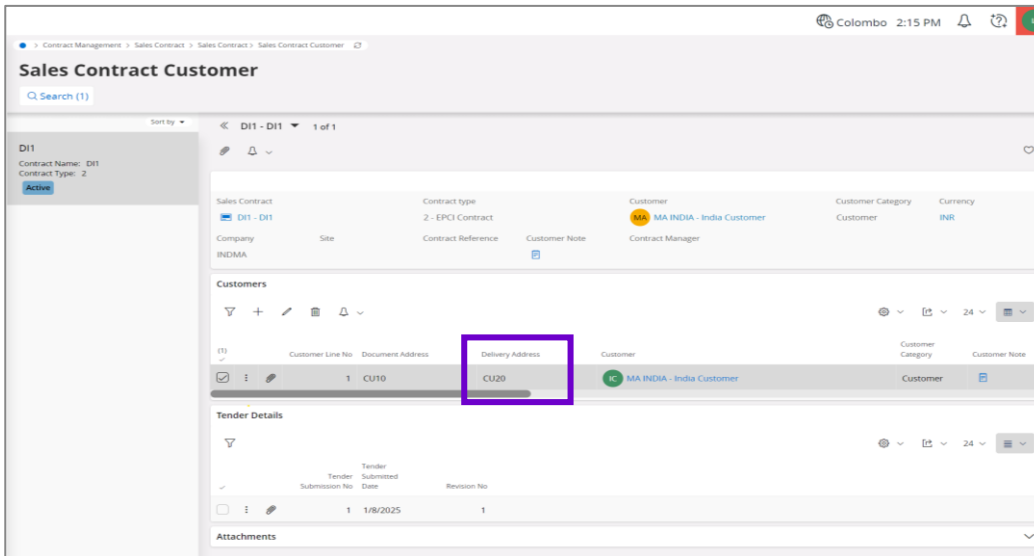
The states of the buyer and seller delivery addresses are used to determine whether the transaction is intra-state or inter-state.

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 left sidebar lists several contracts, including 'C100000171' (India Tax 1001, INSTALL), 'C10000013' (Contract to deliver race cars), 'C10000014' (customer2), 'ASAP28' (ASAP2), 'SAJ-SALES-CON-1' (SAJ-SALES-CON-1), 'C100005440' (AL_CM_APP_CONTRACT, TARGET), and 'C100006907' (AL_CM_APP_CONTRACT, TARGET). The main panel shows the details for contract 'C100000171'. The 'GENERAL INFORMATION' tab is active, displaying fields for 'Description', 'Sales Contract Dates', 'Financial Settings', and 'Contract Item'. The 'Company Delivery Address' field is highlighted with a red box, showing the value 'C030'.

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**.



Sales Contract Customer

Contract Name: DI1
Contract Type: 2

Contract type: 2 - EPCI Contract
Customer: MA INDIA - India Customer
Customer Category: Customer
Currency: INR

Company: INDMA
Site:
Contract Reference:
Customer Note:
Contract Manager:

Customers

(1)	Customer Line No	Document Address	Delivery Address	Customer	Customer Category	Customer Note
✓	1	CU10	CU20	MA INDIA - India Customer	Customer	

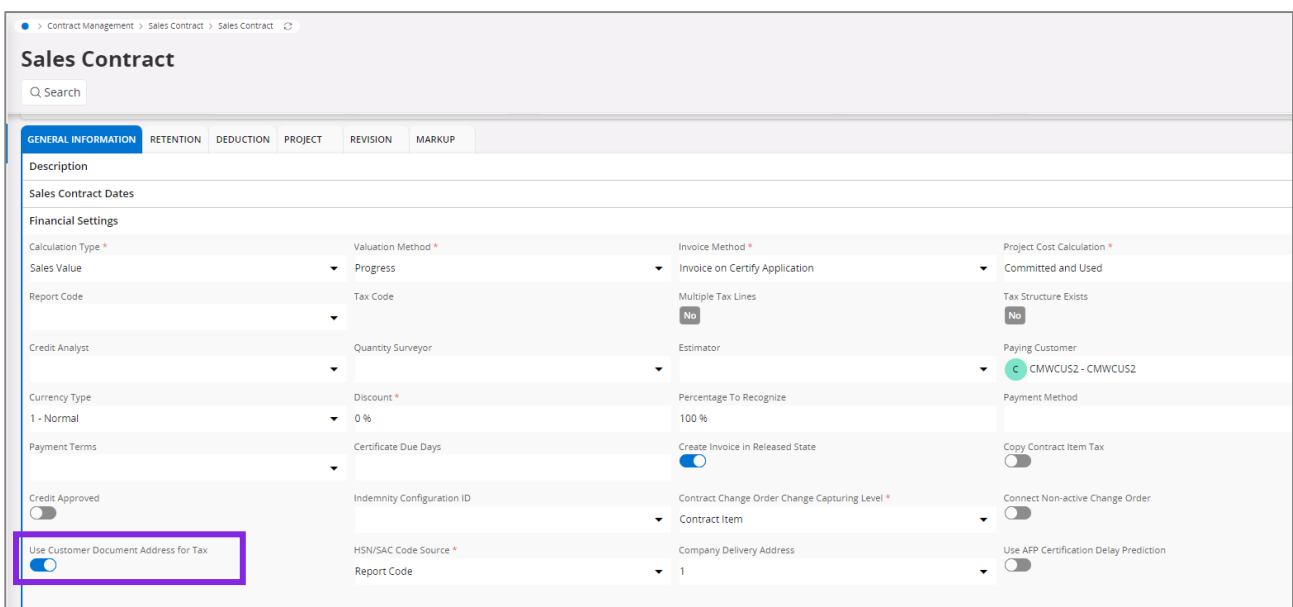
Tender Details

	Tender Submission No	Tender Submitted Date	Revision No
✓	1	1/8/2025	1

Attachments

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.



Sales Contract

GENERAL INFORMATION RETENTION DEDUCTION PROJECT REVISION MARKUP

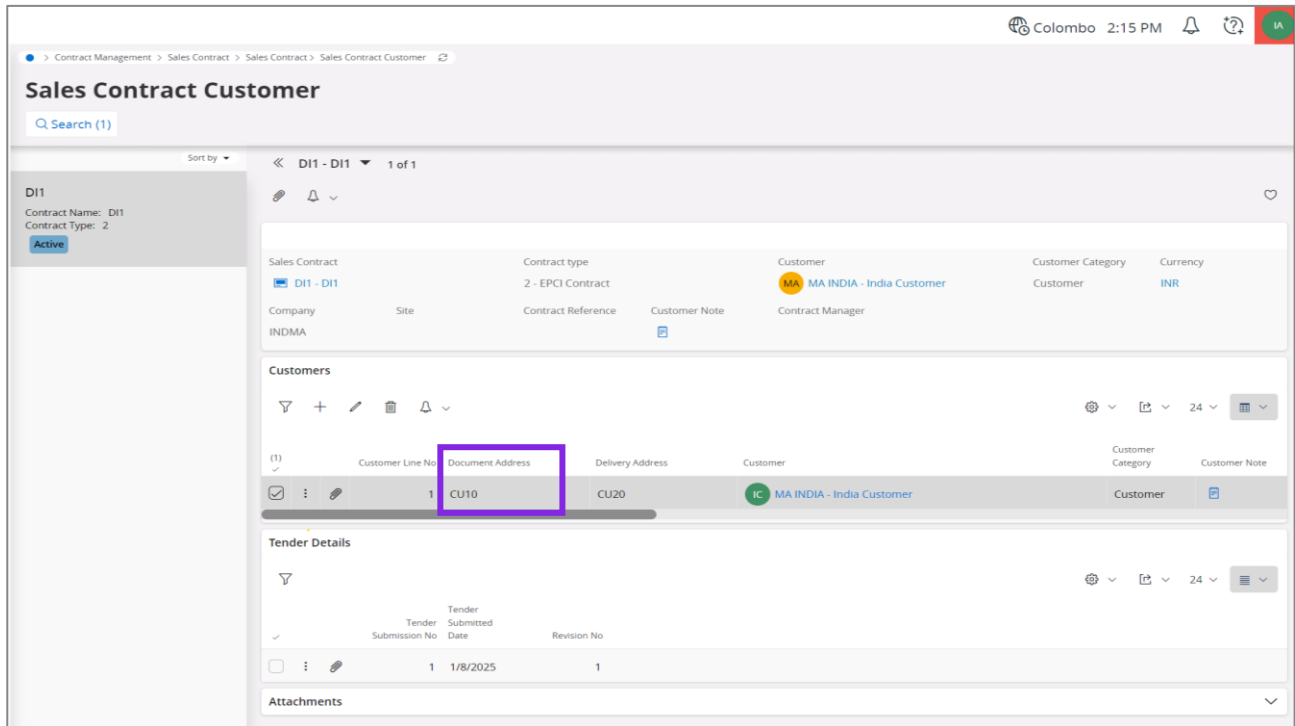
Description

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
		No	No
Credit Analyst	Quantity Surveyor	Estimator	Paying Customer
			CMWCUS2 - CMWCUS2
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
		On	Off
Credit Approved	Indemnity Configuration ID	Contract Change Order Change Capturing Level *	Connect Non-active Change Order
Off		Contract Item	Off
Use Customer Document Address for Tax	HSN/SAC Code Source *	Company Delivery Address	Use AFP Certification Delay Prediction
On	Report Code	1	Off

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**.



Sales Contract Customer

Contract Name: DI1
Contract Type: 2
Active

Sales Contract: DI1 - DI1
Contract type: 2 - EPCI Contract
Customer: MA INDIA - India Customer
Customer Category: Customer
Currency: INR
Company: INDMA
Site:
Contract Reference:
Customer Note:
Contract Manager:

Customers

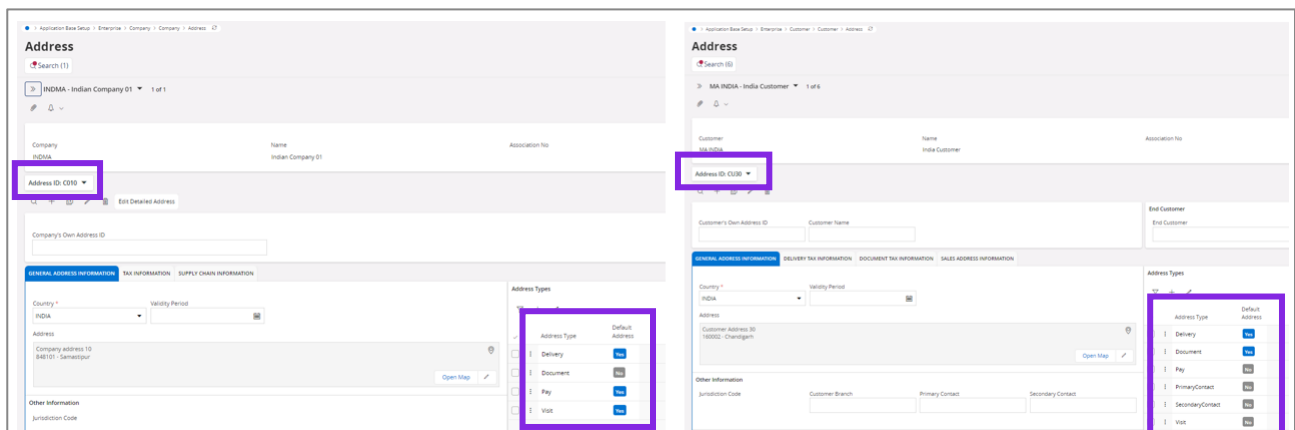
(1)	Customer Line No	Document Address	Delivery Address	Customer	Customer Category	Customer Note
<input checked="" type="checkbox"/>	1	CU10	CU20	MA INDIA - India Customer	Customer	

Tender Details

	Tender Submission No	Tender Submitted Date	Revision No
<input checked="" type="checkbox"/>	1	1/8/2025	1

Attachments

Default addresses defined in the basic data set up



Address

Company: INDMA
Name: Indian Company 01
Association No:

Address ID: CU10

Company's Own Address ID:

GENERAL ADDRESS INFORMATION

Country: INDIA
Validity Period:

Address:
Company address ID: INDMA - Chennai

Address Types

Address Type	Default Address
Delivery	<input checked="" type="checkbox"/>
Document	<input checked="" type="checkbox"/>
Pay	<input checked="" type="checkbox"/>
Visit	<input checked="" type="checkbox"/>

Address

Customer: MA INDIA
Name: India Customer
Association No:

Address ID: CU20

Customer's Own Address ID: INDMA - Chennai
Customer Name:

GENERAL ADDRESS INFORMATION

Country: INDIA
Validity Period:

Address:
Customer address ID: INDMA - Chennai

Address Types

Address Type	Default Address
Delivery	<input checked="" type="checkbox"/>
Document	<input checked="" type="checkbox"/>
Pay	<input checked="" type="checkbox"/>
PrimaryContact	<input checked="" type="checkbox"/>
SecondaryContact	<input checked="" type="checkbox"/>
Visit	<input checked="" type="checkbox"/>

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.

Contract Revision and Items

Revision and Items DK12 - 1 1 of 1

Revision Status

New Revision

Recalculate Contract Item Values

Freeze

Audit Trail

Sales Contract

DK12

Revision No

1

Frozen

No

Tender Baseline

Change Comment Required

No

Update Allowed During Approval

No

Report Planned Revenue

Revision Note

Revision Summary

Do you want to set the selected revision to active?

Refresh Line Item Ta...

Audit Trail Settings

Audit Trail Enabled

Contract Change Order Required

Change Comment Required

OK

Cancel

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.

Application for Payment DK12 - 1 1 of 1

Planned

Status

Refresh Contract Details

Print Application

Retrieve Cost/Progress from Project

Copy Project Valuation

Sales Contract

GENERAL

SUMMARY

ITEM VALUATION

RETENTION

INVOICE & PAYMENT INFO

DEDUCTION

Work Value

Stored Material

Total Value

Work Certified

Stored Material Certified

Total Certified

Lines

Retrieve Cost/Progress from Project

Copy Project Valuation

Line No

Line Name

Line Description

Work Value

Stored Material Value

Total Value

Line Contract Value

Work Certified

Stored Material Certified

Total Certified

Item No

Item Name

Item Report Code

HSN/SAC Code

Tax Calculation Structure

Tax Code

Tax Code Description

Valuation Value

Certified Work

Multiple Tax Lines

Previous valuation value

Valuation Stored Material

Previous Stored Material value

Work value

Previous Work value

Total valuation

1

Design

D01

102200 - DESIGN - 102200 - DESIGN

INTRA1

0

Yes

0

0.00

0.00

0.00

0.00

2

Installation

IN01

103300 - INSTALL - 103300 - INSTALL

INTRA1

0

Yes

0

0.00

0.00

0.00

0.00

3

Machines

M01

102500 - MACHINE - 102500 - MACHINE

INTRA1

0

Yes

0

0.00

0.00

0.00

0.00

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.

Sales Contract DK12 - DKIndia 2 2 of 2

Active

Revision and Items

New Application

Application for Payment

Indemnities

Summary

Customer

Tasks

Contracts

Set Baseline

Manage Sales Contract Items

Copy Contract

Contract Change Order

Sales Contract No

DK12

Contract Name

DKIndia 2

Contract Type

2 - EPC Contract

Customer

UN INDIA - Un India

Customer Category

Customer

Currency

SEK

Company

U10

Site

UNIN1

Contract Reference

Customer Note

Contract Manager

Notes

GENERAL INFORMATION

RETENTION

DEDUCTION

PROJECT

REVISION

MARKUP

Description

Sales Contract Dates

Financial Settings

Calculation Type

Sales Value

Valuation Method

Progress

Invoice Method

Invoice on Certify Application

Project Cost Calculation

Committed and Used

Report Code

Tax Code

Multiple Tax Lines

No

Tax Structure Exists

No

Credit Analyst

Quantity Surveyor

Estimator

Paying Customer

UN INDIA - Un India

Currency Type

1 - Normal

Discount

0 %

Percentage To Recognize

100 %

Payment Method

CHE - Check

Payment Terms

30 - 30 Days Net

Certificate Due Days

Create Invoice in Released State

Copy Contract Item Tax

Credit Approved

Indemnity Configuration ID

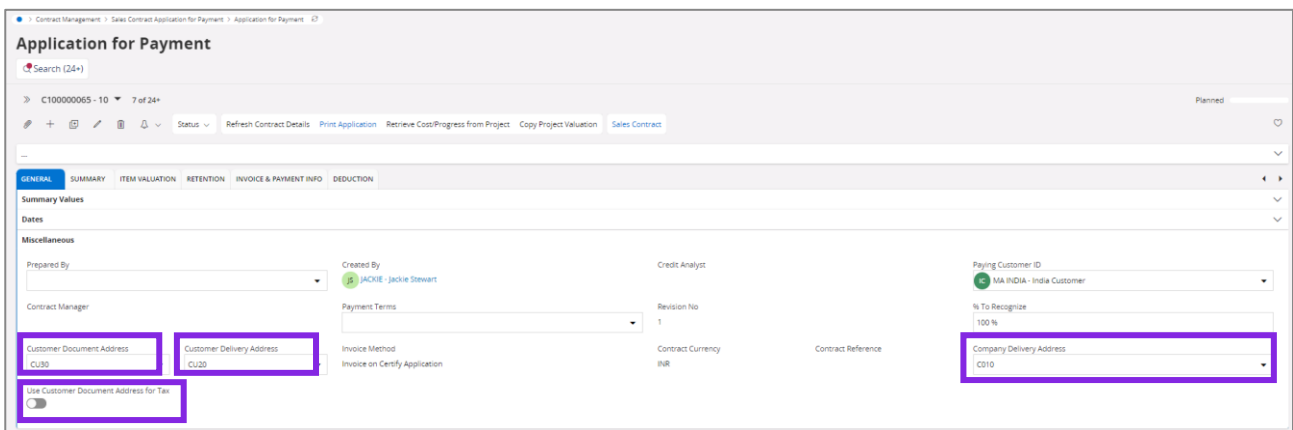
Contract Change Order Change Capturing Level

Connect Non-active Change Order

Contract Item

- If the **Copy Contract Item Tax** is set to YES:
 - The tax information saved in **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.

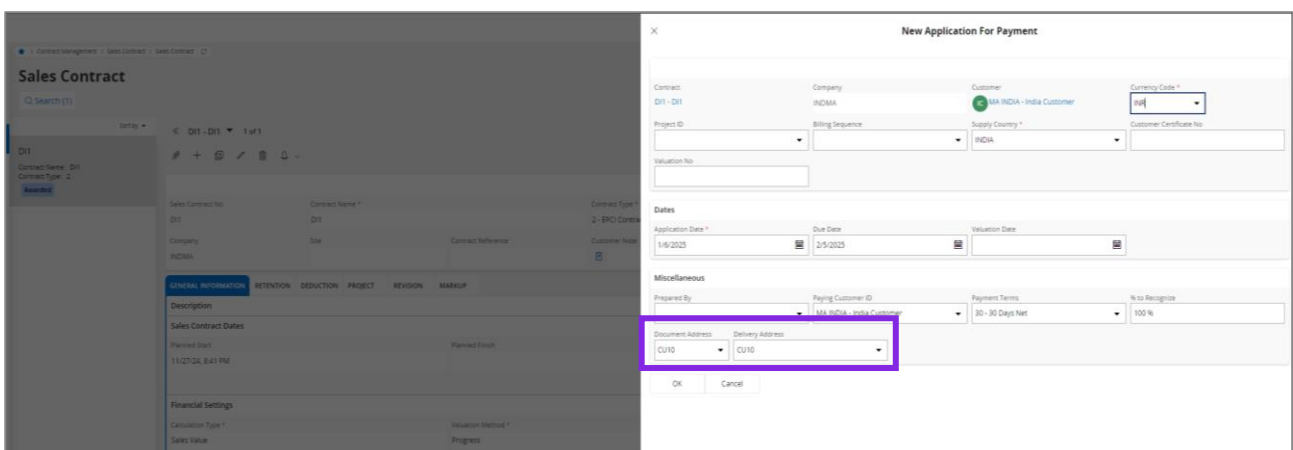
The fields **Company Delivery Address**, **Customer Delivery Address**, **Customer Document Address**, and the **Use Customer Document Address for Tax** toggle are available in the **Application for Payment** page.



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.

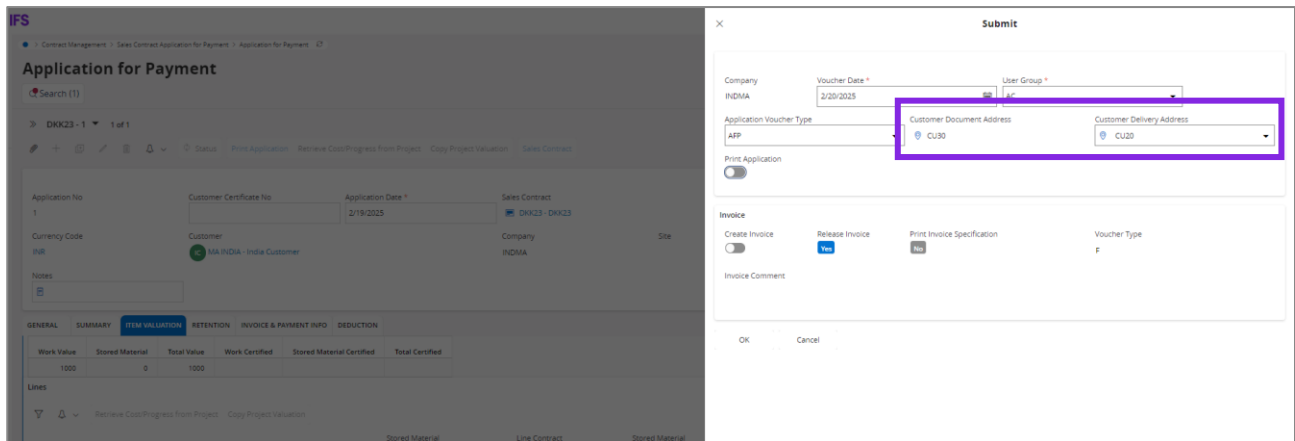
The possibility to modify these addresses depends on the **Copy Contract Item Tax** setting and the **Use Customer Document Address for Tax** setting to make sure the address changes are not causing any unnecessary tax re-fetching in the Application for Payment.



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.

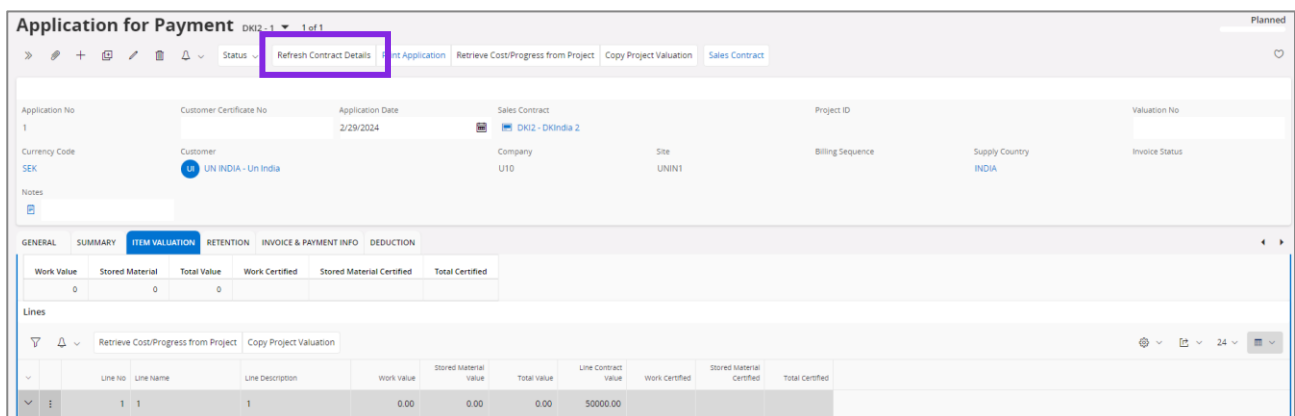


The screenshot shows the 'Application for Payment' screen on the left and a 'Submit' modal on the right. The 'Submit' modal contains the following fields and buttons:

- Company: INDIA
- Voucher Date: 2/20/2025
- User Group: JAC
- Application Voucher Type: APP
- Customer Document Address: CU30
- Customer Delivery Address: CU20
- Print Application: [Toggle]
- Invoice: [Toggle]
- Create Invoice: [Button]
- Release Invoice: [Button]
- Print Invoice Specification: [Button]
- Voucher Type: F
- Invoice Comment: [Text Area]
- OK: [Button]
- Cancel: [Button]

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.



The screenshot shows the 'Application for Payment' screen with the 'Refresh Contract Details' button highlighted. The screen displays the following information:

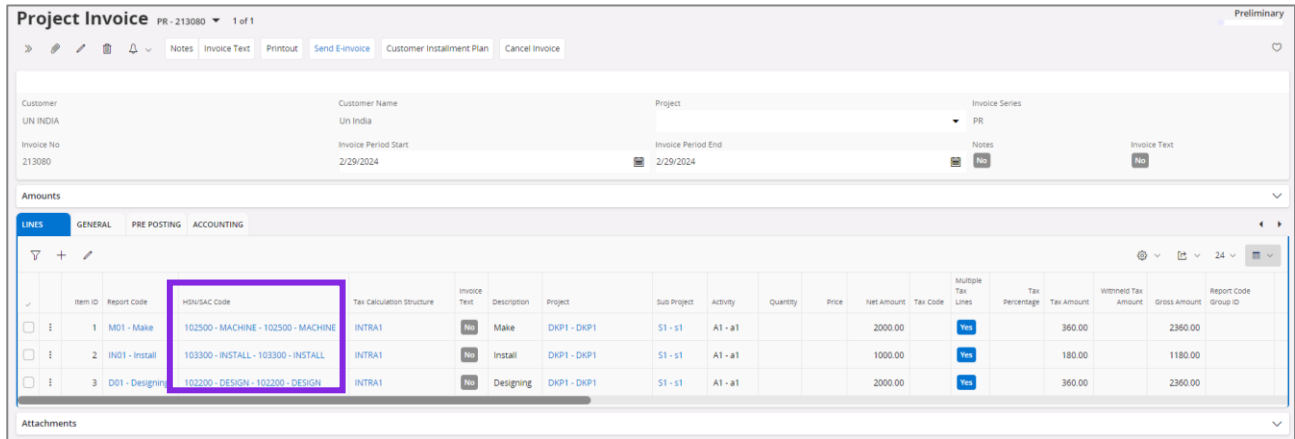
- Application No: 1
- Customer Certificate No: [Blank]
- Application Date: 2/19/2025
- Sales Contract: DKX23 - DKX23
- Project ID: [Blank]
- Valuation No: [Blank]
- Currency Code: INR
- Customer: UN INDIA - India Customer
- Company: INDIA
- Site: [Blank]
- Billing Sequence: [Blank]
- Supply Country: INDIA
- Invoice Status: [Blank]
- Notes: [Text Area]
- Tabs: GENERAL, SUMMARY, ITEM VALUATION, RETENTION, INVOICE & PAYMENT INFO, DEDUCTION
- Table:

Work Value	Stored Material	Total Value	Work Certified	Stored Material Certified	Total Certified
1000	0	1000			
- Lines:

Line No	Line Name	Line Description	Work Value	Stored Material Value	Total Value	Line Contract Value	Work Certified	Stored Material Certified	Total Certified
1	1	1	0.00	0.00	0.00	50000.00			

6.8.3 CREATING PROJECT INVOICE THROUGH APPLICATION FOR PAYMENT

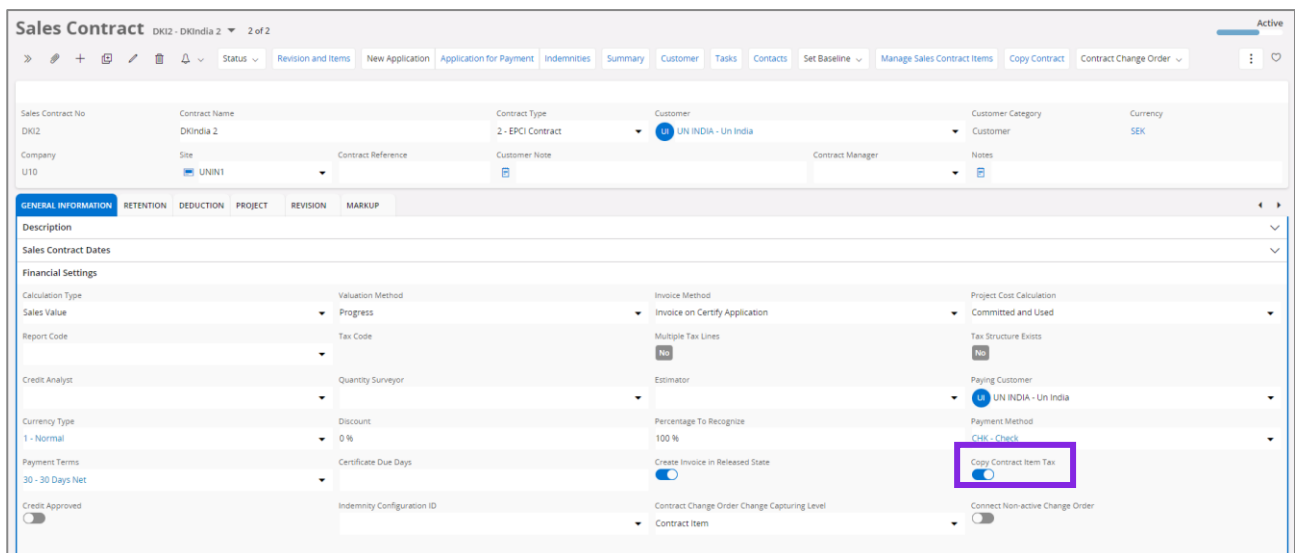
When creating a Project Invoice from an Application for Payment, the Project Invoice Lines are created based on the grouping of the Report Code, HSN/SAC Code, and Tax. The **HSN/SAC Code** from the Application for Payment Items is automatically copied to the Project Invoice Lines. It is possible to modify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



The screenshot shows the 'Project Invoice' form for PR-213080. The 'Amounts' tab is active, displaying a table of invoice lines. The 'HSN/SAC Code' column is highlighted with a purple box. The table contains three lines:

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	Percentage	Tax Amount	Withheld Tax Amount	Gross Amount	Report Code Group ID
1	MD1 - Make	102500 - MACHINE - 102500 - MACHINE	INTRAT	No	Make	DKP1 - DKP1	S1 - S1	A1 - a1			2000.00		Yes		360.00		2360.00	
2	IND1 - Install	103300 - INSTALL - 103300 - INSTALL	INTRAT	No	Install	DKP1 - DKP1	S1 - S1	A1 - a1			1000.00		Yes		180.00		1180.00	
3	DD1 - Designing	102200 - DESIGN - 102200 - DESIGN	INTRAT	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.



The screenshot shows the 'Sales Contract' form for DK12 - DKIndia 2. The 'GENERAL INFORMATION' tab is active. The 'Copy Contract Item Tax' setting is highlighted with a purple box. The setting is currently set to 'Yes'.

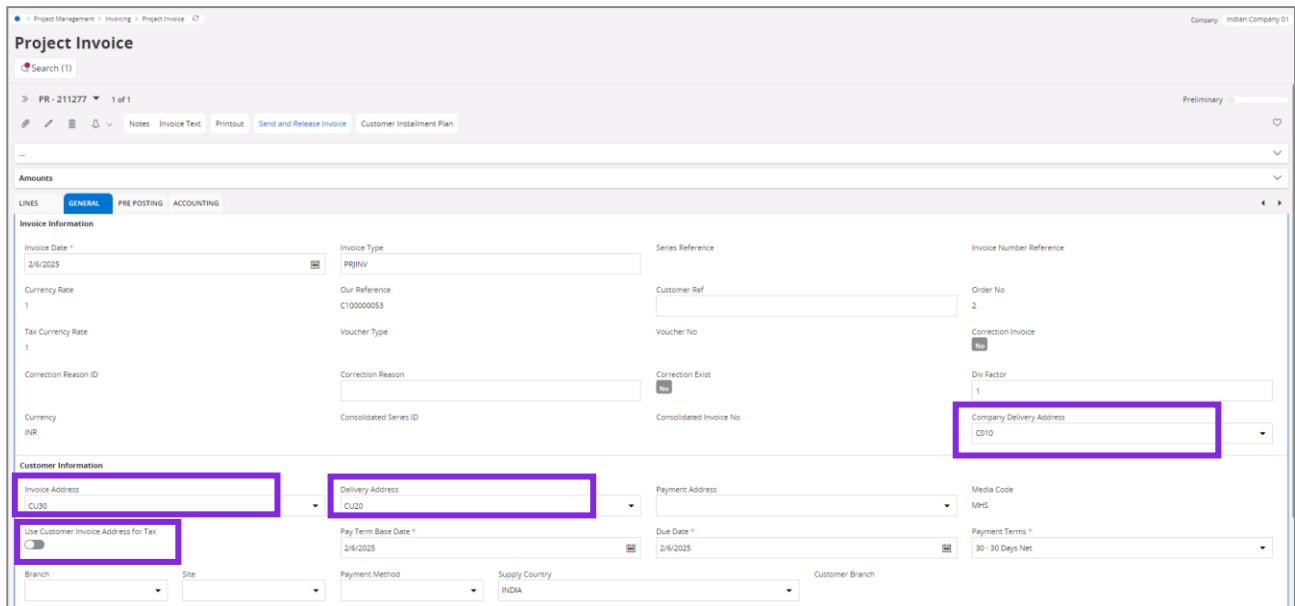
If the Copy Contract Item Tax is set to YES

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.



The screenshot displays the 'Project Invoice' form. The 'Invoice Information' section includes fields for Invoice Date (2/6/2025), Invoice Type (PRJINV), Series Reference, Invoice Number Reference, Currency Rate, Our Reference (C10000053), Customer Ref, Order No (2), Tax Currency Rate, Voucher Type, Voucher No, Correction Invoice, Correction Reason ID, Correction Reason, Correction Exist, Div Factor (1), Currency (INR), Consolidated Series ID, and Consolidated Invoice No. The 'Customer Information' section includes Invoice Address (CU30), Delivery Address (CU20), Payment Address, Media Code (MMS), Use Customer Invoice Address for Tax (toggle switch), Pay Term Base Date (2/6/2025), Due Date (2/6/2025), Payment Terms (30 - 30 Days Net), Branch, Site, Payment Method, Supply Country (INDIA), and Customer Branch. The 'Company Delivery Address' field is highlighted with a red box, showing the value 'CD10'.

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

Search (1)

ASAP5050 - ASAP5050 1 of 1

Status Revision and Items Indemnities Summary Customer Tasks Contacts Set Baseline Manage Sales Contract Items Bid Status Copy Contract Contract Change Order Change History

GENERAL INFORMATION RETENTION DEDUCTION PROJECT REVISION MARKUP

Description

Sales Contract Dates

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 APP 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

Search (1)

ASAP5050 - ASAP5050 1 of 1

Status Approvals Copy Contracts Forecast Generate Cost/Revenue Summary Connect To Contract

Change Order No. ASAP5050

Change Order Name * ASAP5050

Company PIN/D

B2B Status

Change Type CVN - CVN

Priority

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

Changes Pending to Contract Yes

Notes

Cost/Revenue Summary

Next Up To Do

GENERAL CONTRACT ITEMS FINANCIAL - THIS ORDER FINANCIAL - TOTAL SUB ORDERS RELATED SUB ORDERS OBJECT CONNECTIONS CONTRACTS TASKS HISTORY IMPACT

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 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	INTRA1	180.00000	ASAP100 - ASAP100	A - A	S - S	No	ASAP100.S.A	100202893	Yes
1-A	4	ddddd			1000 - Repair	INTRA1	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

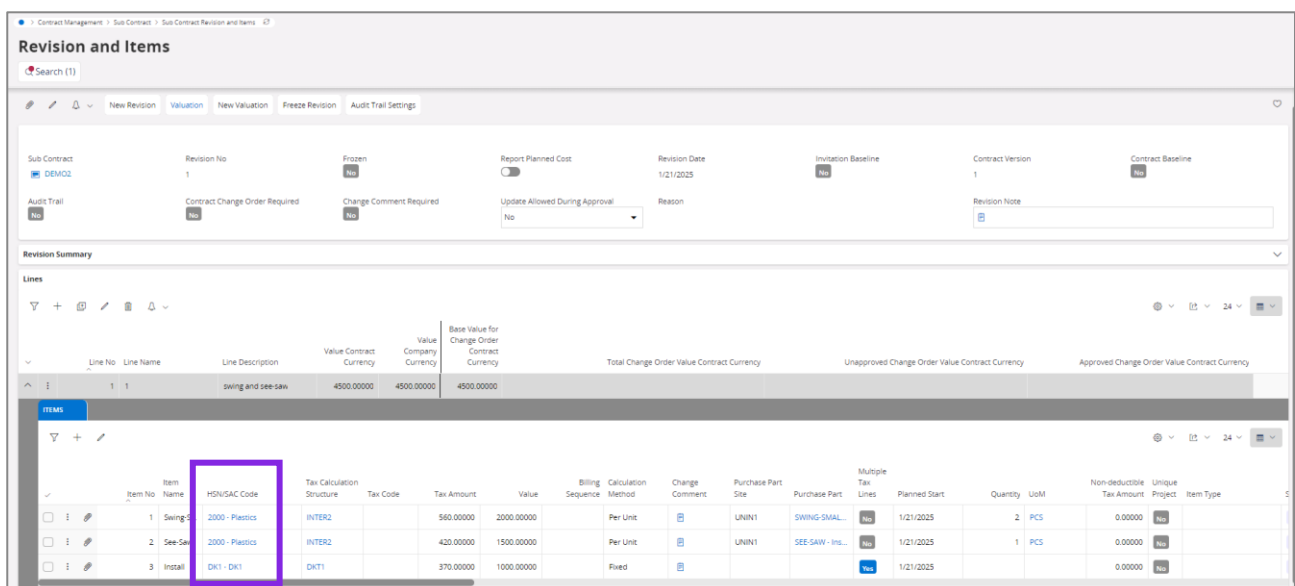
- The Sales Contract Advance Payment flow is not supported.

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**.

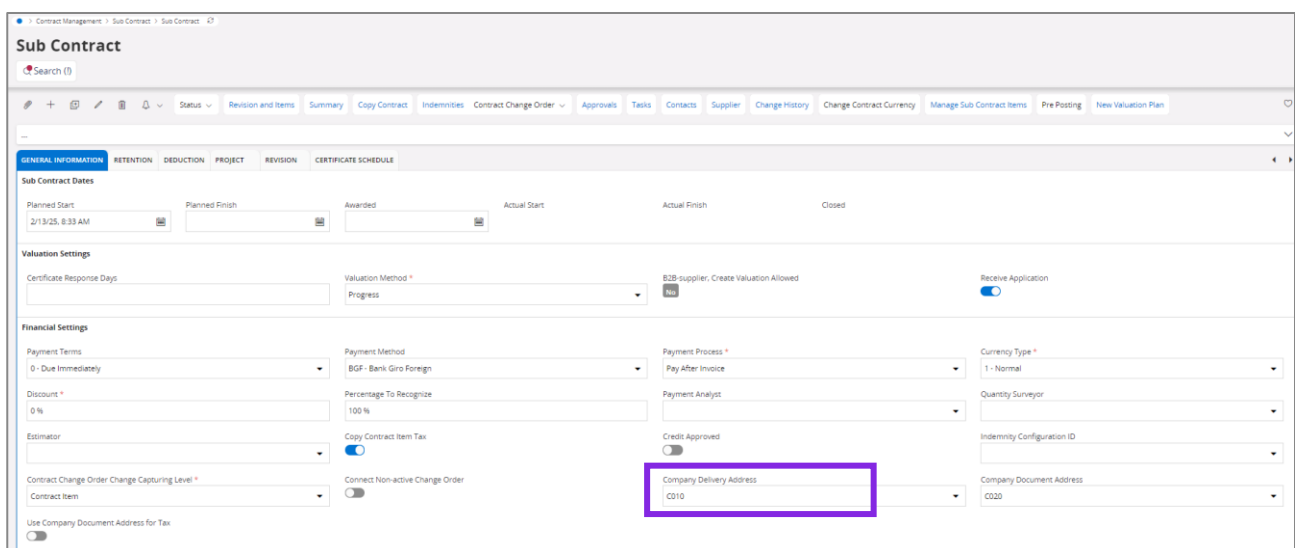


The HSN/SAC Code for contract items is fetched based on the HSN/SAC Code defined for the **Supplier for Purchase Part** of the Purchase Part connected to the Subcontract item. If no Purchase Part is connected to the contract item, then the HSN/SAC Code needs to be entered manually.

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 displays the 'Sub Contract' form in the IFS system. The form is divided into several sections: 'GENERAL INFORMATION', 'RETENTION', 'DEDUCTION', 'PROJECT', 'REVISION', and 'CERTIFICATE SCHEDULE'. The 'GENERAL INFORMATION' section is currently active, showing 'Sub Contract Dates' and 'Valuation Settings'. The 'Financial Settings' section is also visible, containing fields for 'Payment Terms', 'Payment Method', 'Payment Process', 'Currency Type', 'Discount', 'Percentage To Recognize', 'Payment Analyst', 'Estimator', 'Copy Contract Item Tax', 'Credit Approved', 'Contract Change Order Change Capturing Level', 'Connect Non-active Change Order', 'Company Delivery Address', 'Indemnity Configuration ID', and 'Company Document Address'. The 'Company Delivery Address' field is highlighted with a red box, showing the value 'C010'.

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 Manager: [Name]

Contract Type: CONS - Construction

Currency: INR

Company: IN01

Supplier: NP-INDIAN - Indian Supplier

Site: UNIN1

Supplier

Delivery Address: SU10

Notes

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: [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: [Date] Awarded: [Date] Actual Start: [Date] Actual Finish: [Date] Closed: [Date]

Valuation Settings

Certificate Response Days: [Days] Valuation Method: Progress B2B supplier: Create Valuation Allowed: [Toggle] Perceive Application: [Toggle]

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: [Name] Quantity Surveyor: [Name]

Estimator: [Name] Copy Contract Item Tax: [Toggle] Credit Approved: [Toggle] Indemnity Configuration ID: [ID]

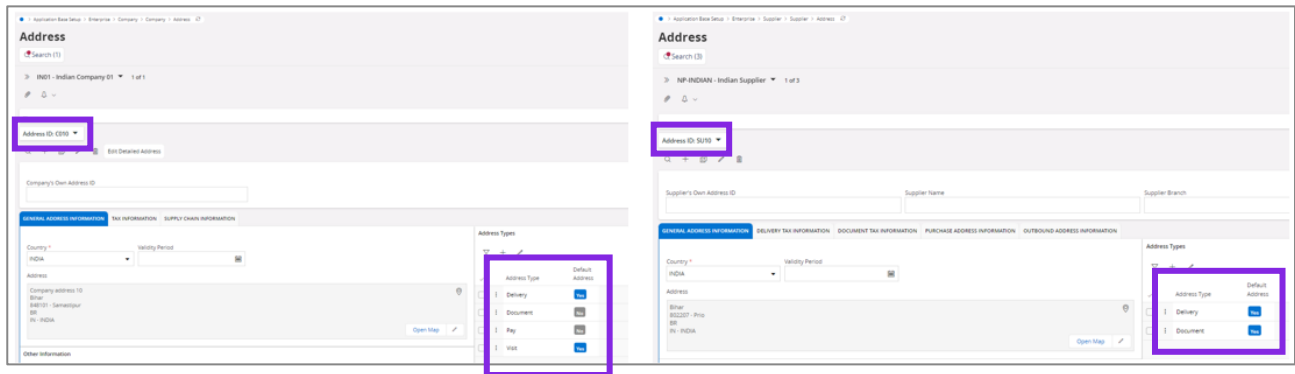
Contract Change Order Change Capturing Level: [Level] Connect Non-active Change Order: [Toggle] Company Delivery Address: C010 Company Document Address: C020

Use Company Document Address for Tax: [Toggle]

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



Address ID: C010

Company's Own Address ID

Country: India

Address Types:

Address Type	Default Address
Delivery	Yes
Document	No
Pay	No
Void	No

Address ID: S010

Supplier's Own Address ID

Country: India

Address Types:

Address Type	Default Address
Delivery	Yes
Document	No

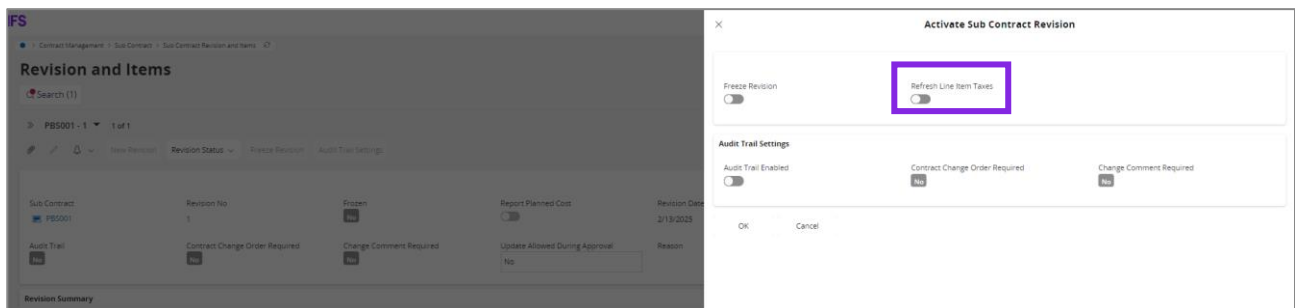
The tax structure will be re-fetched for the following changes in the **Subcontract Revision and Items**.

- 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.



Revision and Items

Sub Contract: PB5001

Revision No: 1

Planned Start Date: 21/9/2023

Activate Sub Contract Revision

Freeze Revision: ☐

Refresh Line Item Taxes: ☒

Audit Trail Settings:

Audit Trail Enabled: ☐

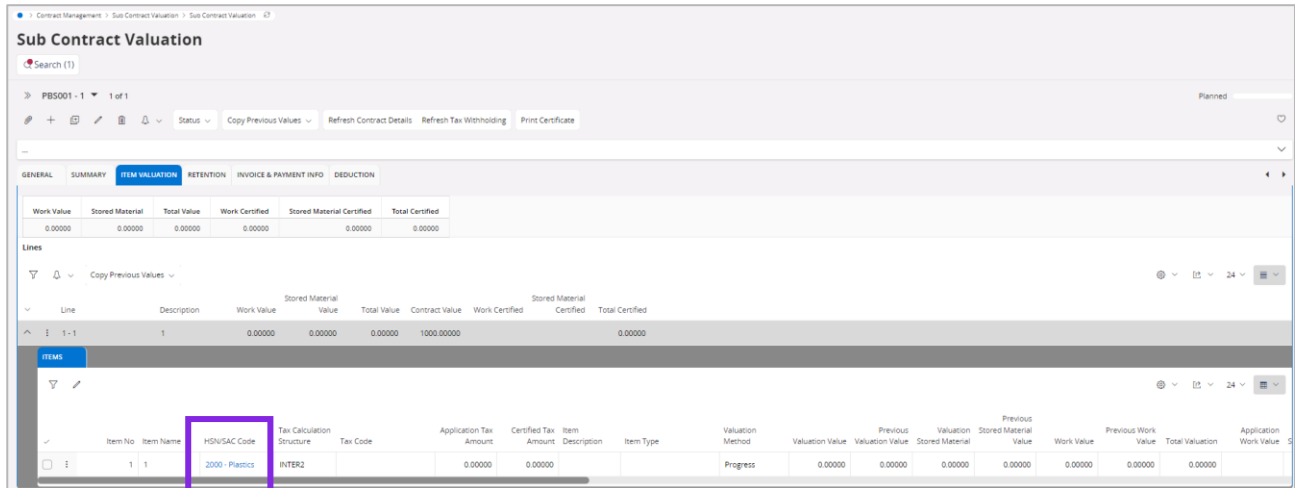
Contract Change Order Required: ☒

Change Comment Required: ☒

OK Cancel

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.

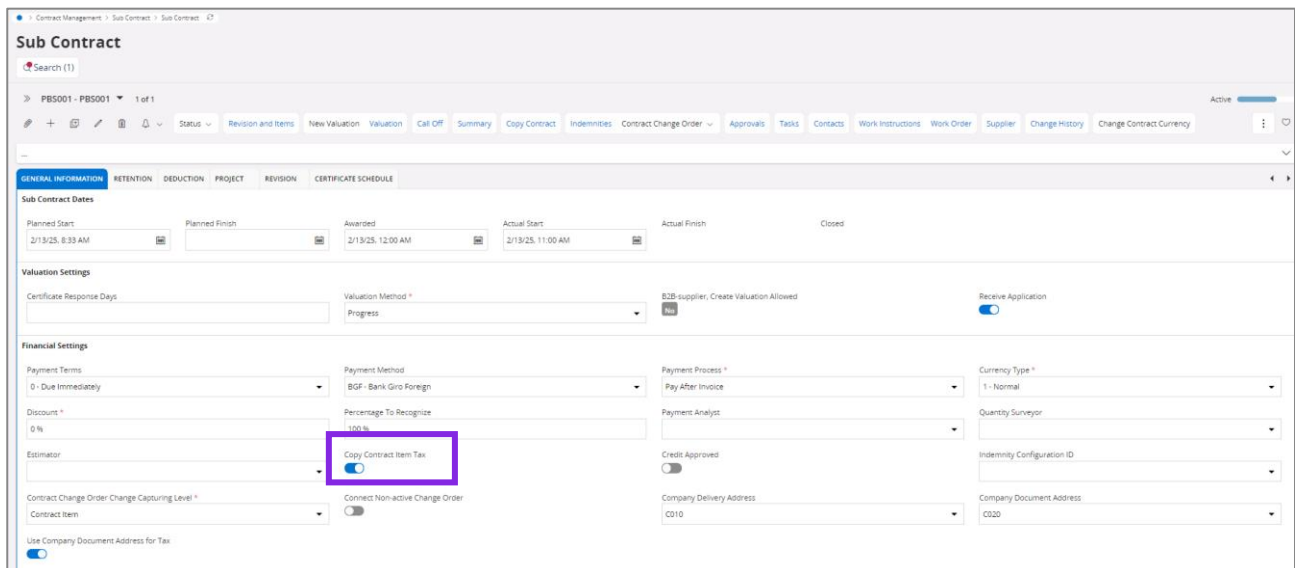


The screenshot shows the 'Sub Contract Valuation' interface. The 'ITEM VALUATION' tab is selected. The 'Lines' section shows a single line item with the following details:

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

The 'ITEMS' section shows a table with the following columns: Item No, Item Name, HSN/SAC Code, Tax Calculation Structure, Tax Code, Application Tax Amount, Certified Tax Amount, Item Description, Item Type, Valuation Method, Previous Valuation Value, Previous Stored Material Value, Previous Work Value, Previous Total Valuation, and Application Work Value. The 'HSN/SAC Code' column is highlighted in a red box, showing the value '2000 - Plastics'.

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.



The screenshot shows the 'Sub Contract' interface. The 'FINANCIAL SETTINGS' tab is selected. The 'Copy Contract Item Tax' toggle is highlighted in a red box, showing it is set to 'ON'.

If the **Copy Contract Item Tax** is set to YES

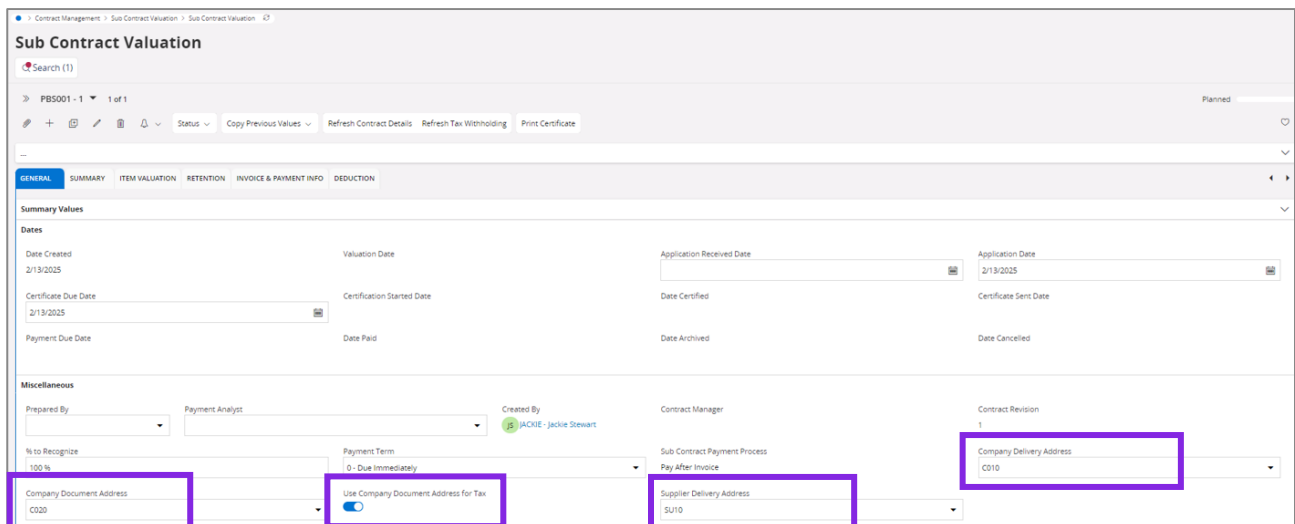
The tax information saved in Sub Contract items will be copied to Valuation items.

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

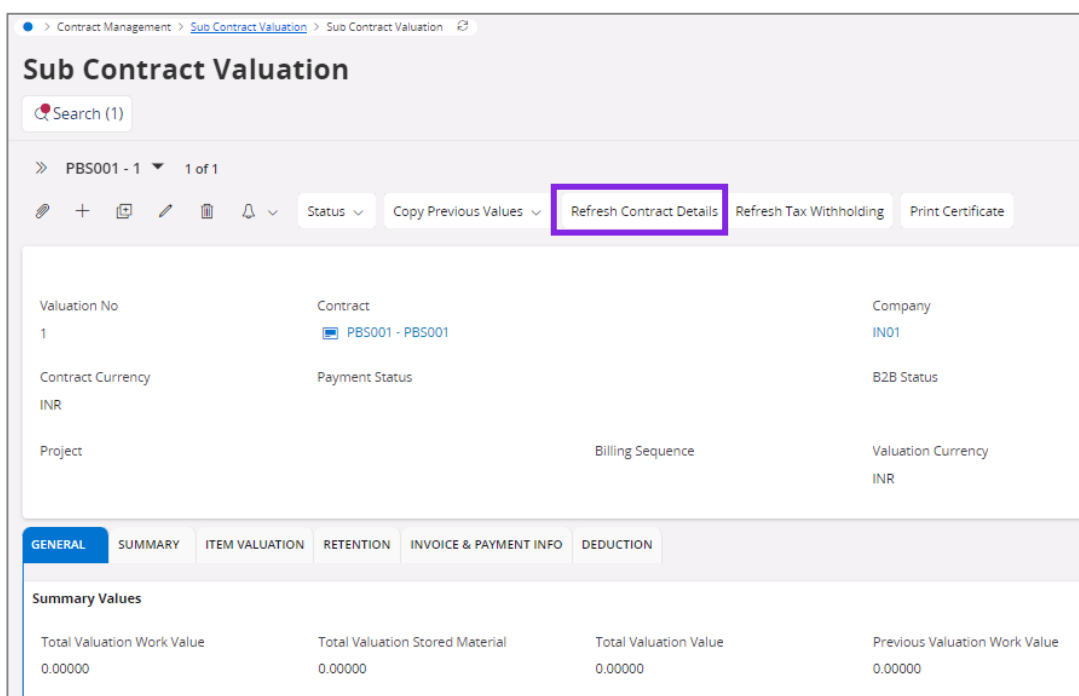
Miscellaneous

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	Total Valuation Stored Material	Total Valuation Value	Previous Valuation Work Value
0.00000	0.00000	0.00000	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.

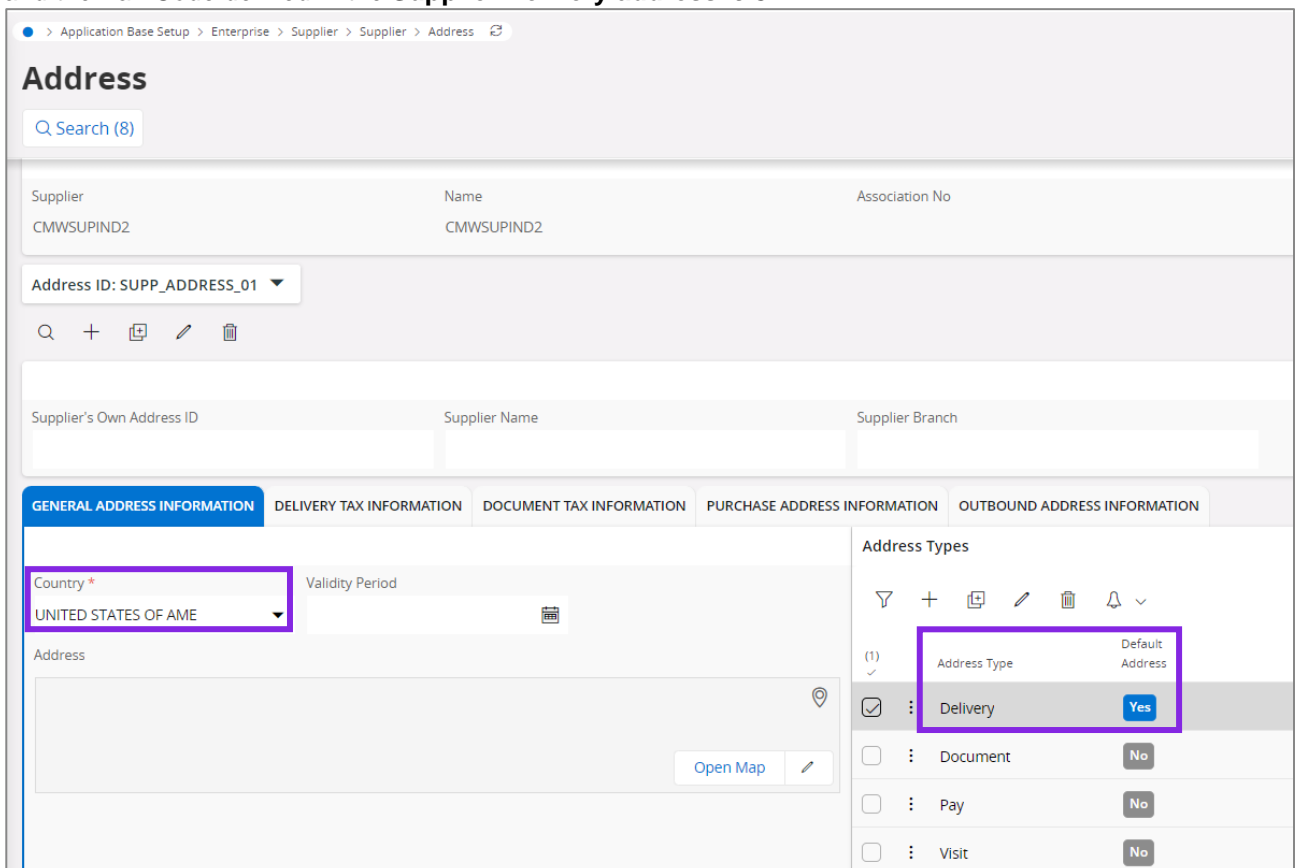
6.10 Export and Import Handling

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.*



Address

Q Search (8)

Supplier: CMWSUPIND2, Name: CMWSUPIND2, Association No:

Address ID: SUPP_ADDRESS_01

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

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

Country *
UNITED STATES OF AME

Validity Period

Address

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

> 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
<input type="checkbox"/>	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

Q Search (3)

Company	Name	Association No
CMWIND2	With Posting Proposal Indian Company	

Address ID: COM DEL DL

Company's Own Address ID

GENERAL ADDRESS INFORMATION | TAX INFORMATION | SUPPLY CHAIN INFORMATION

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 *
					C 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

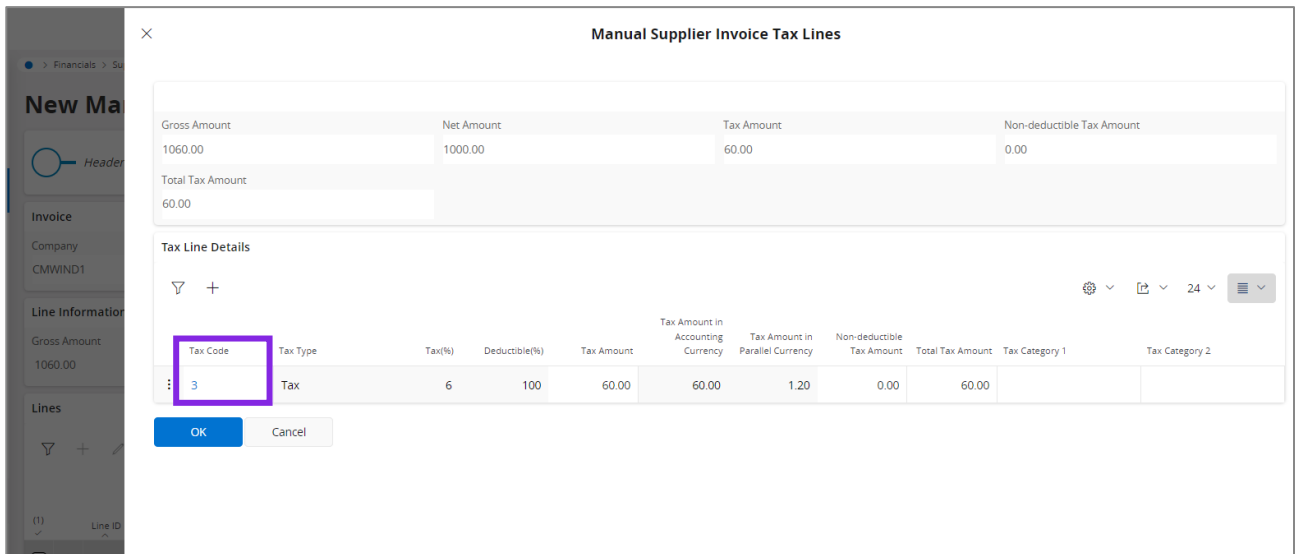
Delivery Address COM DEL DL Use Company Invoice Address for Tax ☐

Use Supplier Invoice Address for Tax ☐

Use Project Address for Tax ☐

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

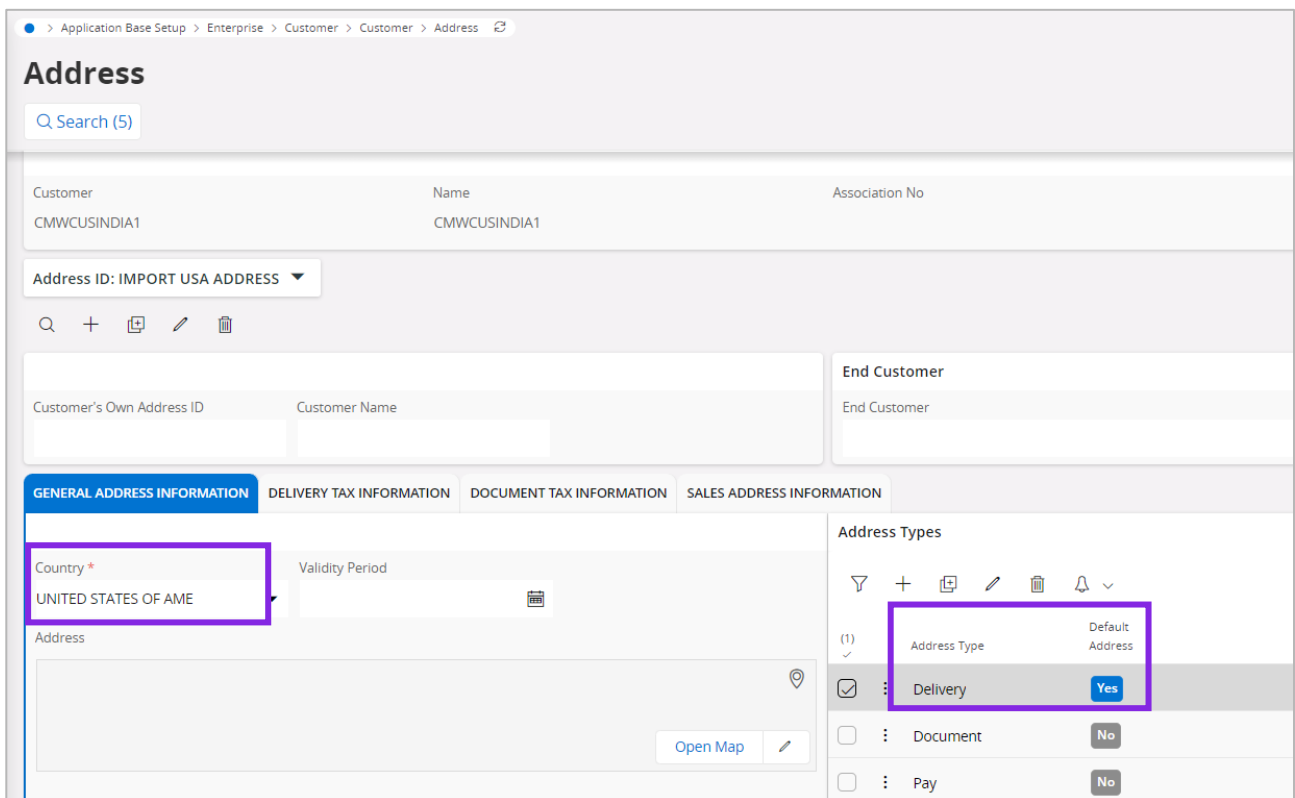
Tax Code	Tax Type	Tax(%)	Deductible(%)	Tax Amount	Tax Amount in Accounting Currency	Tax Amount in Parallel Currency	Non-deductible Tax Amount	Total Tax Amount	Tax Category 1	Tax Category 2
3	Tax	6	100	60.00	60.00	1.20	0.00	60.00		

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.*



Address

Search (5)

Customer: CMWCUSINDIA1 Name: CMWCUSINDIA1 Association No:

Address ID: IMPORT USA ADDRESS

Customer's Own Address ID: Customer Name:

GENERAL ADDRESS INFORMATION DELIVERY TAX INFORMATION DOCUMENT TAX INFORMATION SALES ADDRESS INFORMATION

Country * UNITED STATES OF AME Validity Period:

Address:

Open Map

End Customer

End Customer:

Address Types

Address Type	Default Address
Delivery	Yes
Document	No
Pay	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

IPD Tax Information

Supply Country: INDIA

Taxes

Tax Code	Tax (%)	Validity Period	Tax Identity per Tax Code	Tax Code Selection
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 Name Association No Created By

CMWIND2 With Posting Proposal Indian Company CHWGLK

Address ID: COM DEL DL

Company's Own Address ID

GENERAL ADDRESS INFORMATION TAX INFORMATION SUPPLY CHAIN INFORMATION

Country * Validity Period

INDIA

Address

No 3
Sri Vihar
- DL
Delhi

Open Map

Address Types

Address Type	Default Address
Delivery	Yes
Document	No
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: ☐ Currency Rate: 1 Tax Currency Rate: 1 Customer Reference: Reference Series:
 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
<input type="checkbox"/>	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
<input type="checkbox"/>	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
<input type="checkbox"/>	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 ▾ Installment Plan and Discounts Notes

Customer No

Customer Address Name

Series ID

Invoice No

Official Document No

Company

Site

CC 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

⌵ ⌴

⚙ ▾ 📄 ▾ 24 ▾ 🗒 ▾

✓	HSN/SAC Code	Tax Calculation Structure	Pos	Invoice Item	Description	Invoiced Qty	Sales UoM	Price C
<input type="checkbox"/>	:	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	Error message raised when clicking the command	Error message raised when clicking the command	Error message raised when clicking the command
Customer Invoice	Order	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 Invoice	Order	Error message raised when	Error message visible in Background Jobs	Error message raised when	Error message raised when

	clicking the command		clicking the command	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			
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

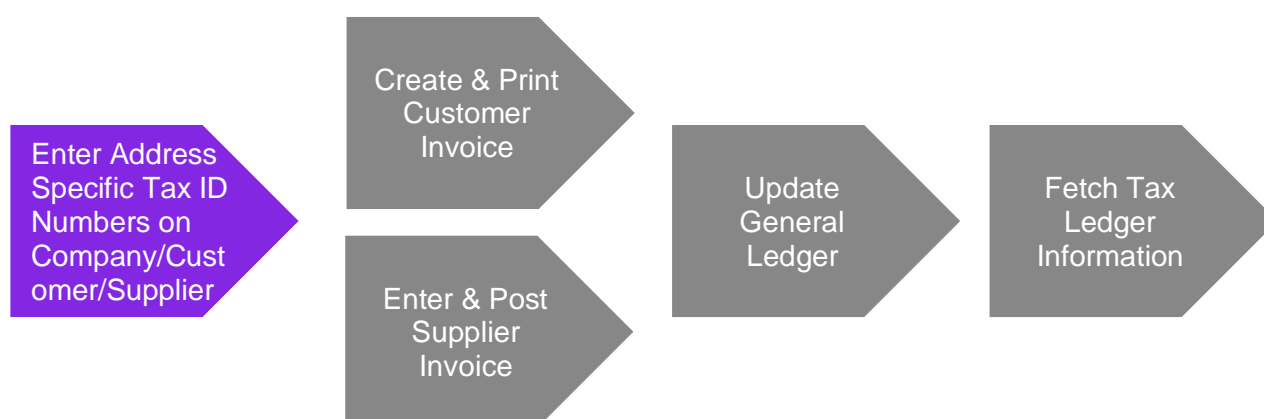
This is a country-specific functionality introduced for India in IFS Cloud 23R1. This functionality is shared with Brazil and France and is introduced to cater to the requirements in India previously handled by the two country-specific functionalities in “Multiple Tax Registration” and “Additional Tax 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						
<div> <div>Company</div> <div>CHBELK INDIA PP</div> </div> <div> <div>Name</div> <div>CHBELK INDIA PP</div> </div> <div> <div>Association No</div> <div></div> </div> <div> <div>Created By</div> <div>CHBELK</div> </div>						
<div> <div>Localization</div> <div>India</div> </div>						
✓	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		

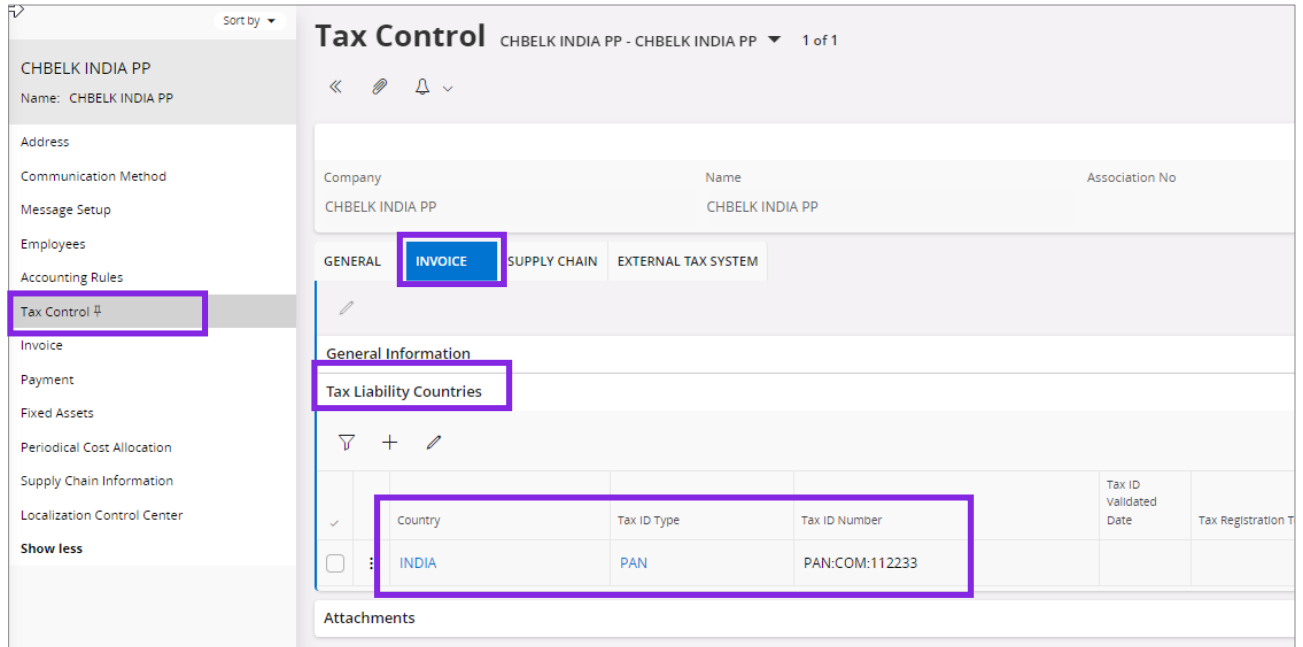
7.5 Set up Basic Data

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							
<div> <div>Tax ID Type</div> <div>Country Code: IN</div> <div>Report Code</div> <div>More</div> <div>Favorites</div> <div>Apply</div> <div>Clear</div> </div>							
✓	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:

GENERAL **INVOICE** SUPPLY CHAIN EXTERNAL TAX SYSTEM

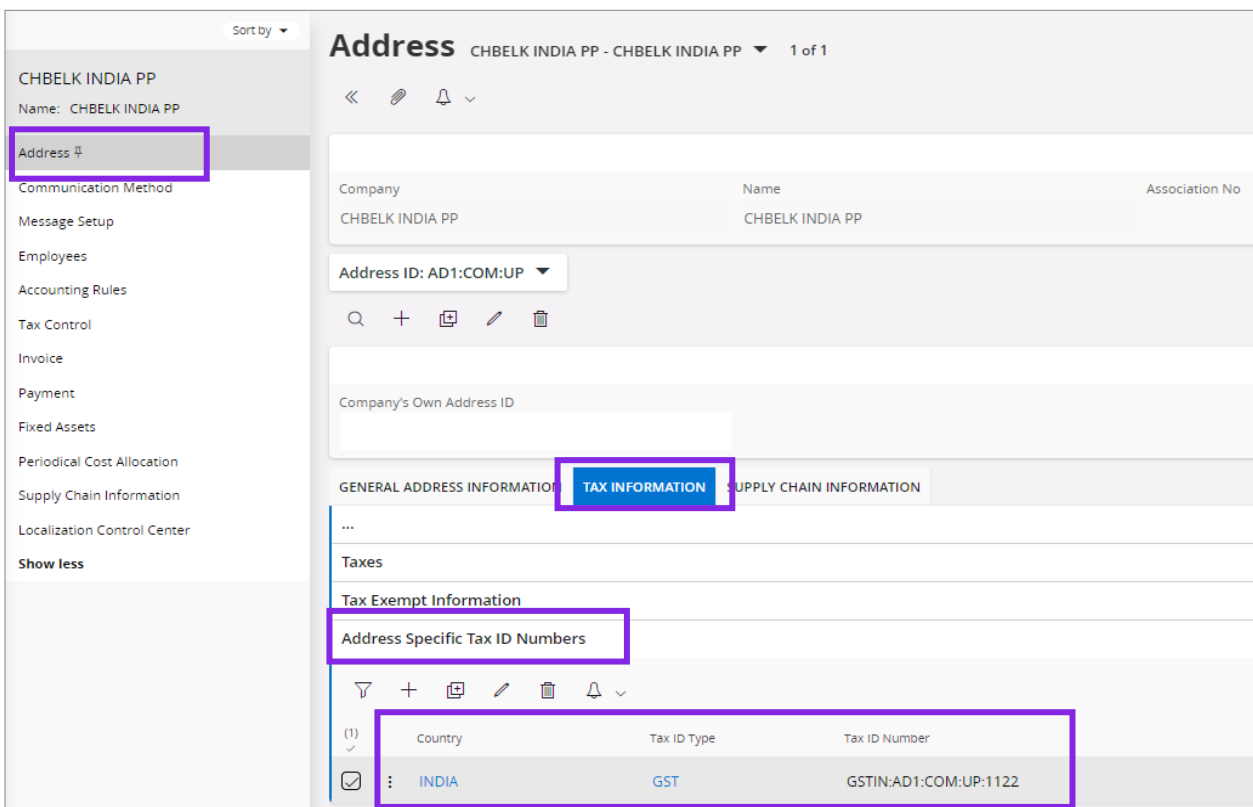
General Information

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:

Address ID: AD1:COM:UP

Company's Own Address ID:

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

Taxes

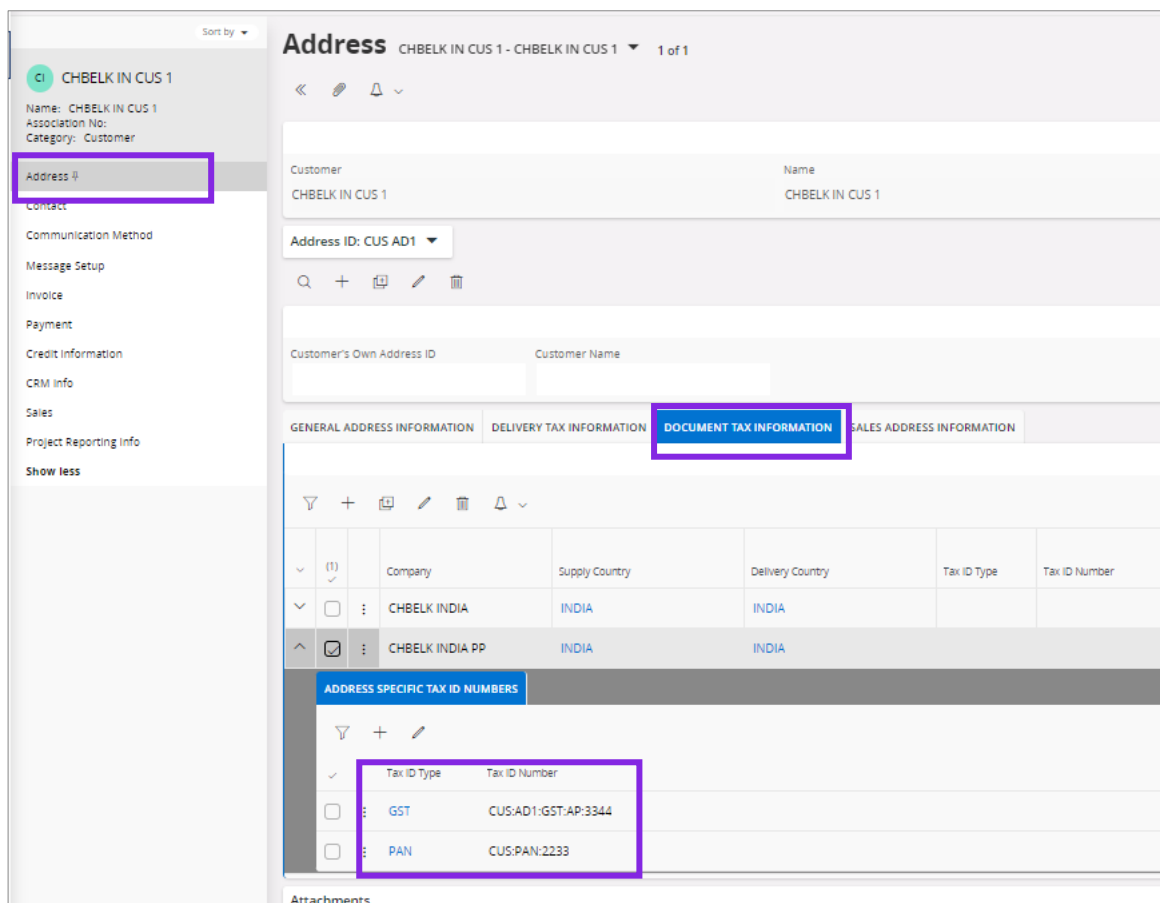
Tax Exempt Information

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.**



Address CHBELK IN CUS 1 - CHBELK IN CUS 1 1 of 1

Customer: CHBELK IN CUS 1 Name: CHBELK IN CUS 1

Address ID: CUS AD1

Customer's Own Address ID: Customer Name:

DOCUMENT TAX INFORMATION

(I)	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		

ADDRESS SPECIFIC TAX ID NUMBERS

Tax ID Type	Tax ID Number
<input checked="" type="checkbox"/> GST	CUS:AD1:GST:AP:3344
<input type="checkbox"/> PAN	CUS:AD1:GST:AP:3344

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.

Sort by ▾

Address CHBELK IN CUS 1 - CHBELK IN CUS 1 ▾ 1 of 1

CHBELK IN CUS 1
Name: CHBELK IN CUS 1
Association No:
Category: Customer

Address #


Contact
Communication Method
Message Setup
Show more

Address ID: CUS AD1 ▾


...

End Customer

GENERAL ADDRESS INFORMATION DELIVERY TAX INFORMATION DOCUMENT TAX INFORMATION SALES ADDRESS INFORMATION

Country: INDIA ▾ Validity Period: 

Address: D1:CUS:AP
AP
ZIP1 - AP
AP
INIDA
IN - INDIA

Open Map 

Other Information

Jurisdiction Code Customer Branch Primary Contact

Address Types

Address Type	Default Address
<input type="checkbox"/> : Delivery	No
<input type="checkbox"/> : Document	Yes
<input type="checkbox"/> : Pay	Yes
<input type="checkbox"/> : PrimaryContact	Yes
<input type="checkbox"/> : SecondaryContact	Yes
<input type="checkbox"/> : Visit	Yes

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: * ▾ Manufact

Time Zone Code: ▾ 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

«
🔍
+
✎
🗑
🔔
▼

More Information
Installment Plan and Discounts
Pre Posting
Reprint Original
Reprint Modified
Correction Invoices
Create Credit Invoice
Advance Invoices
Use Invoice Template

Customer	Invoice Type	Series ID	Invoice No	Project ID
CHBELK IN CUS 1 - CHBELK IN CUS 1	INSTINV	II	9700008	
Delivery Date	Response Status	Invoice Address	Delivery Address	Company Delivery Address
12/9/2022	Pending	CUS AD1	CUS AD2	AD2:COM:GOA
Notes	Advance Invoice	Invoice Fee	Correction Invoice	Correction Exists
No	No	No	No	No
Gross Amount	Net Amount	Tax Amount		
685.05	500.00	185.05		

Payment and Tax Information

Pay Term Base Date	Payment Terms	Due Date	Payment Method	Payment Address ID
12/9/2022	0 - Due Immediately	12/9/2022		
Supply Country	Tax Liability	Customer Invoice Tax ID Number	Customer Delivery Tax ID Number	
INDIA	TAX	CUS:AD1:GST:AP:3344	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.

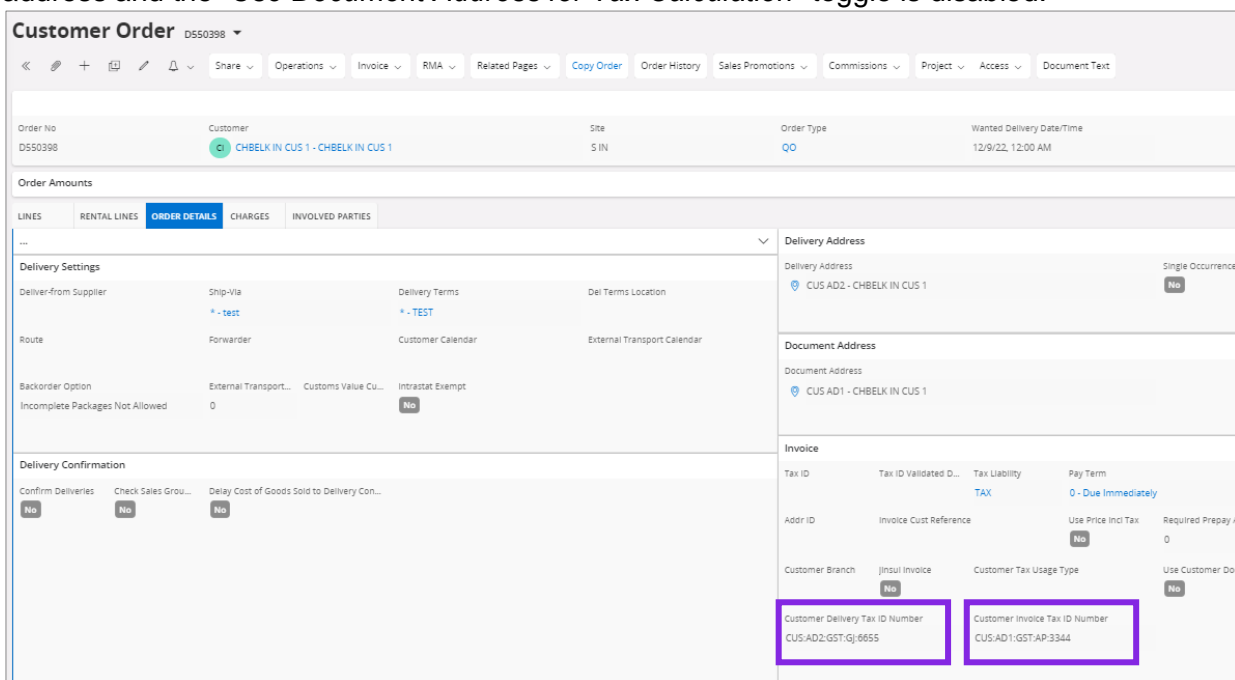
7.6.2 CUSTOMER ORDER

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

Delivery Address: CUS AD2 - CHBELK IN CUS 1 (Single Occurrence)

Document Address

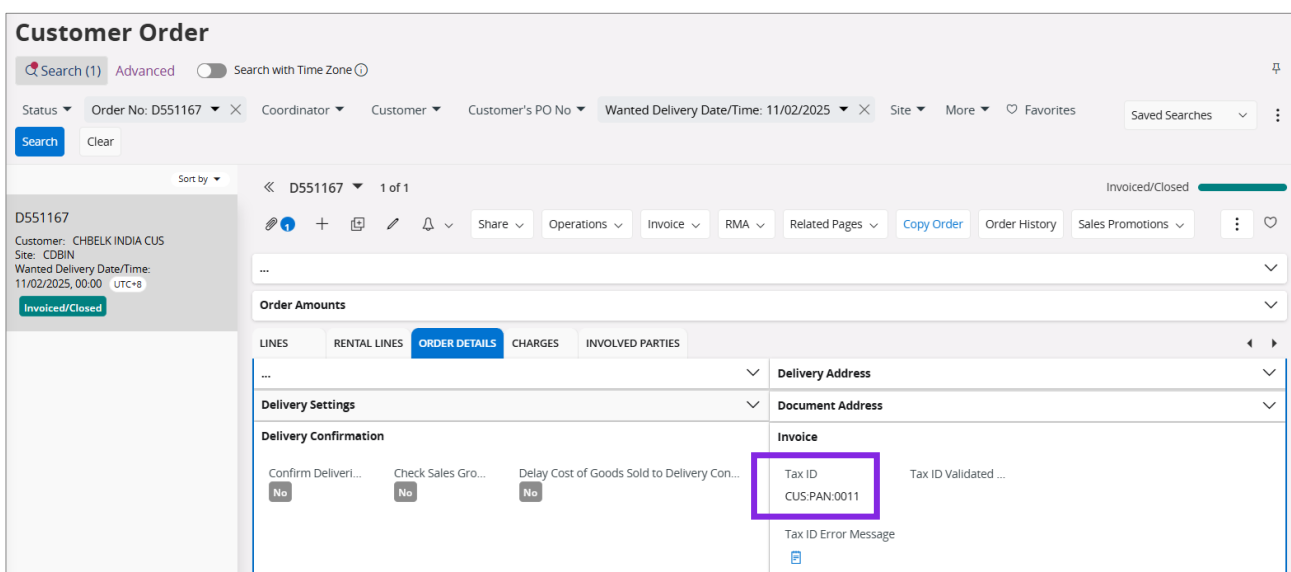
Document Address: CUS AD1 - CHBELK IN CUS 1

Invoice

Tax ID: CUS:AD2:GST:GJ:6655 (Customer Delivery Tax ID Number)

Tax ID: CUS:AD1:GST:AP:3344 (Customer Invoice Tax ID Number)

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

Order Amounts

Delivery Settings

Delivery Address: CUS:AD2:GST:GJ:6655 (Customer Delivery Tax ID Number)

Document Address

Document Address: CUS:AD1:GST:AP:3344 (Customer Invoice Tax ID Number)

Invoice

Tax ID: CUS:AD2:GST:GJ:6655 (Customer Delivery Tax ID Number)

Tax ID: CUS:AD1:GST:AP:3344 (Customer Invoice Tax ID Number)

Note: All the customer order lines connected to a single customer order are supposed to have a common GSTIN defined in the customer order header. Therefore, customer order lines that are supposed to have different GSTIN should not be connected to the same customer order.

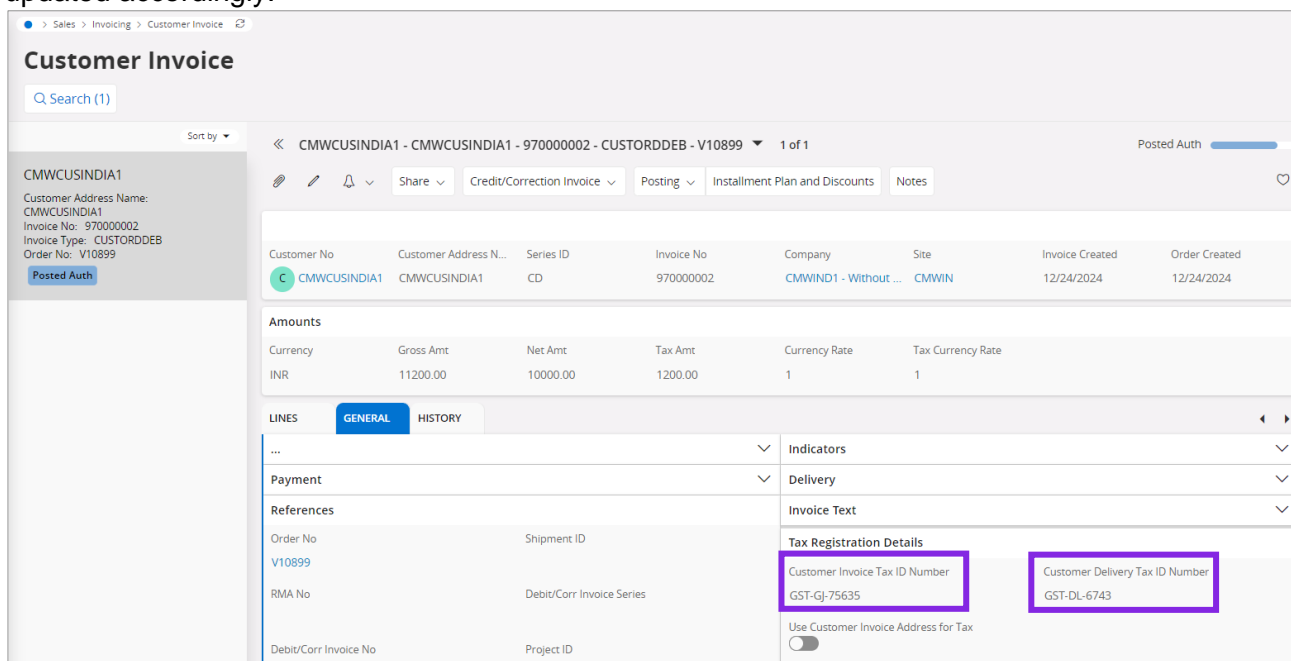
7.6.3 CUSTOMER ORDER INVOICE

Follow the IFS Cloud core processes to create a Customer Order Invoice. If creating Collective Customer Order Invoices, make sure to connect Customer Orders that have the same GSTIN.

Two new fields are introduced under the 'Tax Registration Details' section under 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 Customer Order Invoice is in Preliminary State, Users can change the Invoice Address ID of the Invoice according to the business requirement and the *Customer Invoice Tax ID Number* is updated accordingly.



Customer Invoice

Search (1)

Sort by

CMWCUSINDIA1 - CMWCUSINDIA1 - 970000002 - CUSTORDDEB - V10899 1 of 1

Posted Auth

Customer No: CMWCUSINDIA1, Customer Address N...: CMWCUSINDIA1, Series ID: CD, Invoice No: 970000002, Company: CMWIND1 - Without ..., Site: CMWIN, Invoice Created: 12/24/2024, Order Created: 12/24/2024

Amounts

Currency	Gross Amt	Net Amt	Tax Amt	Currency Rate	Tax Currency Rate
INR	11200.00	10000.00	1200.00	1	1

LINES GENERAL HISTORY

Payment

References

Order No: V10899, Shipment ID, RMA No, Debit/Corr Invoice Series, Debit/Corr Invoice No, Project ID

Indicators

Delivery

Invoice Text

Tax Registration Details

Customer Invoice Tax ID Number: GST-GJ-75635

Customer Delivery Tax ID Number: GST-DL-6743

Use Customer Invoice Address for Tax: ☐


GSTIN related to the Company is fetched from the *Company Delivery Address* linked to the relevant *Site*.

Note: The same process applies when creating the following Customer Order Invoices as well.

- 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

7.6.4 PROJECT INVOICE

Follow the IFS Cloud core processes to create a Project Invoice.



INVOICE

ORIGINAL

Invoice Date
1/11/23

Order Date

Invoice Number
II9700037

Order Number

Permanent Account Number
PAN:COM:112233

Our Reference

Delivery Address

CHBELK IN CUS1
AD2:CUS:GJ
GJ
ZIP2-GJ
GJ
INDIA
IN-INDIA

Customer Tax Number
CUS:PAN:2233

Customer Number
CHBELK IN CUS

Customer Reference

Invoice Address

CHBELK IN CUS1
D1:CUS:AP
AP
ZIP1-AP
AP
INDIA
IN-INDIA

Delivery Tax ID Number
CUS:AD2:GST:GJ:6655

Invoice Tax ID Number
CUS:AD1:GST:AP:3344

Pay Term Base Date
1/11/23

Ref Invoice No

Delivery Date
1/11/23

Due Date
1/11/23

Ref Net 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

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

Order No: 91000770 | Supplier: CMWSUPIND2 - CMWSUPIND2 | Site: CMWIN - CMWIN | Order Code: 1 - NORMAL | Receipt Date: 12/24/2024, 12:00 AM | IST

Not Shared

Order Amounts

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

General

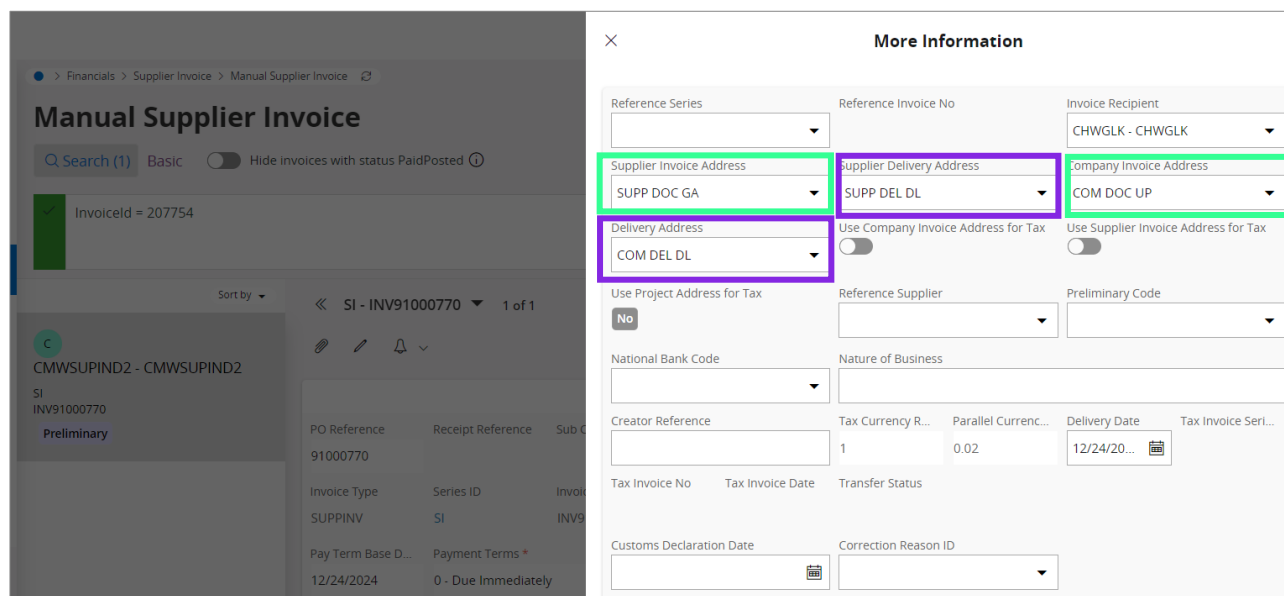
Delivery Address: | Reference: | Single Occurrence: ☐ | Document Address: COM DOC UP

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.



Manual Supplier Invoice

Search (1) Basic Hide invoices with status PaidPosted

Invoiced = 207754

Sort by << SI - INV91000770 1 of 1

CMWSUPIND2 - CMWSUPIND2

SI INV91000770 Preliminary

PO Reference	Receipt Reference	Sub C
91000770		

Invoice Type: SUPPINV Series ID: SI Invoice No: INV91000770

Pay Term Base D...: 12/24/2024 Payment Terms*: 0 - Due Immediately

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 R...: 1 Parallel Currenc...: 0.02 Delivery Date: 12/24/20... Tax Invoice Seri...

Tax Invoice No: Tax Invoice Date: Transfer Status:

Customs Declaration Date: Correction Reason ID:

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								
<div> <input type="text" value="Calculate Income Amount"/> </div> <div> 24 </div>								
✓	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
<input type="checkbox"/>	II	INSTINV	9700002	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 8877	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122
<input type="checkbox"/>	II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122
<input type="checkbox"/>	II	INSTINV	9700003	CUS: PAN: 6789	PAN: COM: 112233	CUS: AD1: GST: AP: 3344	CUS: AD2: GST: GJ: 6655	GSIN: AD1: COM: UP: 1122
<input type="checkbox"/>	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

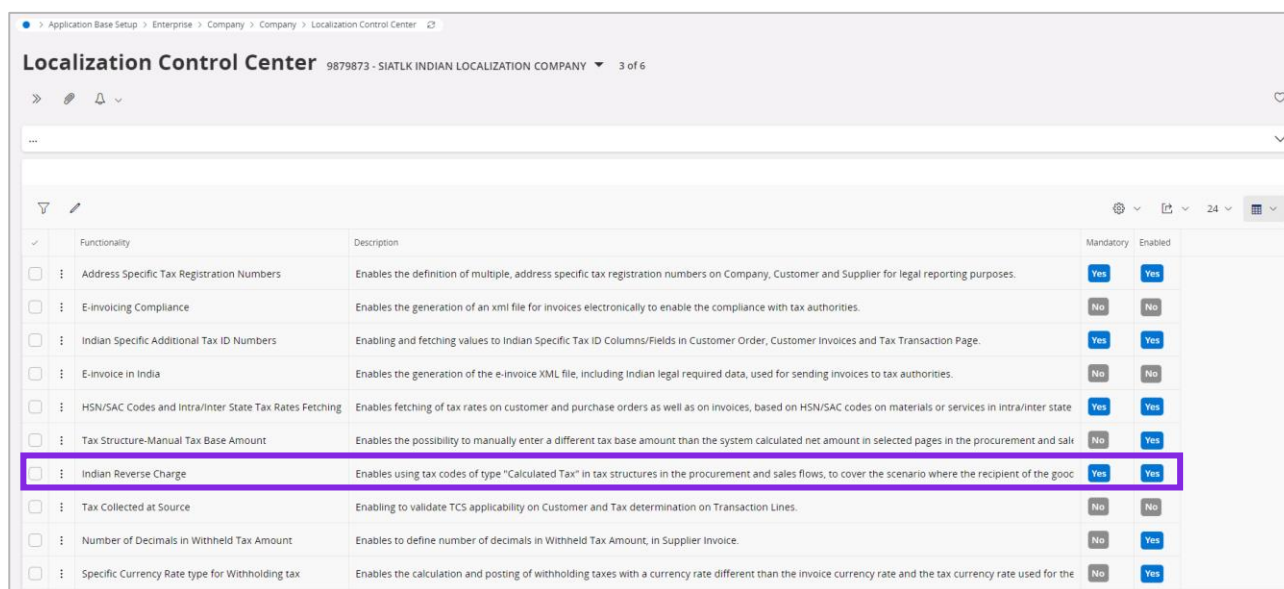
based Indian GST Tax Regime, facilitating the use of multiple tax codes for a single business transaction.

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.

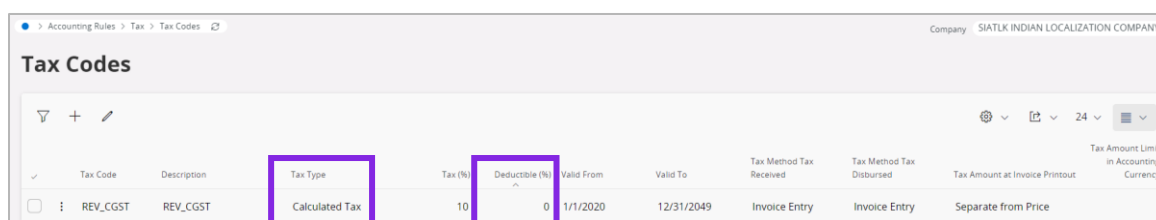
8.7 Procurement Flow

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.

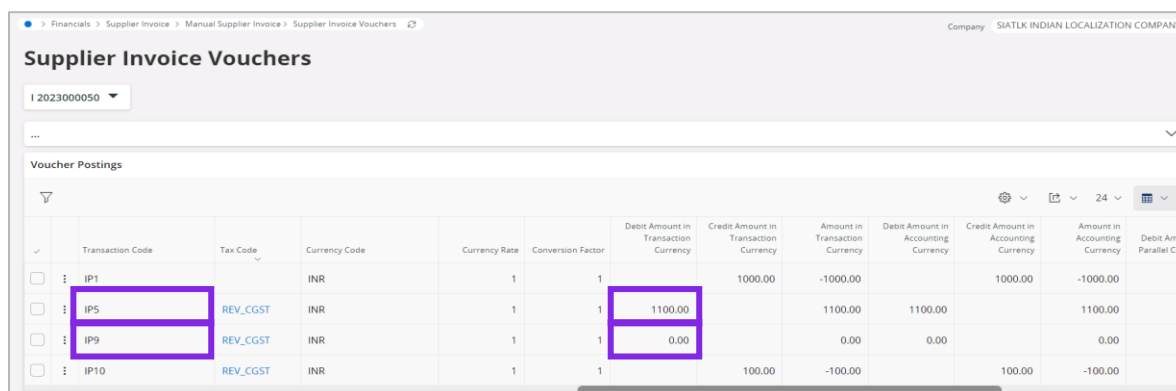
To facilitate this, the core functionality of “Deductible %” could be used. For transactions of this nature, the user can use a 0% deductible “Calculated Tax” tax code.



The screenshot shows the 'Tax Codes' configuration page in IFS Cloud. The table lists tax codes with columns for Tax Code, Description, Tax Type, Tax (%), Deductible (%), Valid From, Valid To, Tax Method Tax Received, Tax Method Tax Disbursed, Tax Amount at Invoice Printout, and Tax Amount Limit in Accounting Currency. The 'REV_CGST' tax code is highlighted, showing a Tax Type of 'Calculated Tax', Tax (%) of 10, and Deductible (%) of 0.

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.



The screenshot shows the 'Supplier Invoice Vouchers' page in IFS Cloud. The table displays voucher postings with columns for 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, and Debit Amount in Accounting Currency. The 'IP9' transaction code is highlighted, showing a Tax Code of 'REV_CGST', Currency Code of 'INR', Currency Rate of 1, Conversion Factor of 1, Debit Amount in Transaction Currency of 1100.00, Credit Amount in Transaction Currency of 0.00, Amount in Transaction Currency of 1100.00, Debit Amount in Accounting Currency of 1100.00, Credit Amount in Accounting Currency of 0.00, Amount in Accounting Currency of 1100.00, and Debit Amount in Accounting Currency of 0.00.

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

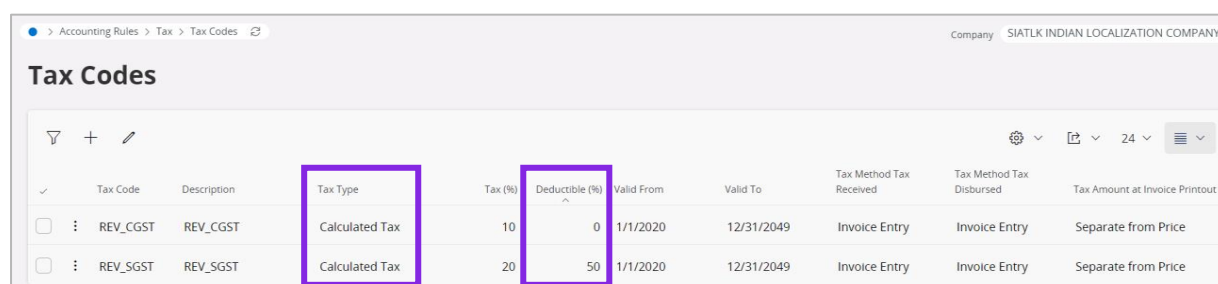
The Tax Calculation Structure with Calculated Tax Codes can be entered to Purchase Order Transaction lines either manually or be automatically fetched using the HSN/SAC based Tax Fetching.

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.

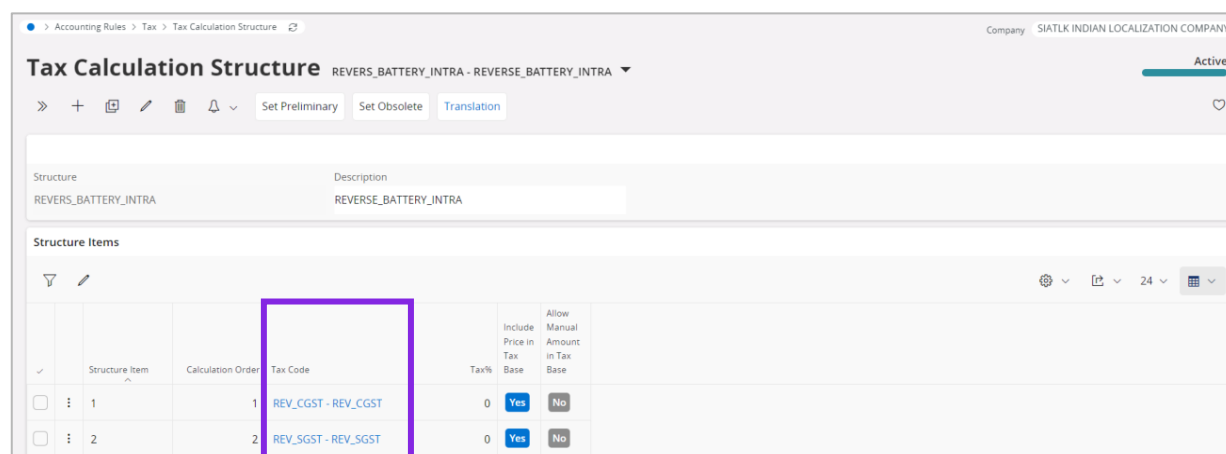
- The calculated tax codes must be created to facilitate the reverse charge treatment.



The screenshot shows the 'Tax Codes' configuration page for 'SIATLK INDIAN LOCALIZATION COMPANY'. It displays a table with two tax codes: REV_CGST and REV_SGST. Both are set as 'Calculated Tax' with a 'Tax Type' of 'Calculated Tax'. REV_CGST has a 'Tax (%)' of 10 and a 'Deductible (%)' of 0. REV_SGST has a 'Tax (%)' of 20 and a 'Deductible (%)' of 50. Both are valid from 1/1/2020 to 12/31/2049, use 'Invoice Entry' for both received and disbursed methods, and are '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
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.



The screenshot shows the 'Tax Calculation Structure' configuration page for 'SIATLK INDIAN LOCALIZATION COMPANY'. It displays a table with two structure items: 1 and 2. Both are set to 'REV_CGST - REV_CGST' and 'REV_SGST - REV_SGST' respectively. Both have a 'Tax%' of 0 and 'Include Price in Tax Base' set to 'Yes'. The 'Allow Manual Amount in Tax Base' is set to 'No'.

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.

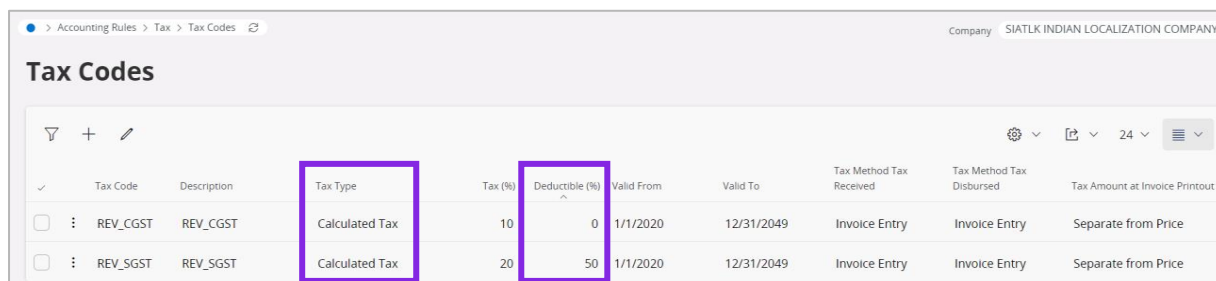
8.7.3 MANUAL SUPPLIER INVOICE

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.

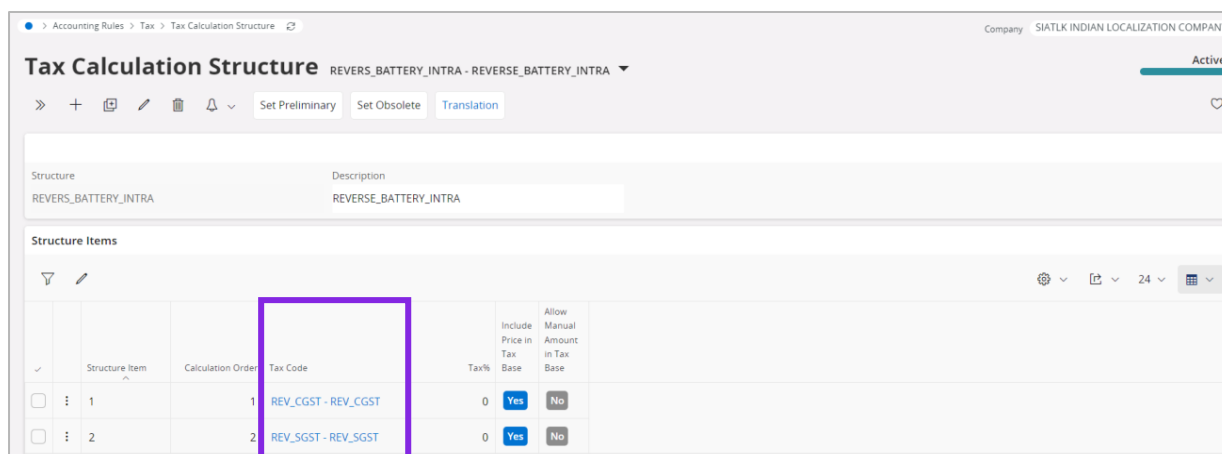
- The calculated tax codes must be created to facilitate the reverse charge treatment.



The screenshot shows the 'Tax Codes' configuration page for 'SIATLK INDIAN LOCALIZATION COMPANY'. It displays a table with two rows of tax codes: REV_CGST and REV_SGST. Both are set as 'Calculated Tax' with rates of 10% and 20% respectively. The 'Deductible (%)' column shows 0 for CGST and 50 for SGST. The 'Valid From' and 'Valid To' dates are 1/1/2020 and 12/31/2049. The 'Tax Method Tax Received' and 'Tax Method Tax Disbursed' are both set to 'Invoice Entry'. The 'Tax Amount at Invoice Printout' 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 'SIATLK INDIAN LOCALIZATION COMPANY'. It displays a table with two rows of tax calculation items: 1 and 2. Both are set to 'Calculated Tax' with rates of 0%. The 'Include Price in Tax Base' is set to 'Yes' and 'Allow Manual Amount in Tax Base' is set to 'No'. The 'Tax Code' column shows 'REV_CGST - REV_CGST' for item 1 and 'REV_SGST - REV_SGST' for item 2.

✓	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.

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers

Company: SIATLK INDIAN LOCALIZATION COMPANY

Supplier Invoice Vouchers

I 2023000051

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.

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
SIATLK 971973	SIATLK_SUPPLIER01	SI	INV_000000001	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

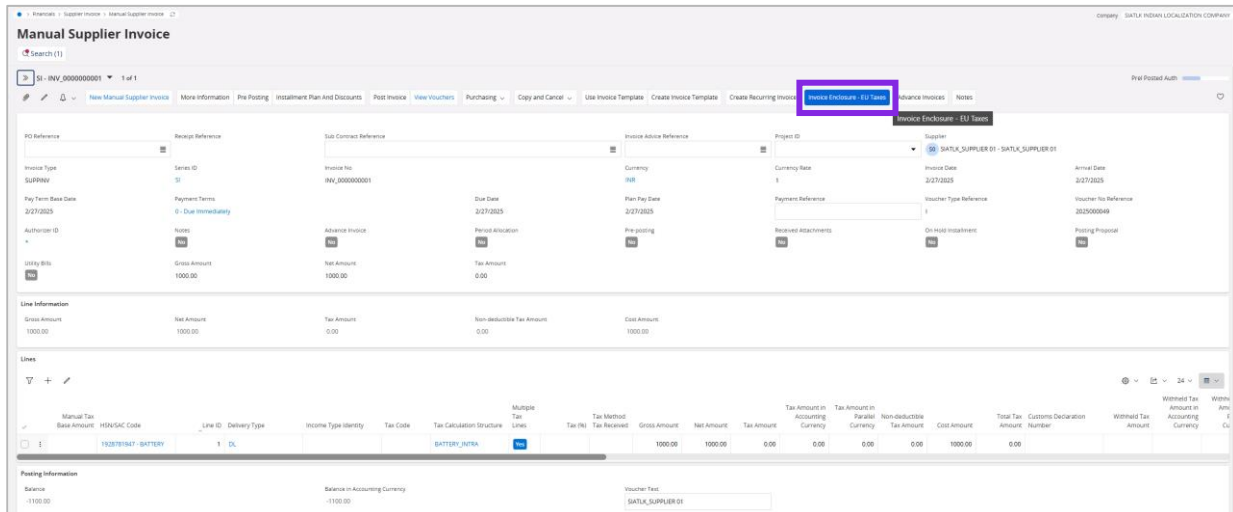
Lines

HSN/SAC Code	Delivery Type	Line ID	Income Type Identity	Tax Code	Tax Calculation Structure	Multiple Tax Lines	Tax Method	Tax Rate	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
1902701047 - BATTERIES	TS	1			BATTERY_INTRA				1000.00	1000.00	0.00	0.00	0.00	0.00	1000.00	0.00				

Previous | Next | Refresh | Cancel

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**.

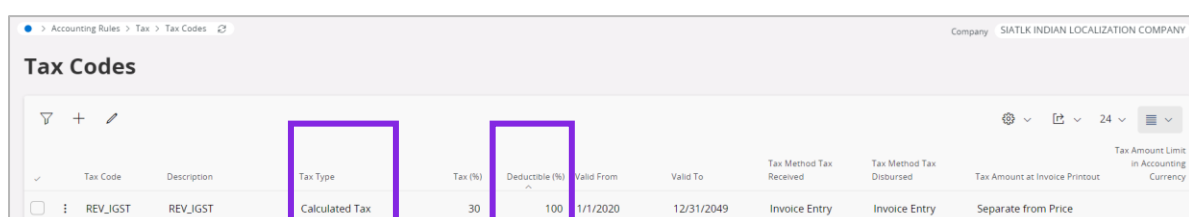
8.7.4 POSTING PROPOSAL

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.

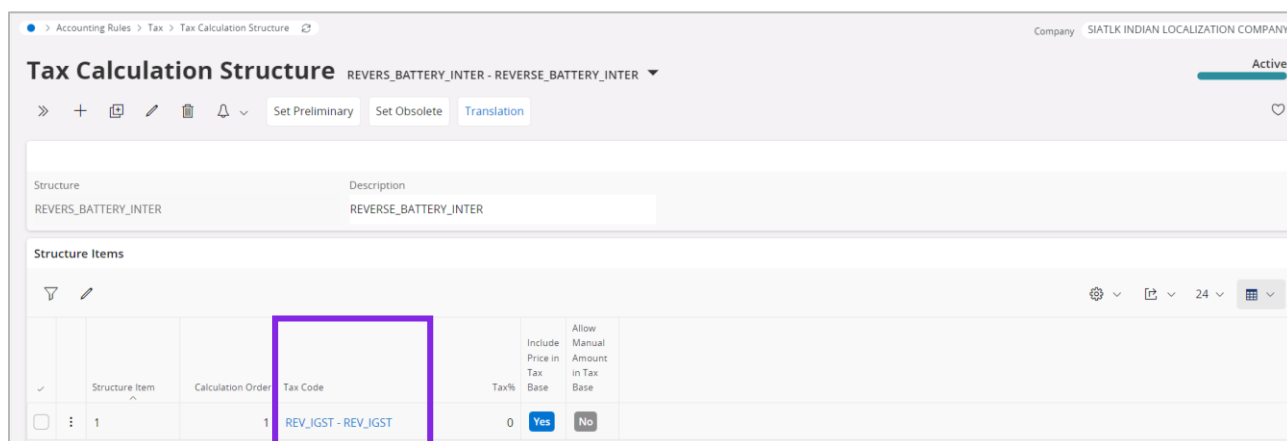
For example, assume the company buys a product taxable via reverse charge mechanism for 1,000 INR and the taxes applicable are IGST – 30% (100% tax credit available) as the transaction was an Interstate transaction.

- The calculated tax codes must be created to facilitate the reverse charge treatment.



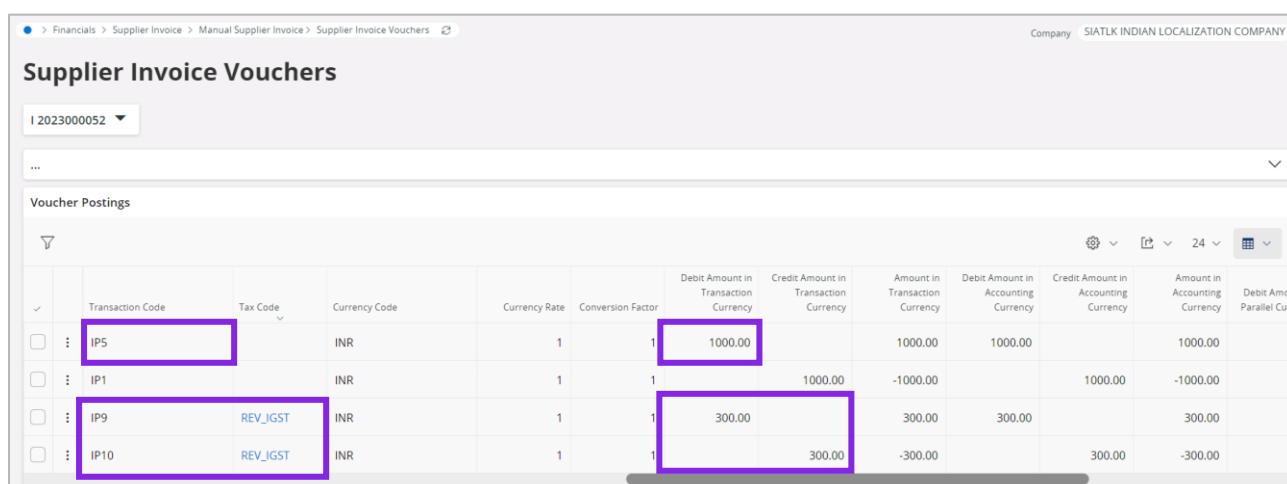
✓	Tax Code	Description	Tax Type	Tax (%)	Deductible (%)	Valid From	Valid To	Tax Method Tax Received	Tax Method Tax Disbursed	Tax Amount at Invoice Printout	Tax Amount Limit in Accounting Currency
<input type="checkbox"/>	REV_IGST	REV_IGST	Calculated Tax	30	100	1/1/2020	12/31/2049	Invoice Entry	Invoice 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.



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.



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.*


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 ▾

»
+




▾
Set Preliminary
Set Obsolete
Translation


Structure	Description
REVERS_BATTERY_INTRA	REVERSE_BATTERY_INTRA

Structure Items

 
 ▾  ▾ 24 ▾  ▾

✓	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: Use Correction Rows: No Text ID: 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.

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	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.

Accounting Rules > Tax > Tax Calculation Structure

Company: SIATLK INDIAN LOCALIZATION COMPANY

Tax Calculation Structure REVERS_BATTERY_INTER - REVERSE_BATTERY_INTER

Active

Structure: REVERS_BATTERY_INTER, Description: REVERSE_BATTERY_INTER

Structure Items

✓	Structure Item	Calculation Order	Tax Code	Tax%	Include Price in Tax Base	Allow Manual Amount in Tax Base
<input type="checkbox"/>	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.

Accounting Rules > Voucher > Manual Voucher > Voucher

Company: SIATLK INDIAN LOCALIZATION COMPANY

Voucher F - 2023000036 1 of 1

Approved

Voucher Date: 6/7/2023, User Group: AC, Voucher Type: F, Voucher No: 2023000036, Accounting Year: 2023, Accounting Period: 6, Accounting Period Description: June 2023

Amount Method: No, Use Correction Rows: No, Text ID: 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_IGST	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

8.9 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

✓	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_IGST	-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_IGST	1000.00	300.00
<input type="checkbox"/>	SUPPINV		Yes	No	No	Yes	Yes	IP10	2023000052	SI	INV810183	REV_IGST	-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

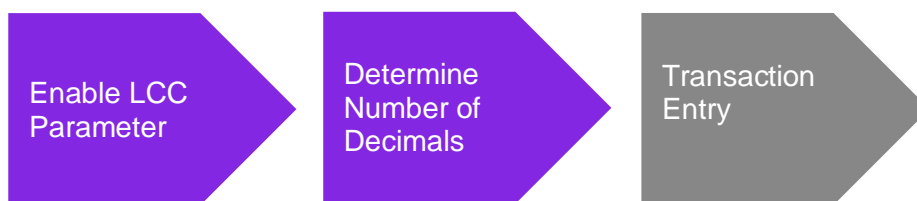
N/A

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



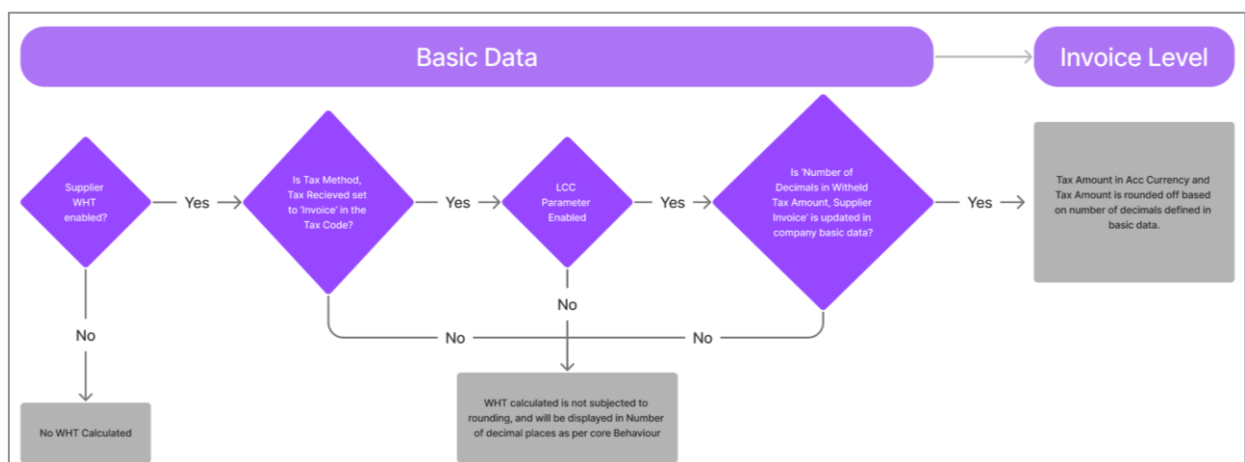
9.3 Solution Overview

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

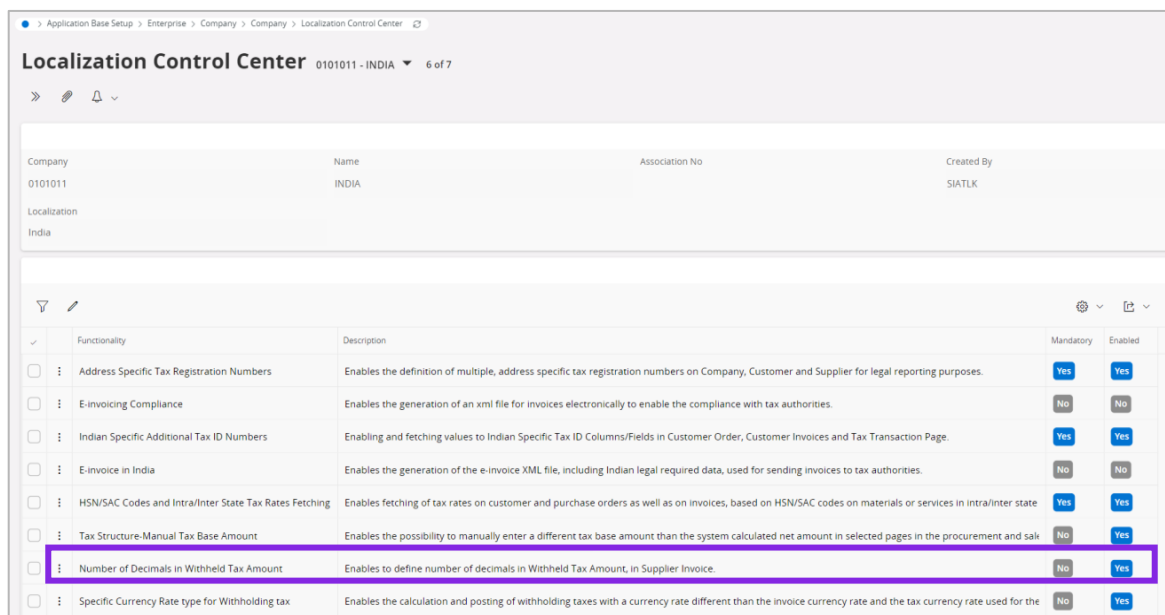
The company must be set-up to use Indian localization, see the [Company Set up](#) chapter and the 'Number of Decimals in Withheld Tax Amount' parameter must be enabled on the **Company/Localization Control Center** tab.

- 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.



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

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

(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

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers

Company: INDIA

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		

OK Cancel

This will create a rounding difference which is handled via PP61/ PP62 posting types.

Financials > Supplier Invoice > Manual Supplier Invoice > Supplier Invoice Vouchers

Company: INDIA

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

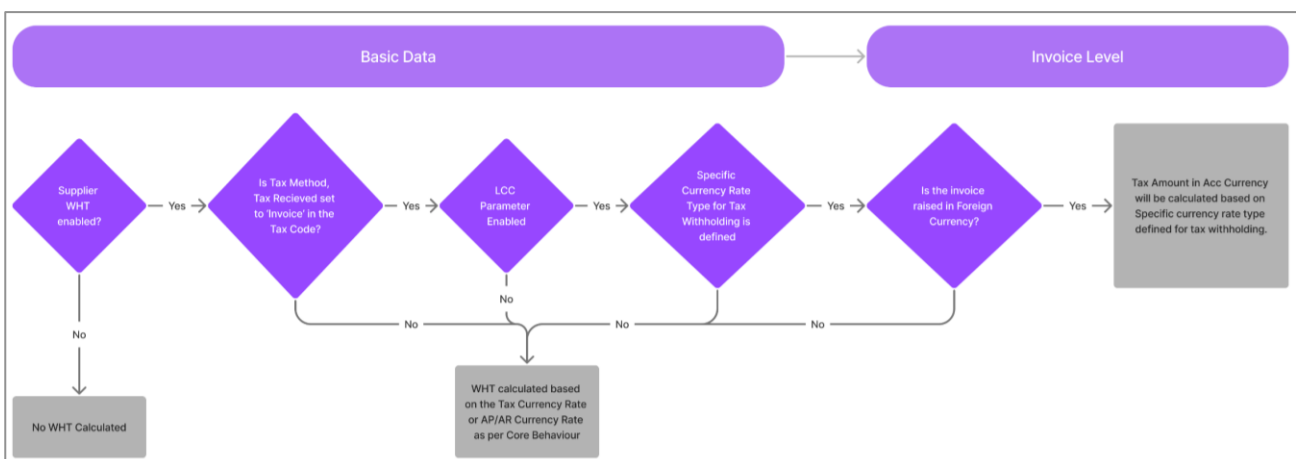
Tax Deducted at Source (TDS), is a form of indirect, withholding tax collection by Indian authorities according to the Income Tax Act, 1961. Any payment covered under the provisions available shall be paid after deducting the prescribed percentage. The **Tax Amount in Accounting Currency** levied via 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.

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

Localization Control Center

0101011 - INDIA 6 of 7

Company: 0101011, Name: INDIA, Association No: , Created By: 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

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 6 of 7

Accounting Rules 0101011 - INDIA

Company: 0101011 Name: INDIA Association No: Created By: SIATLX

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

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 - Sinall 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: No 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 - Sinall 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: Creator Reference:

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 Curr Rate field 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

WHT INV 01

Tax Type

Tax Withhold

Withholding Base Amount

1000.00

Tax %

10

Tax Amount

100.00

Tax Amount in Accounting Currency

500.00

Tax Amount in Parallel Currency

100.00

Use Withholding Amount Table

No

Report Code

State

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

U

Voucher No

2023000008

Date

1/12/2023

Year

2023

Period

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	100.00		100.00	200.00		200.00	2	100.00		100.00		
PP61	5	USD	0.00		0.00	300.00		300.00	2	0.00		0.00	WHT INV 01	
PP48	5	USD		100.00	-100.00		500.00	-500.00	2		100.00	-100.00	WHT INV 01	

Country Solution India

154

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

Sort by ▼

Localization Control Center CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD 1 of 1

CHBELK INDIA PVT LTD

Name: CHBELK INDIA PVT LTD

Address

Communication Method

Message Setup

Employees

Accounting Rules

Tax Control

Invoice

Payment

Fixed Assets

Periodical Cost Allocation

Supply Chain Information

Localization Control Center

Show less

Company

Name

Association No

Created By

CHBELK INDIA PVT LTD

CHBELK INDIA PVT LTD

CHBELK

Localization

India

Functionality

Description

Mandato...

Enabled

☐

:

Address Specific Tax Registration Numbers

Enables the definition of multiple, address specific tax registration numbers on Company, Customer

Yes

Yes

☐

:

Indian Specific Additional Tax ID Numbers

Enabling and fetching values to Indian Specific Tax ID Columns/Fields in Customer Order, Customer

Yes

Yes

☐

:

E-invoice in India

Enables the generation of the e-invoice XML file, including Indian legal required data, used for sendi

No

Yes

☐

:

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

☐

:

Tax Structure-Manual Tax Base Amount

Enables the possibility to manually enter a different tax base amount than the system calculated net

No

Yes

☐

:

Indian Reverse Charge

Enables using tax codes of type "Calculated Tax" in tax structures in the procurement and sales flow

Yes

Yes

☐

:

Tax Collected at Source

Enabling to validate TCS applicability on Customer and Tax determination on Transaction Lines.

No

Yes

☐

:

Number of Decimals in Withheld Tax Amount

Enables to define number of decimals in Withheld Tax Amount, in Supplier Invoice.

No

Yes

☐

:

Specific Currency Rate type for Withholding tax

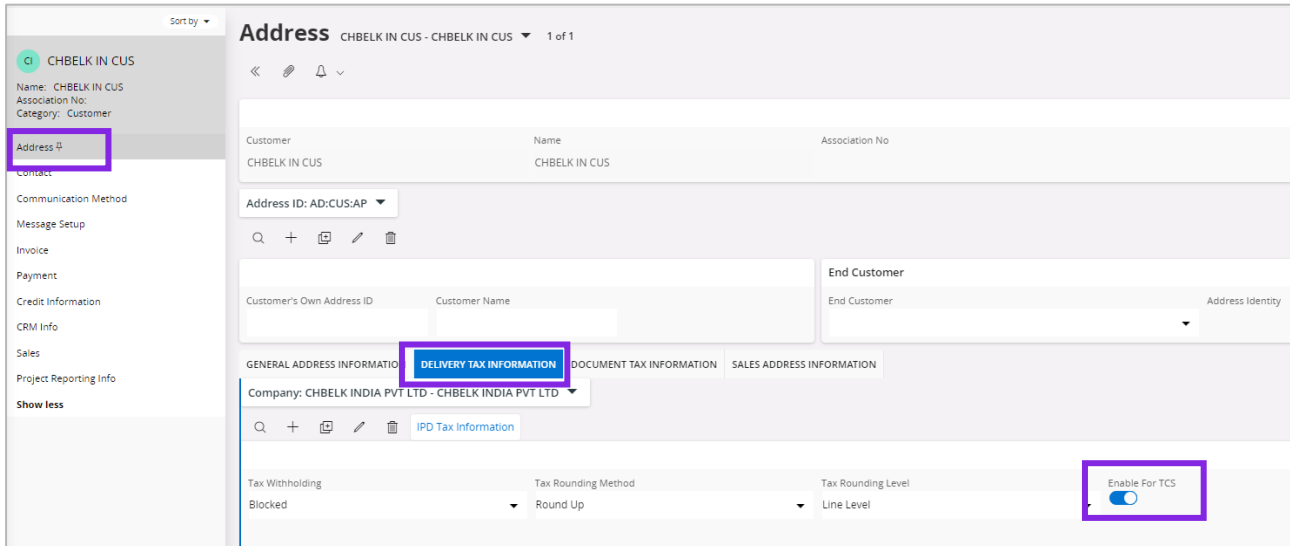
Enables the calculation and posting of withholding taxes with a currency rate different than the invo

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**)



Address CHBELK IN CUS - CHBELK IN CUS 1 of 1

Customer: CHBELK IN CUS Name: CHBELK IN CUS Association No:

Address ID: AD:CUS:AP

Customer's Own Address ID: Customer Name: End Customer: End Customer Address Identity:

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

Company: CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD

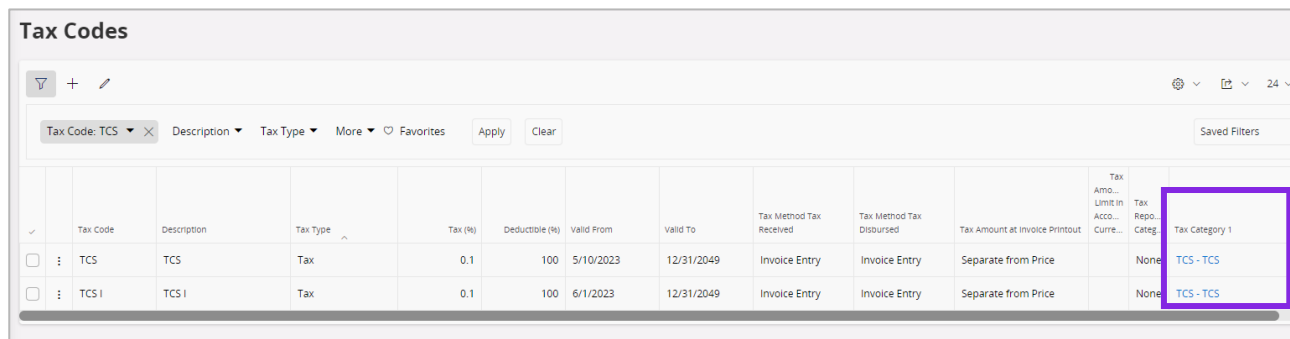
IPD Tax Information

Tax Withholding: Blocked Tax Rounding Method: Round Up Tax Rounding Level: Line Level

Enable For TCS: ☒

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.



✓	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
Description

TAX STRUCTURE INTRA
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	Yes	No
<input type="checkbox"/>	2	2	2 - SGST	12	Yes	No
<input checked="" type="checkbox"/>	3	3	TCS - TCS	0.1	Yes	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](#)
[Installment 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

[Tax Lines](#)
[Period Allocation Rule](#)

(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	Net Amount	Tax Amount
2057.06	1500.00	557.06

Tax Line Details

[Set Default](#)

	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	

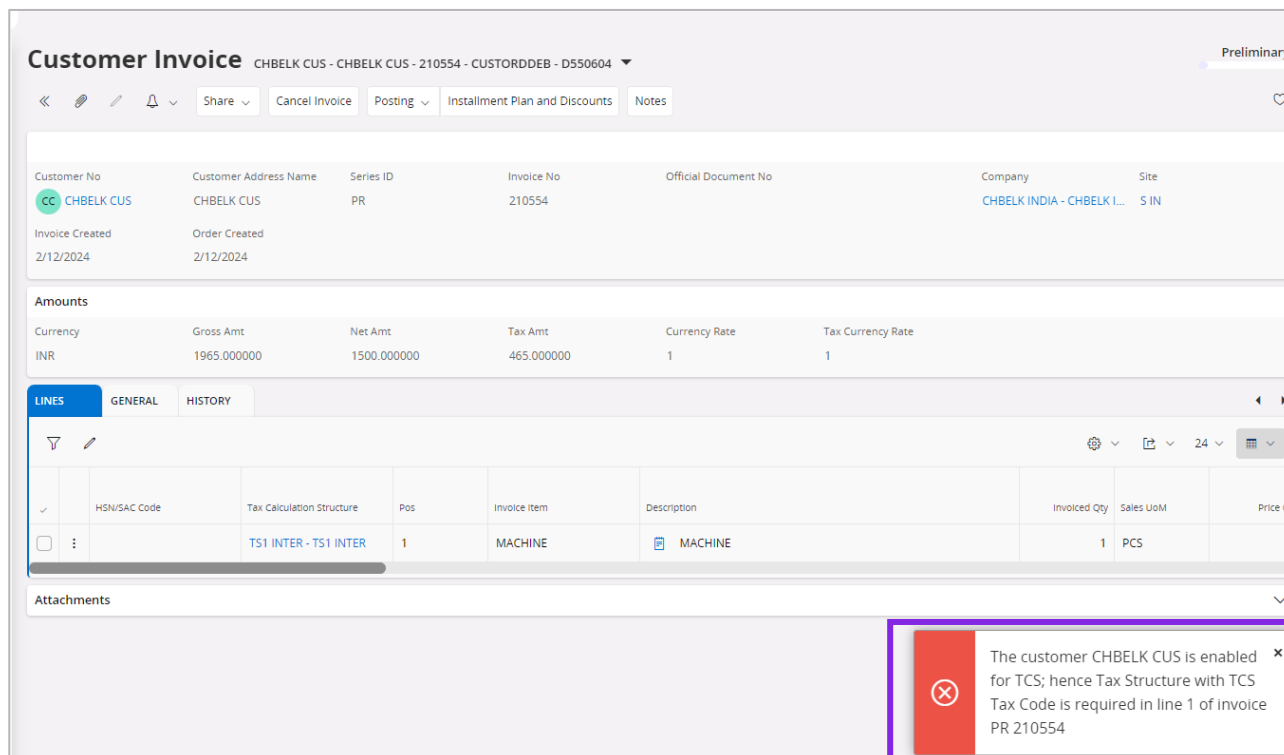
[OK](#)
[Cancel](#)

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 the 'Customer Invoice' screen for customer CHBELK CUS. The invoice number is 210554. The error message, highlighted with a red box, states: 'The customer CHBELK CUS is enabled for TCS; hence Tax Structure with TCS Tax Code is required in line 1 of invoice PR 210554'. The interface includes tabs for 'LINES', 'GENERAL', and 'HISTORY'. The 'LINES' tab is active, showing a table with one line item: 'MACHINE' with a tax calculation structure of 'TS1 INTER - TS1 INTER'. The 'Amounts' section shows a gross amount of 1965.000000 and a net amount of 1500.000000.

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	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 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	<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

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
------------------------	--	--	--

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

Calculate Income Amount

24

✓		Invoice No	Tax Trans ID	Identity	Series ID	Party Type	Tax ID Validated Date	Income Type ID	Tax Code	Tax Category 1	Tax Amount	Original Tax ID Number
<input type="checkbox"/>	:	9700028	205086	<div>ci</div> CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344
<input type="checkbox"/>	:	9700029	205092	<div>ci</div> CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344
<input type="checkbox"/>	:	9700030	205098	<div>ci</div> CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344
<input type="checkbox"/>	:	9700031	205104	<div>ci</div> CHBELK IN CUS - CHBELK IN CUS	II	Customer			TCS I	TCS - TCS	-2.22	AD:CUS:PAN:AP:3344
<input type="checkbox"/>	:	CDB SI	205110	<div>cs</div> CHBELK SUP - CHBELK SUP	SI	Supplier			TCS I	TCS - TCS	14.80	SUP:PAN:998877
<input type="checkbox"/>	:	970000012	205023	<div>ci</div> 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						
(1) ✓	Country Code	Income Type	Description	1099 Threshold Currency	1099 Threshold Amount	Report Code Tax Withholding Code
<input checked="" type="checkbox"/>	IN	TDS	Tax Deducted at Source	INR	0.00	Optional
<input type="checkbox"/>	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													
(1) ✓	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
<input type="checkbox"/>	TDS	TDS	Tax Withhold	0.1	100	5/31/2023	12/31/2049	Invoice Entry	Invoice Entry	Separate from Price	None	NONE - None	
<input type="checkbox"/>	7	Calculated tax	Calculated Tax	20	100	3/23/2023	12/31/2049	Final Posting	Invoice Entry	Separate from Price	None	SGST - State GST	
<input type="checkbox"/>	F0	FII 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)

Sort by ▼

CS CHBELK SUP

Name: CHBELK SUP

Association No:

Category: Supplier

Address

Contact

Communication Method

Message Setup

Invoice

Payment

Purchase

SRM

Show less

Invoice CHBELK SUP - CHBELK SUP 1 of 1

Supplier CHBELK SUP

Name CHBELK SUP

Association No

Company: CHBELK INDIA PVT LTD - CHBELK INDIA PVT LTD

Search + Add Edit Delete Notes

Default Cost Code String

Tax Withholding/Reporting

GENERAL PROPERTIES **TAX INFORMATION** PO MATCHING MESSAGE DEFAULTS

Tax Liability

TAX

Tax Free Tax Code

Tax Withholding/Reporting

Report Income/Withhold Tax

Rounding Tax Code

Tax Book Ref

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: [Empty]
 Withholding Base: Invoice Net Amount
 Tax Certificate Form: Not Used

Legal Address ID: [Empty]

UK Specific CIS Reporting: [Empty]
 US Specific 1099 Reporting: [Empty]

Tax Exempt Information: [Empty]

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	

Previous Next Finish Cancel

Users can check the TDS amount by clicking the 'Tax Lines, Withholding' command.

×

Tax Lines, Withholding

Supplier

CS CHBELK SUP - CHBELK SUP

Withholding Base

Invoice Net Amount

Series ID

SI

Invoice No

INVOICE 001

Tax Curr Rate

1

Gross Amount

1000.00

Net Amount

1000.00

Line Details

Filter

+

Edit

	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	

OK

Cancel

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									
<div> <div>Filter</div> <div>Edit</div> <div>Calculate Income Amount</div> </div>									
✓	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-Invoice

13.1 Overview Legal Requirement

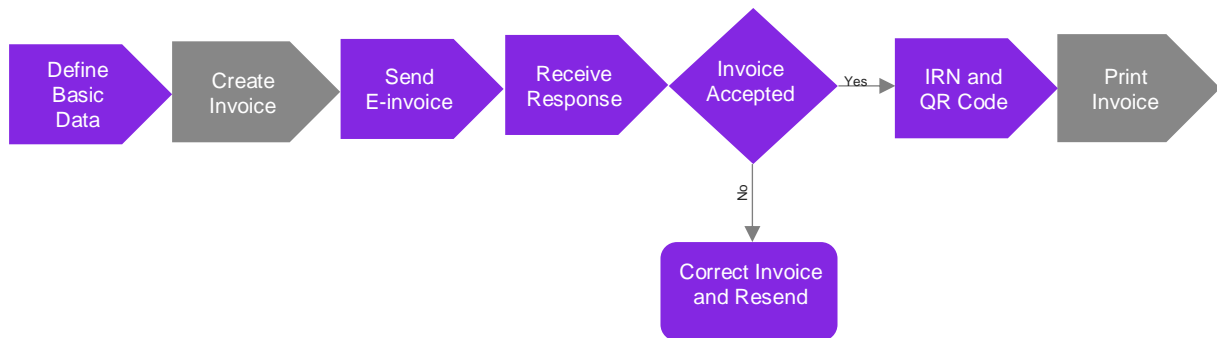
E-invoicing defined under GST law requires specific businesses which are GST registered to generate e-invoice for B2B (business to business) transactions. Based on the e-invoicing system, against each Invoice, an identification number is issued by IRP (Invoice Registration Portal). E-invoicing is applicable 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:

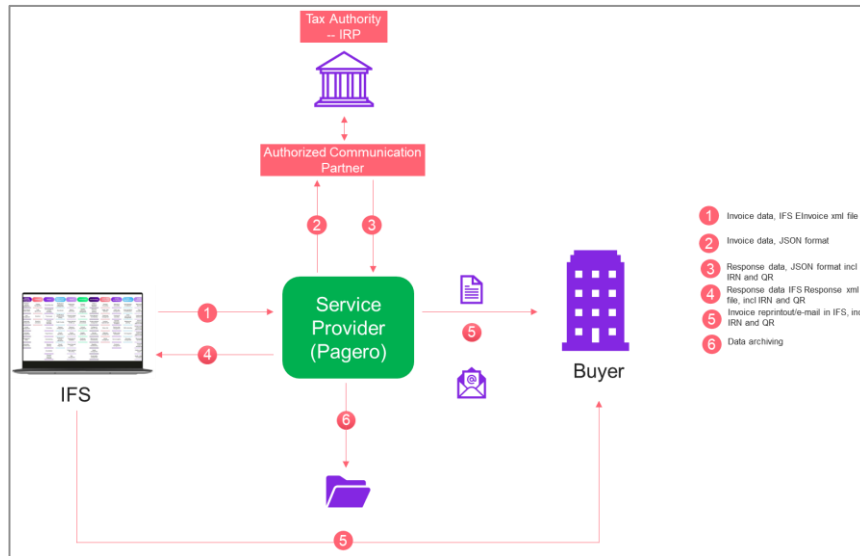
- All invoices must be sent to tax authorities (IRP: Invoice Registration Portal).
- The Tax Authority is sending a response with a clearance/approval, a QR code and an invoice reference number (IRN).
- Invoice including IRN and QR-code is printed and sent to the customer.

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: ☒ Yes

Process after Response: ☒ Yes

Automatically Process Accepted Invoice: ☐ No

Approval User: ALAIN - Alain Prost

Message Setup

Format: E-invoice India

Service Provider: 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: KD-IND Name: india- PP Association No: kd-ind Created By: KDESJK

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: Pay. Term Base Date

Unique Supplier Invoice No Per: Supplier

Incoming Invoice Currency Rate Base: Voucher Date

Outgoing Invoice Currency Rate Base: Invoice Date

Process Type: STD-IN

Supplier Invoice Authorization Only by Separate Function: ☐

Cash Discount Based on Gross Amount: ☒

Set Invoice Date to Current Date When Printing Outgoing Invoices: ☐

Print Advance Payments Information on Customer Invoice: ☒

Unique Payment Reference Validation: ☐

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		
<div>GENERAL PROPERTIES MESSAGE SETUP</div>		
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"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>								
<div>More Information</div> <div> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> </div>								
Customer 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 No		
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.

<div>Financials > Customer Invoice > Instant Invoice</div> <div>Instant Invoice</div> <div>Search (24+) Advanced <input type="checkbox"/> Hide invoices with status Paid/Posted</div> <div> <div>Status Customer Invoice Date More Favorites</div> <div> <input type="text"/> II - 9700001 </div> </div>				<div>More Information</div> <div> <div>Process Type UF-GEN-1</div> <div>Payment Reference</div> <div>Transfer Status</div> <div>Creator Reference</div> <div>National Bank Code</div> <div>Correction Reason ID</div> </div> <div> <div>Tax Currency Rate 1</div> <div>Signature SASGLK</div> <div>Nature of Business</div> <div>Correction Reason</div> </div> <div> <div>Payer CUSTOMER SW - CUSTOMER S...</div> <div>Our Reference</div> <div>Order Date</div> <div>Ref Invoice Series ID</div> <div>Branch</div> </div> <div> <div>Language English</div> <div>Customer Reference</div> <div>Customer's PO Number</div> <div>Ref Invoice No</div> <div>Customer Branch</div> </div>			
--	--	--	--	---	--	--	--

Customer Invoice

Search (1)

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

Cancel Invoice Posting Installment 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
USD	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: 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

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
USD	2270.09
	Net Amount
	1657.00
	Tax Amount
	613.09

LINES GENERAL PRE POSTING ACCOUNTING

Invoice Information

Invoice Date: 2/17/2025

Invoice Type: PRIJINV

Process Type: UF-GEN-1 - UF GEN 1

Series Reference

Invoice Number Reference: 1

Currency Rate: 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

Filter icon

+ Add Filter

Rule Name: Example_Send_E-Invo...

Route Type

Queue

More

Favorites

Apply

Clear

Saved Filters

⋮

✓	Rule Name	Route Type	Queue	Enabled	Customized
<input type="checkbox"/>	: Example_Send_E-invoice	APPLICATION_MESSAGE	OUT1	<div>YesNo</div>	

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	Enabled	Customized
APPLICATION_MESSAGE ▼	<input checked="" type="checkbox"/>	No
Rule Name	Queue	Direction
Example_Send_E-Invoice	OUT1 ▼	Outbound

Content Based Conditions

🔍 +

⚙️ ▼ 📄 ▼ 24 ▼ ☰ ▼

✓	Search Path	Operation	Match
<input type="checkbox"/>	MESSAGE_FUNCTION	=	SEND_EINVOICE_MESSAGE

Destination Addresses

🔍 ✎

Set Destination Address

⚙️ ▼ 📄 ▼ 24 ▼ ☰ ▼

✓	Chain Link No	Main Address	Description	Connector	Address
<input type="checkbox"/>	1	Yes	Example_Send_E-Invoice	Ftp	/OUT

Routing Address Set Up

Example_Send_E-Invoice is the routing address used.

Routing Addresses		
<div> Filter Edit Delete Alert + Add Export Details Set Customized </div>		
(1)	Address Name	Transport Connector
<input checked="" type="checkbox"/>	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_Invoice_Response	SOAP_IFS	IN1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Routing Rule

Example_Receive_Invoice_Response 1 of 1

Unset Customized Set Location Based Condition

Rule Details

Route From	Enabled	Customized
SOAP_IFS	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rule Name	Queue	Direction
Example_Receive_Invoice_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	<input checked="" type="checkbox"/>	Example_Receive_Invoice_Response	Projection	

Routing Address Set Up

Example_Receive_Invoice_Response is the routing address used.

Routing Addresses

✓	Address Name	Transport Connector	Customized
<input type="checkbox"/>	Example_Receive_Invoice_Response	Projection	<input type="checkbox"/>

Routing Address Example_Receive_Invoice_Response 1 of 1

Advanced
Set Customized

Transport Connector	Address Name	Customized
Projection	Example_Receive_Invoice_Response	No

Format

Envelope	Encoding	Compress	Envelope Response
		<input type="checkbox"/>	<input type="checkbox"/>

Transformers

☐ Transformer

☐ : TO_MIXED_CASE

☐ : MODEL_BASED_XML_TO_JSON

Response Transformers

☐ Response Transformer

(No data)

Projection Address Data

Projection Method	Projection Resource
Action	InvoiceResponseService.ReceiveInvoiceResponse

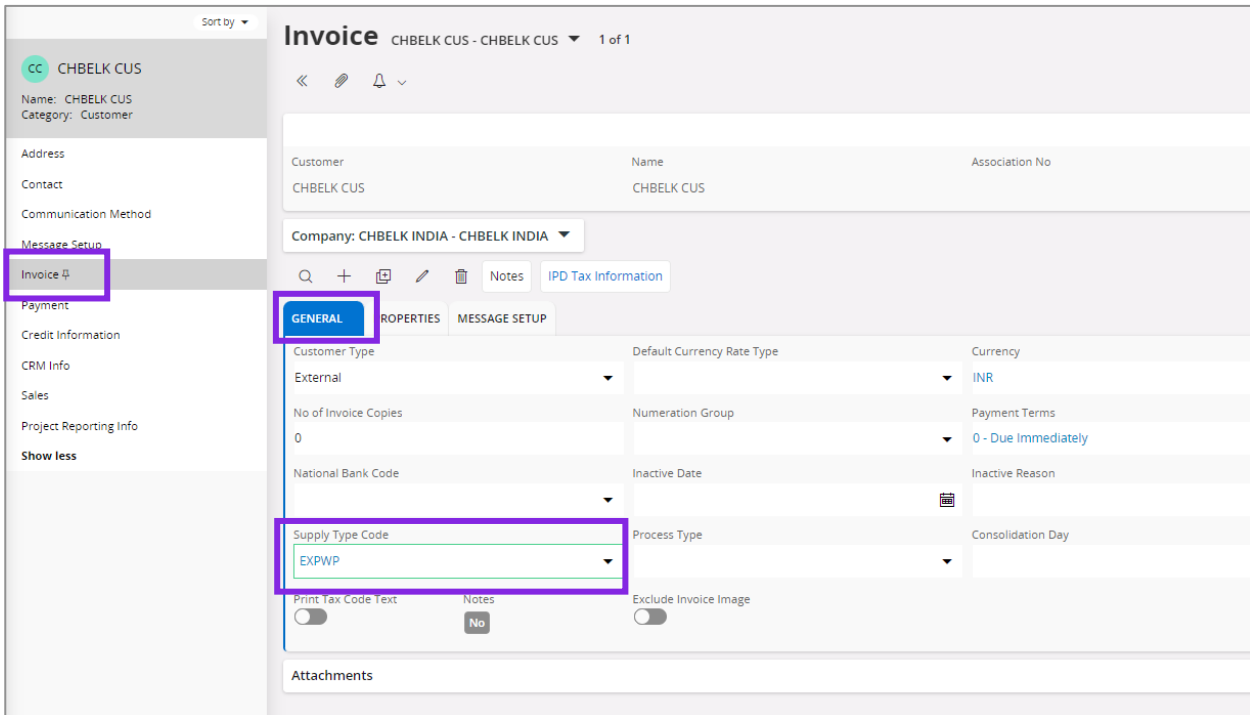
13.5.4 SUPPLY TYPE CODES

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				
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				
✓	Supply Type Code	Description	Default	
<input type="checkbox"/>	B2B	Business to Business	Yes	
<input type="checkbox"/>	DEXP	Deemed Export	No	
<input type="checkbox"/>	EXPWP	Export without Payment	No	
<input type="checkbox"/>	EXPWP	Export with Payment	No	
<input type="checkbox"/>	SEZWP	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: , Inactive Date: , Inactive Reason: , Consolidation Day:

Supply Type Code: EXPWP, Process Type: , Consolidation Day:

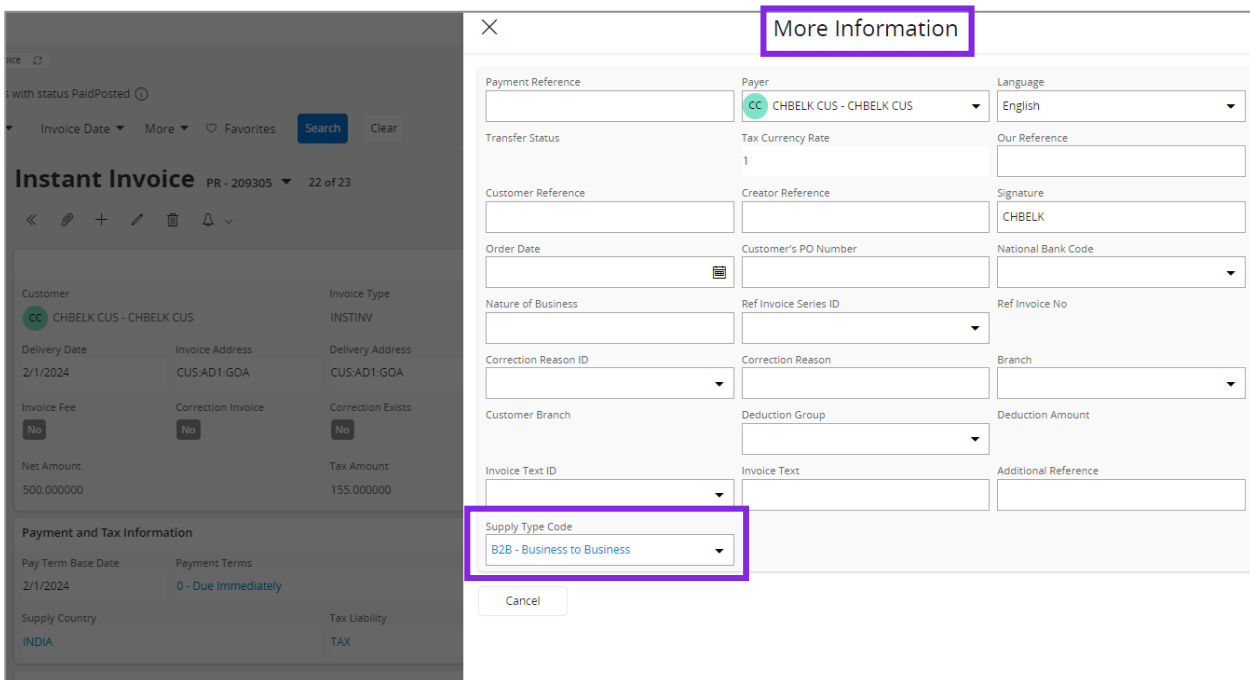
Print Tax Code Text: ☐, Notes: No, Exclude Invoice Image: ☐

Attachments

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.



Instant Invoice PR - 209305 22 of 23

Customer: CHBELK CUS - CHBELK CUS, Invoice Type: INSTINV

Delivery Date: 2/1/2024, Invoice Address: CUS:AD1:GOA, Delivery Address: CUS:AD1:GOA

Invoice Fee: No, Correction Invoice: No, Correction Exists: No

Net Amount: 500.000000, Tax Amount: 155.000000

Payment and Tax Information

Pay Term Base Date: 2/1/2024, Payment Terms: 0 - Due Immediately

Supply Country: INDIA, Tax Liability: TAX

More Information

Payment Reference: , Payer: CHBELK CUS - CHBELK CUS, Language: English

Transfer Status: , Tax Currency Rate: 1, Our Reference:

Customer Reference: , Creator Reference: , Signature: CHBELK

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: , Deduction Group: , Deduction Amount:

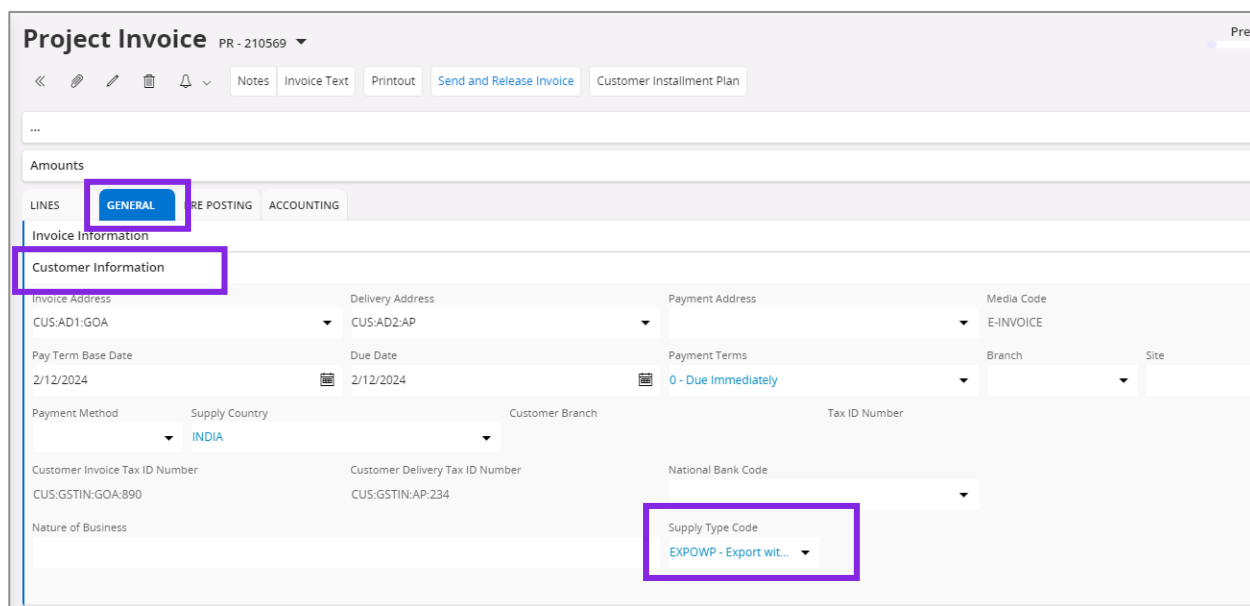
Invoice Text ID: , Invoice Text: , Additional Reference:

Supply Type Code: B2B - Business to Business

Cancel

13.5.4.2 Project Invoice

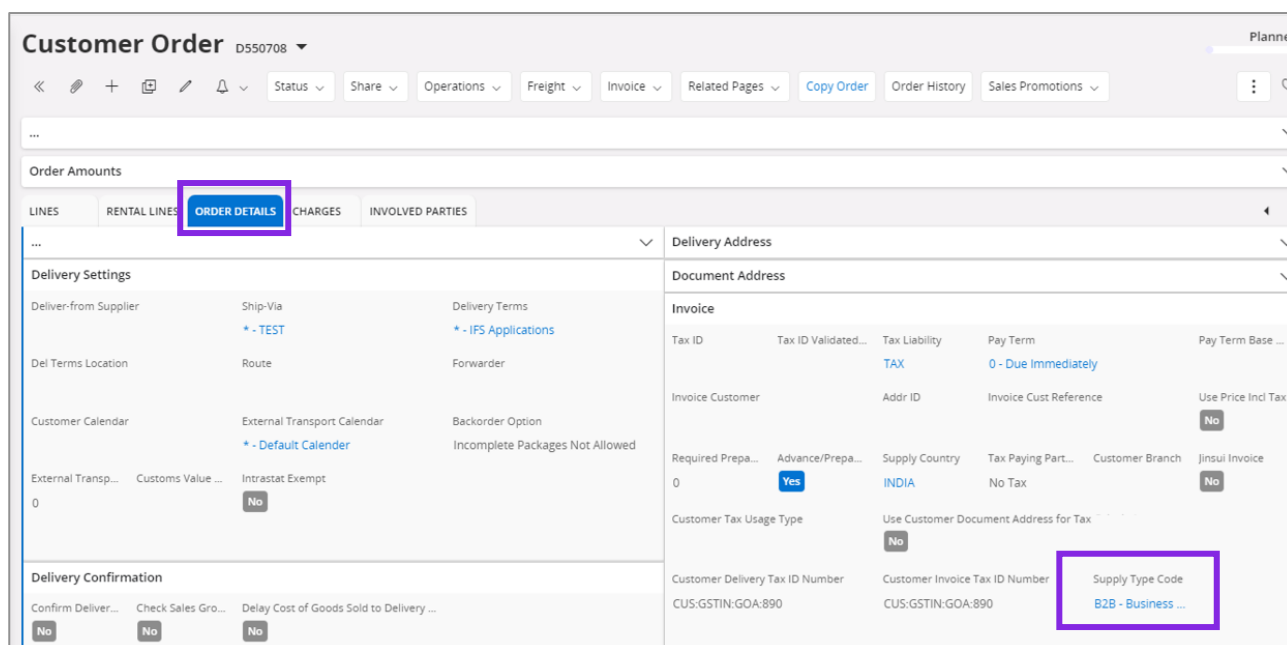
When the user enters a Project Invoice, value is fetched from customer basic data and if no supply type code is available in customer basic data, default Supply Type Code is fetched. This value can be changed until the invoice is in Preliminary status but before sending E-Invoice.



The screenshot shows the 'Project Invoice' form for PR - 210569. The form is in 'Preliminary' status. The 'GENERAL' tab is selected, and the 'Customer Information' section is highlighted. The 'Supply Type Code' field is set to 'EXPOWP - Export wit...'. Other fields include 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, Site, 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, and Nature of Business.

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.

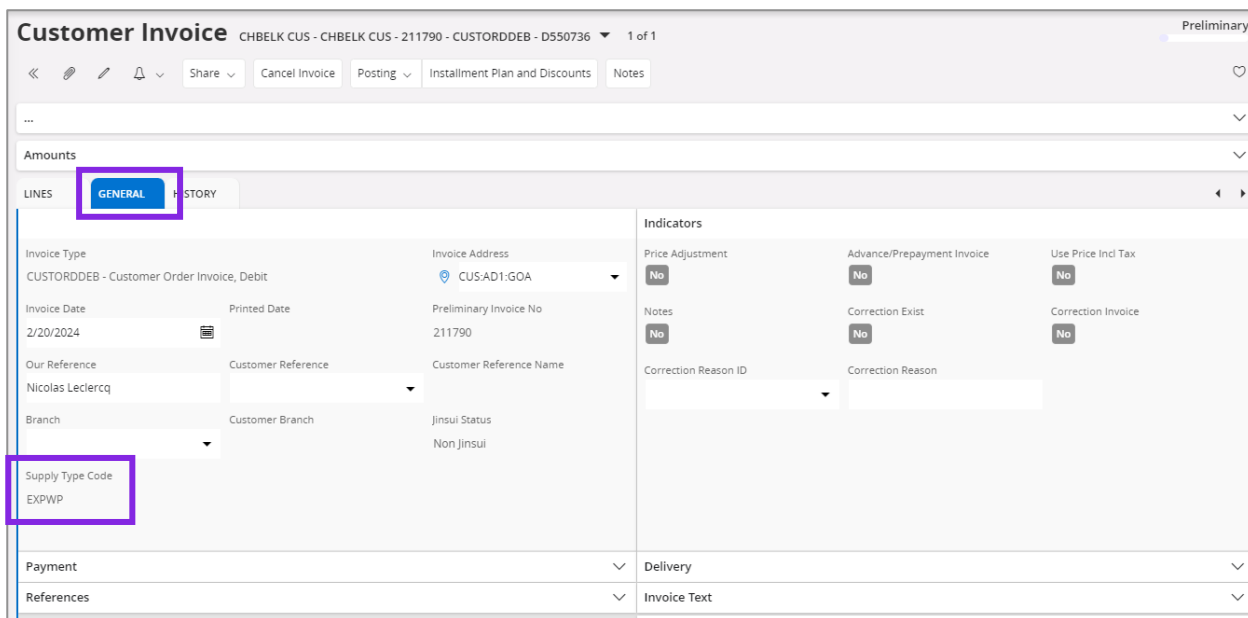


The screenshot shows the 'Customer Order' form for D550708. The form is in 'Planned' status. The 'ORDER DETAILS' tab is selected. The 'Supply Type Code' field is set to 'B2B - Business ...'. Other fields include Delivery Address, Document Address, Invoice, Tax ID, Tax ID Validated..., Tax Liability (TAX), 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, 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), and Delivery Confirmation (Confirm Deliver..., Check Sales Gro..., Delay Cost of Goods Sold to Delivery ...).

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

GENERAL LINES HISTORY

Invoice Type: CUSTORDDEB - Customer Order Invoice, Debit
 Invoice Address: CUS-AD1-GOA
 Invoice Date: 2/20/2024
 Printed Date: [Icon]
 Preliminary Invoice No: 211790
 Our Reference: Nicolas Leclercq
 Customer Reference: [Dropdown]
 Customer Reference Name: [Text]
 Branch: [Dropdown]
 Customer Branch: [Dropdown]
 Jinsui Status: Non Jinsui

Indicators

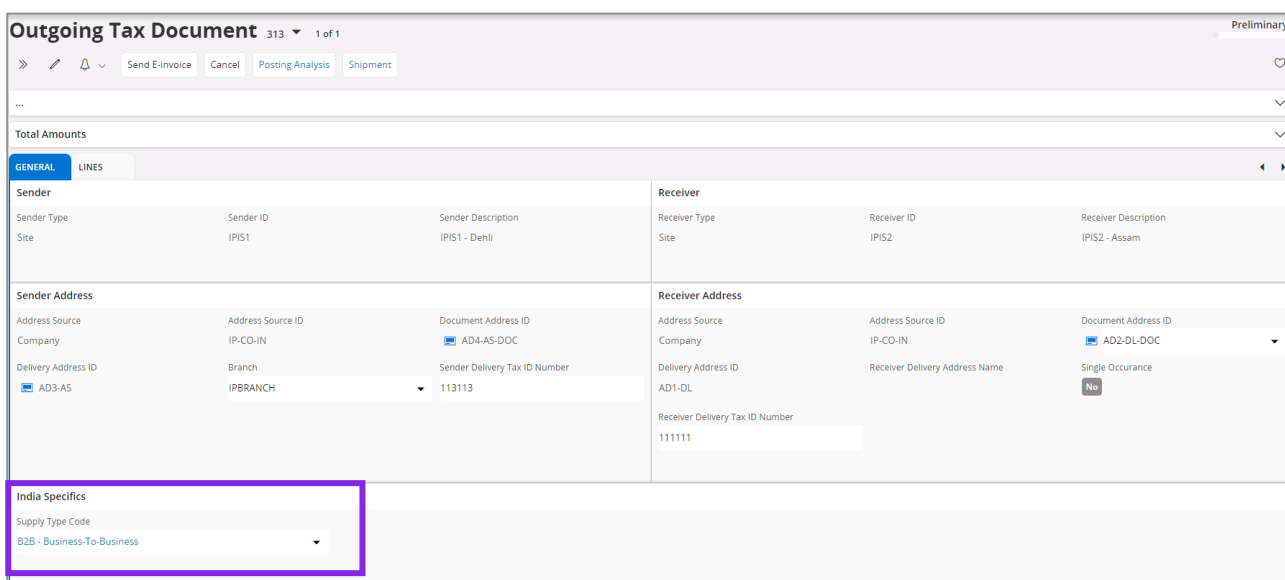
Price Adjustment: No
 Advance/Prepayment Invoice: No
 Use Price Incl Tax: No
 Notes: No
 Correction Exist: No
 Correction Invoice: No
 Correction Reason ID: [Dropdown]
 Correction Reason: [Text]

Supply Type Code: EXPWP

Payment: [Dropdown]
 Delivery: [Dropdown]
 References: [Dropdown]
 Invoice Text: [Dropdown]

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

Sender Type: Site
 Sender ID: IPI51
 Sender Description: IPI51 - Dehli

Receiver

Receiver Type: Site
 Receiver ID: IPI52
 Receiver Description: IPI52 - Assam

Sender Address

Address Source: AD3-AS
 Address Source ID: IPBRANCH
 Document Address ID: AD4-AS-DOC
 Delivery Address ID: [Icon]
 Branch: [Dropdown]
 Sender Delivery Tax ID Number: 113113

Receiver Address

Address Source: AD2-DL-DOC
 Address Source ID: IP-CO-IN
 Document Address ID: [Dropdown]
 Delivery Address ID: AD1-DL
 Receiver Delivery Address Name: [Text]
 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.

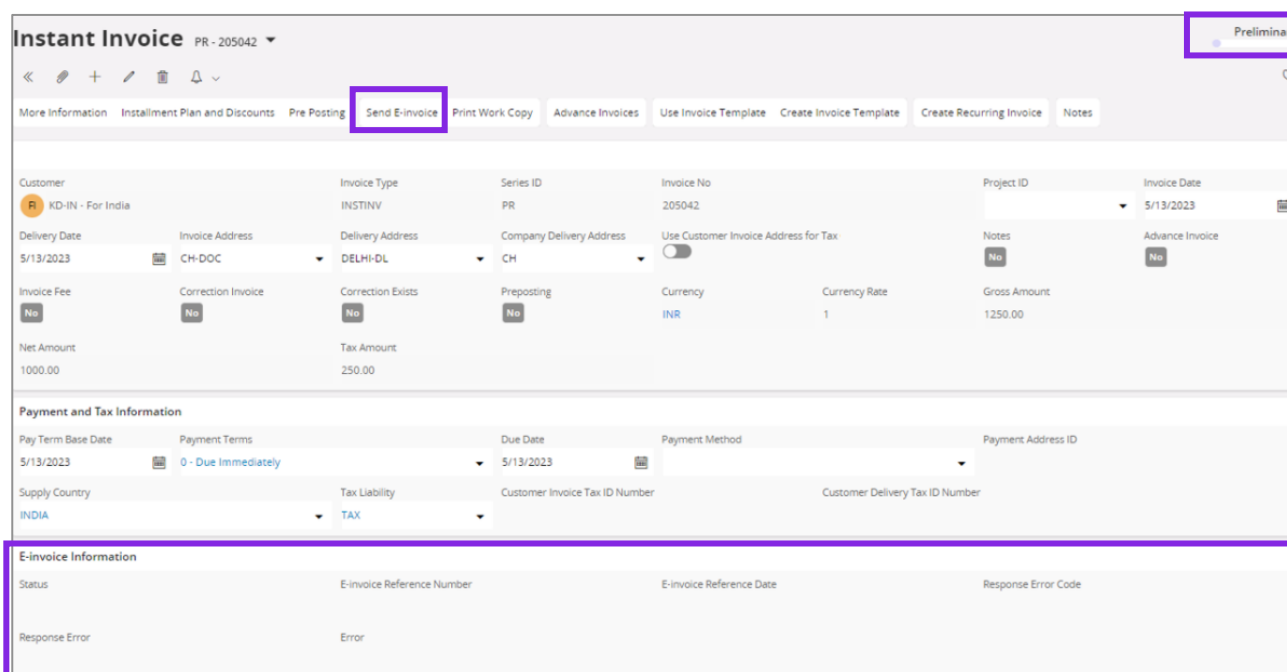
13.6 E – Invoice Flow and Response File Handling

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

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: 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: No 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 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	Attachmen...	Sent Time	Status	Response Error Code	Error Description
<input type="checkbox"/>	Customer Invoice	KD-IN	II	9700002	Preliminary	No	5/23/23, 4:14 PM	Pending		
<input type="checkbox"/>	Customer Invoice	KD-IN	II	9700003	Preliminary	No	5/31/23, 4:34 PM	Pending		
<input type="checkbox"/>	Customer Invoice	KD-IN	II	9700004	Preliminary	No	6/5/23, 10:22 AM	Pending		
<input type="checkbox"/>	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								
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 - 39

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
<input type="checkbox"/>	Tax Document	IPI51	TD	29	Posted	2024-02-23 09:14	Accepted	e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8	2024-02-01 ...		
<input type="checkbox"/>	Tax Document	IPI51	TD	28	Posted	2024-02-22 11:30	Accepted	e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8	2024-02-01 ...		
<input type="checkbox"/>	Tax Document	IPI51	TD	27	Preliminary	2024-02-22 10:31	Accepted	e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8	2024-02-01 ...		
<input type="checkbox"/>	Tax Document	IPI51	TD	26	Preliminary	2024-02-22 08:42	Rejected				
<input type="checkbox"/>	Tax Document	IPI51	TD	25	Preliminary	2024-02-22 07:27	Rejected				
<input type="checkbox"/>	Tax Document	IPI51	TD	24	Preliminary	2024-02-21 16:10	Accepted	e2948668b7126f1e27240fcec2e28d891347120b4445f9156a28b9fdc8be4b8	2024-02-01 ...		
<input type="checkbox"/>	Tax Document	IPI51	TD	22	Preliminary	2024-02-21 15:43	Rejected				
<input type="checkbox"/>	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.



ReceiveEInvoiceResp
onseSampleACCEPTED

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 PreIPosted 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: ☐ Reference Supplier: Preliminary Code:

National Bank Code: Nature of Business: Creator Reference: Tax Currency Rate: 1

Tax Withholding Currency Rate: Parallel Currency Rate: 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

Invoiceld = 207757

Sort by: SI - 35353 1 of 1

CMWSUPIND2 - CMWSUPIND2

SI 35353 Preliminary

PO Reference: Receipt Reference: Sub Contract: Invoice Type: SUPPINV Series ID: SI Invoice No: 35353 Pay Term Base Date: 12/24/2024 Payment Terms: 0 - Due Immediately Authorizer ID: * Notes: No Advance Invo: No Utility Bills: No Gross Amount: 10500.00 Net Amount: 10000.00

Line Information

Gross Amount: 10500.00 Net Amount: 10000.00 Tax Amount: 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: ☐ 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: 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.

Financials > Tax Ledger > Tax Transactions Company Indian Company

Tax Transactions

Search

Calculate Income Amount

	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.

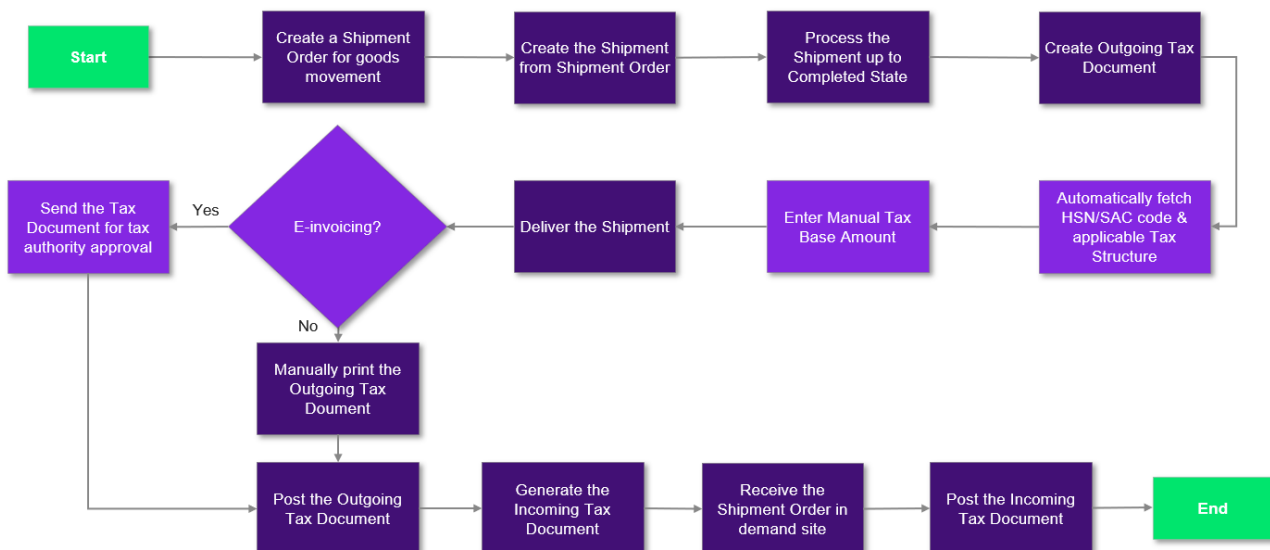
14 Taxes in intracompany goods movement

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 Order (Demand Code IPT or DO) instead of Shipment Order as well.

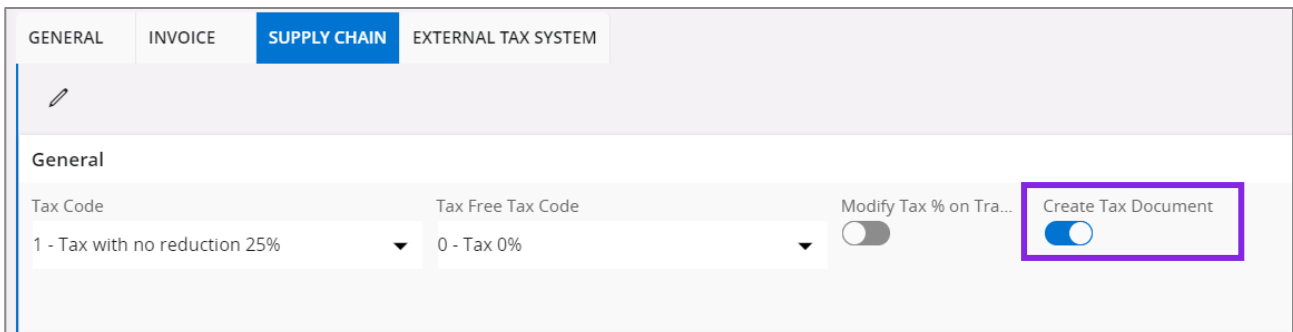
14.3 Solution Overview

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.



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				
<div> <div>Company</div> <div>HP-IN</div> </div> <div> <div>Name</div> <div>HP India Company</div> </div> <div> <div>Association No</div> <div></div> </div> <div> <div>Created By</div> <div>HPETSE</div> </div>				
<div> <div>Localization</div> <div>India</div> </div>				
✓	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	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.

CREATION
CONSOLIDATION PARAMETERS
SHIPMENT EVENTS
LOAD CONSOLIDATED SHIPMENT
CUSTOMER ORDER EVENTS
SHIPMENT ORDER

Shipment Creation

Customer Order *
Not Automatic
Shipment Order *
Not Automatic
Receipt Return *
At Report Return

Consolidated Shipment Creation

Tax Document Creation

Automatic Creation of Tax Document
☒

14.5 Define Basic Data

HSN/SAC Codes and HSN/SAC Group basic data must be set up according to [Chapter](#).
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.

Shipment 669 1 of 1

Completed

Operations
Share
Shipment Handling Unit Structure
Shipment Inventory
Delivery Note Analysis
Document Text
Outgoing Tax Document
Create

Shipment ID 669	Site HPIN1	Source Ref Type Shipment Order	Next Step in Shipment Flow Deliver
Shipment Type NR	Created 2023-09-07	Planned Ship Date/Time	Planned Delivery Date/Time
Notes			

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

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	Source Ref Type	Source Reference	Created Date
161	Shipment	669	2023-09-07

Total Amounts			
Total Net Amount	Total Tax Amount	Total Gross Amount	Currency
0,00			INR

GENERAL LINES

Sender

Sender Type	Sender ID	Sender Description
Site	HPIN1	Hp india site 1

Receiver

Receiver Type	Receiver ID	Receiver Description
Site	HPIN2	HP India site 2

Sender Address

Address Source	Address Source ID	Document Address ID
Company	HP-IN	DOCADD1
Delivery Address ID	Branch	Sender Delivery Tax ID Number
COM-ADD1		COMP-GST-123456789

Receiver Address

Address Source	Address Source ID	Document Address ID
Company	HP-IN	COM-ADD3
Delivery Address ID	Receiver Delivery Address Name	Single Occurrence
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


Q Search

» 12% - 12% ▼

+     ▼


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
<input type="checkbox"/>	BANANA - banana	2025-01-09

Warehouse Management > Intracompany Tax Reporting > Tax Document > Outgoing Tax Document

Outgoing Tax Document

Q Search

» 236 ▼




  ▼ 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

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

🔍

⚙️ ▾

📄 ▾

24 ▾

📅 ▾

✓		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			
	M297	100	M298	100	M300 100
2641					
	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 code3 – 15% & 0% deductible	100 x 10 = 1000	1000 x 15% = 150	150 x 0% = 0	150 x 100% = 150
---------------------------------	-----------------	------------------	--------------	------------------

Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	
		M297		200
		M298	200	
		M297		150
		M298	150	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M303	60	
		M300		100
		M299	200	
		M300		200
		M303	150	
		M300		150

2610				2699			
	M297	100		M298	100	M300	100
	M297	200		M298	200	M300	200
	M297	150		M298	150	M300	150
Acc XXXX				2641			
M303	60			M299	40		
M303	150			M299	200		

***Even though 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	Dr	Cr
	*** This is how it will work after handling the ND tax		
	M3	1060	
	M4		1060
	M4	60	
	M156		60

New weighted average applicable to the demand site = $(1060 + (200 \times 10))/20 = 153$
 Total amount to be posted = $153 \times 10 = 1530$

Demand Site	SHIPODSIT+ - Receive Shipment Order from a site in the same company		Dr	Cr
		M1	1530	
		M3		1530

T Accounting

1400			
		M1	1000
M3	1060		
M1	1530	M3	1530
	2590		2530

1405			
M4	1000		
		M4	1060
M4	60		
	1060		1060

*** Inventory value
 increased by 60
 (2590 – 2530)

	M156	60
--	------	----

Tax Document Postings

Supply Site	Outgoing TD		Dr	Cr
		M297		100
		M298	100	

Demand Site	Incoming TD		Dr	Cr
		M299	40	
		M300		40
		M304	60	
		M300		60

2610			
		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.

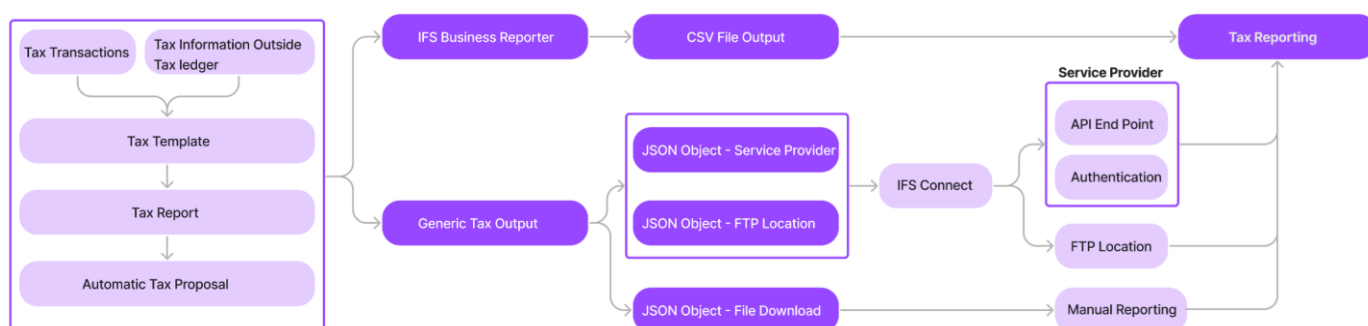
Return Form	Particulars	Frequency	Due Date
GSTR-1	Details of outward supplies of taxable goods and/or services effected	Monthly	10th of the next month
GSTR-2	Details of inward supplies of taxable goods and/or services effected claiming input tax credit.	Monthly	15th of the next month
GSTR-3	Monthly return 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.

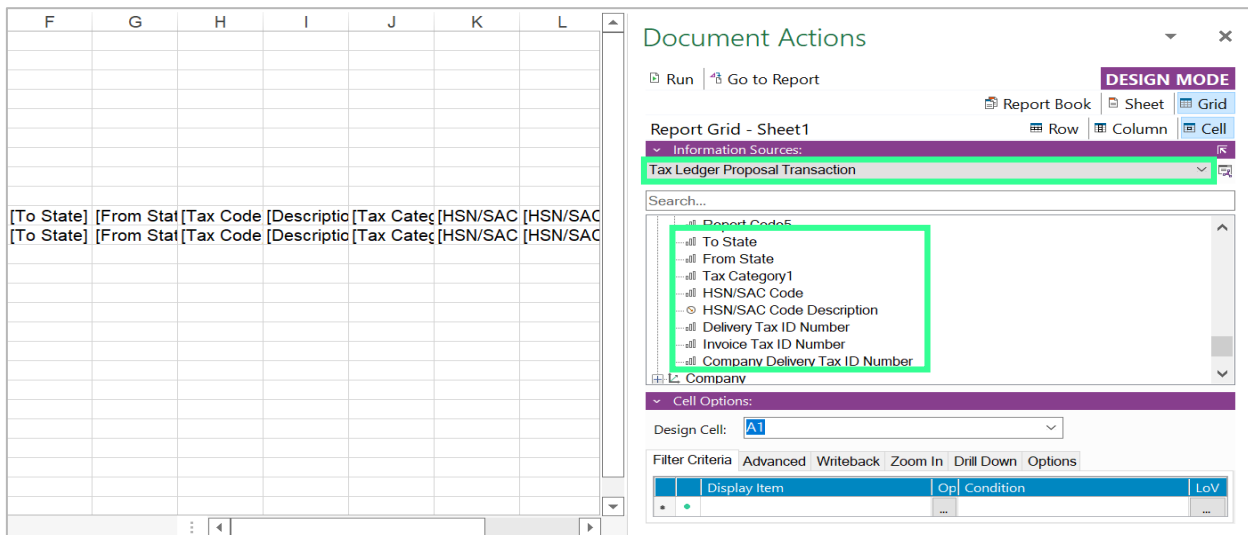
15.5 Create Tax Proposals

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.

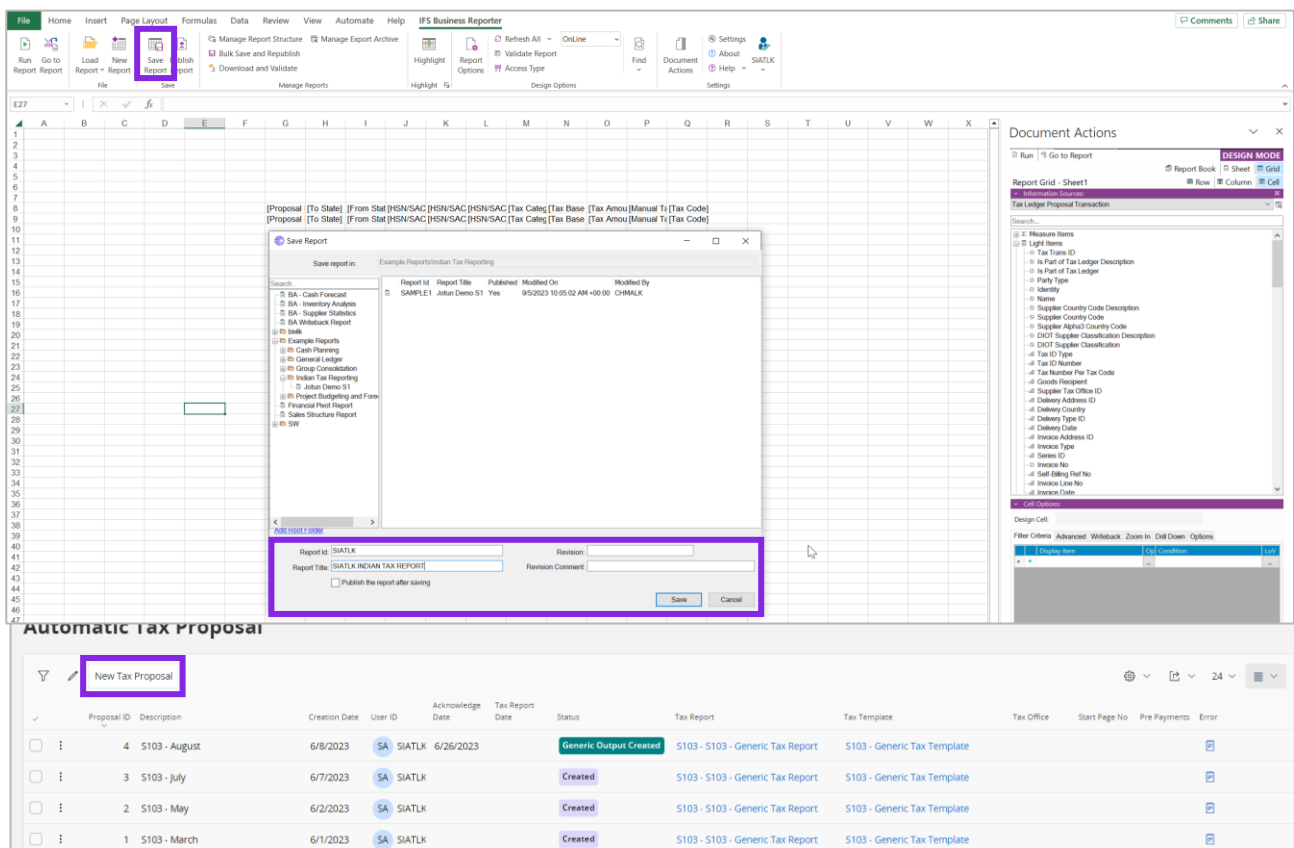
15.6 Design Reports

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

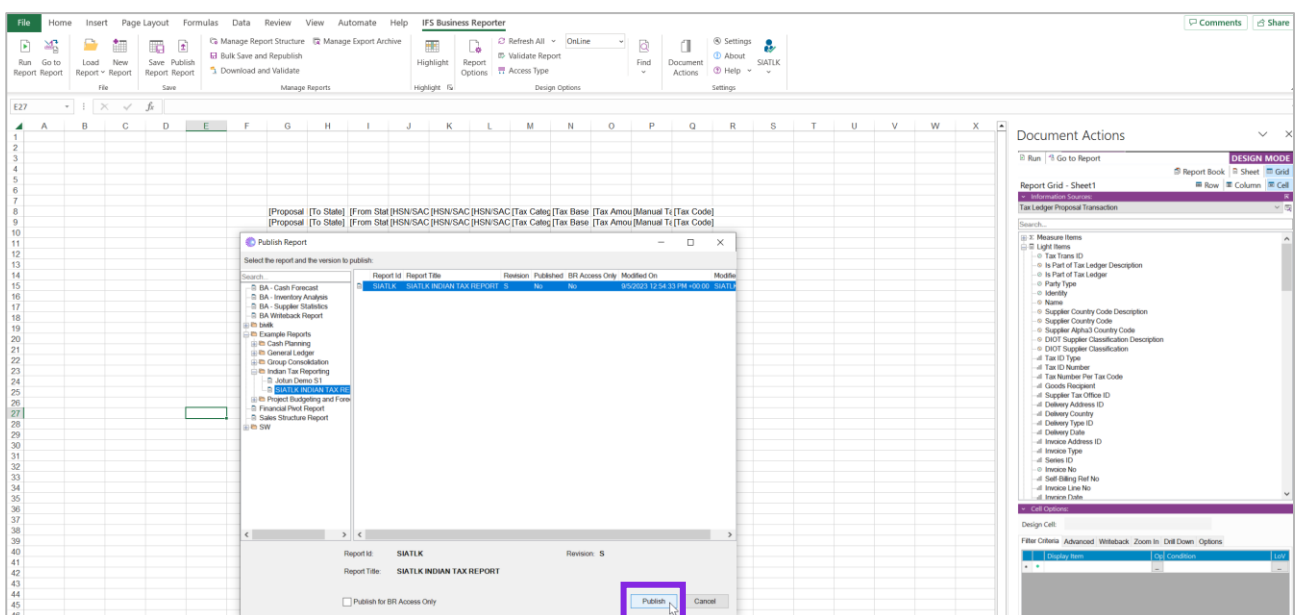
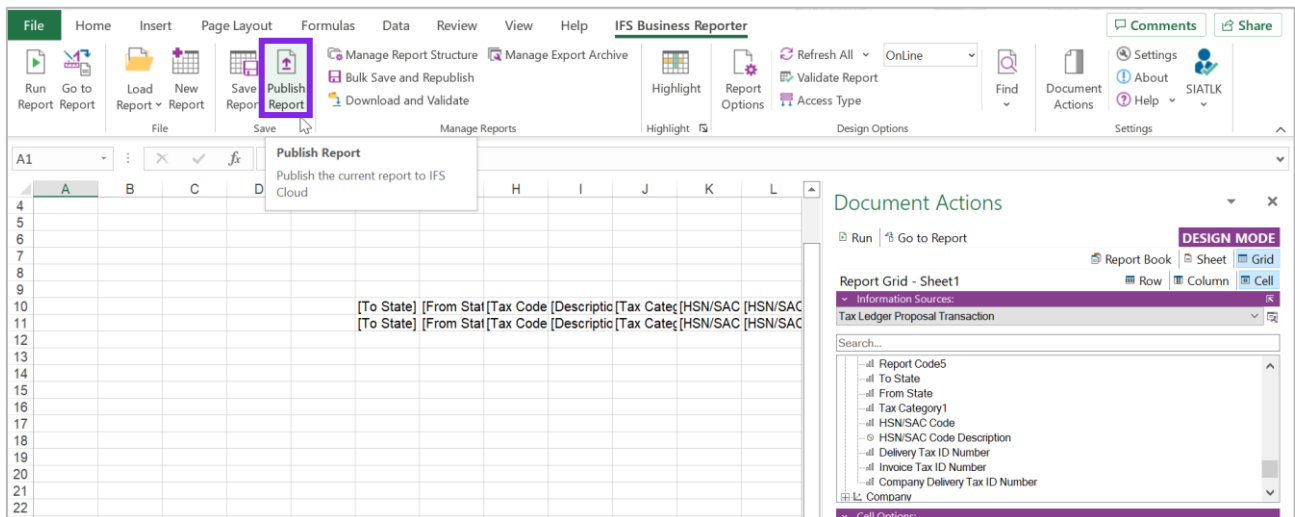
The user can save the designed reports for future reference in IFS Business Reporter.



Proposal ID	Description	Creation Date	User ID	Acknowledge Date	Tax Report	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.



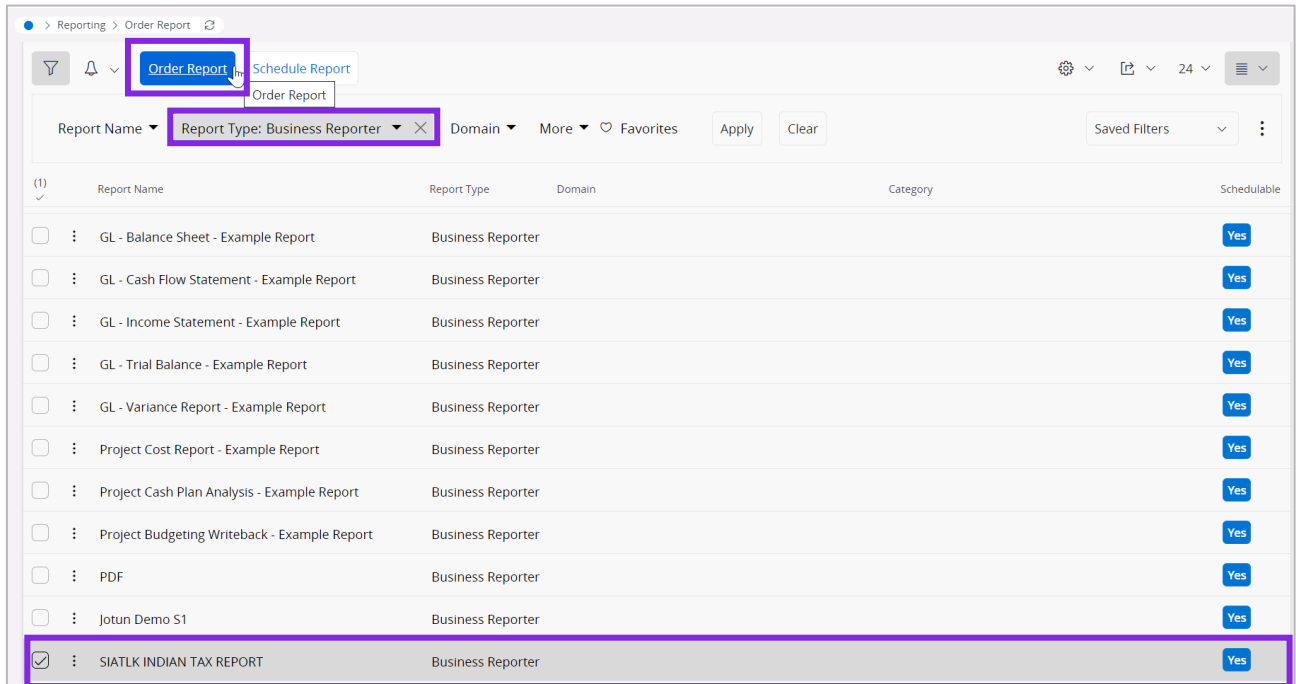
15.9 Order Report

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

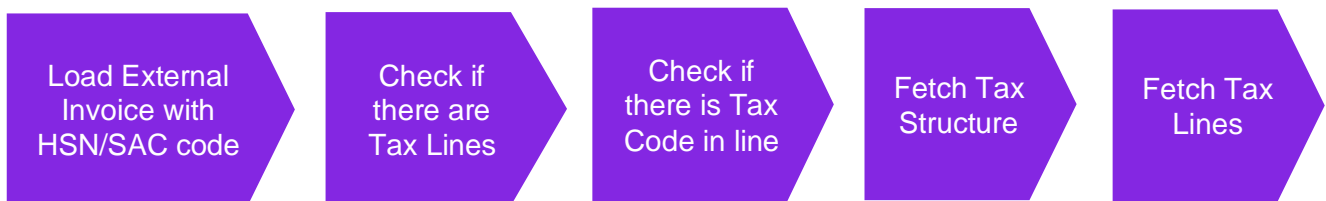
N/A

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.

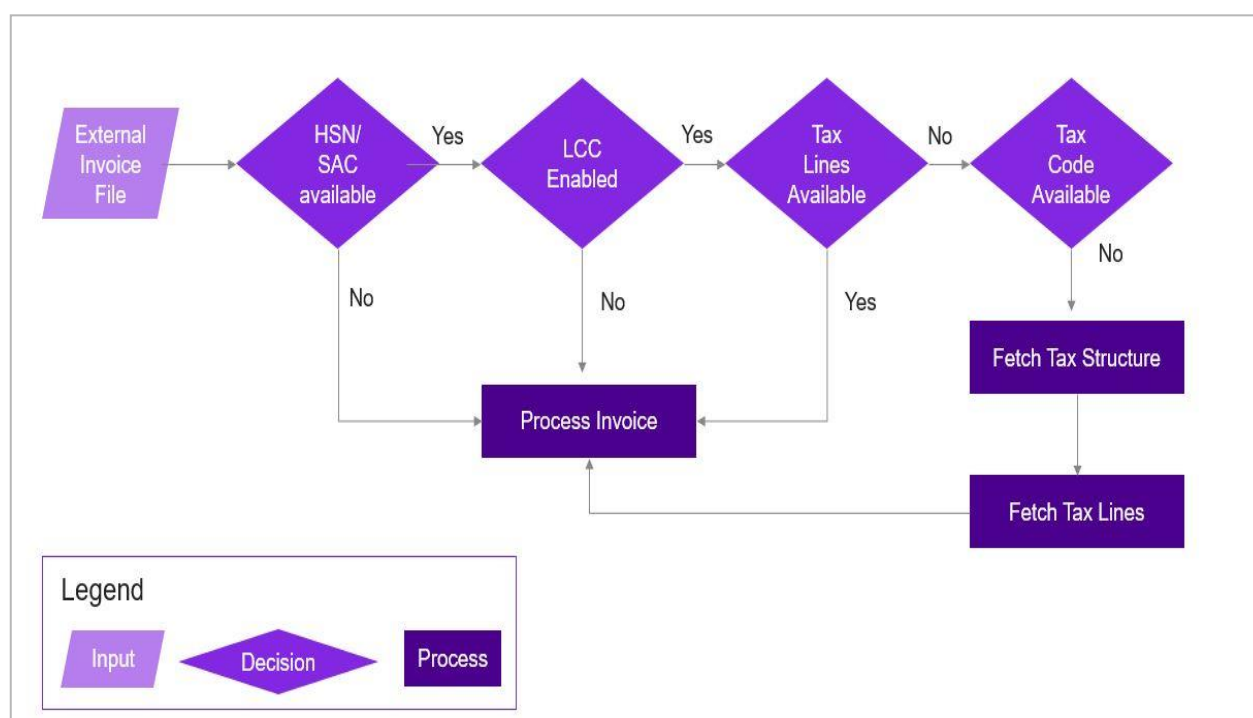
In Standard Template 1 (STDSIN1, STDCIN1) it is added at the line level which is record type I.

	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	NUMf	15	
:	I	NET_PARALLEL_AMOUNT	Net Parallel Amount	NUMf	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_1rechHSN.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;;;;;;;;;;

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;;;;;;;;;
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.

```

$STDSN1withoutTwthHSN.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

🔍
+
✎

✓	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

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▼

Load ID

Invoice No

Invoice Type

Supplier

394

Z1

SUPPEXT

NI

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

Filter
+
✎
🗑
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						
<div> Filter Edit Alert Validate Tax ID Number Voucher Details Modify Tax Transactions Include Tax Proposal Item Calculate Income Amount Settings Export </div>						
(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.

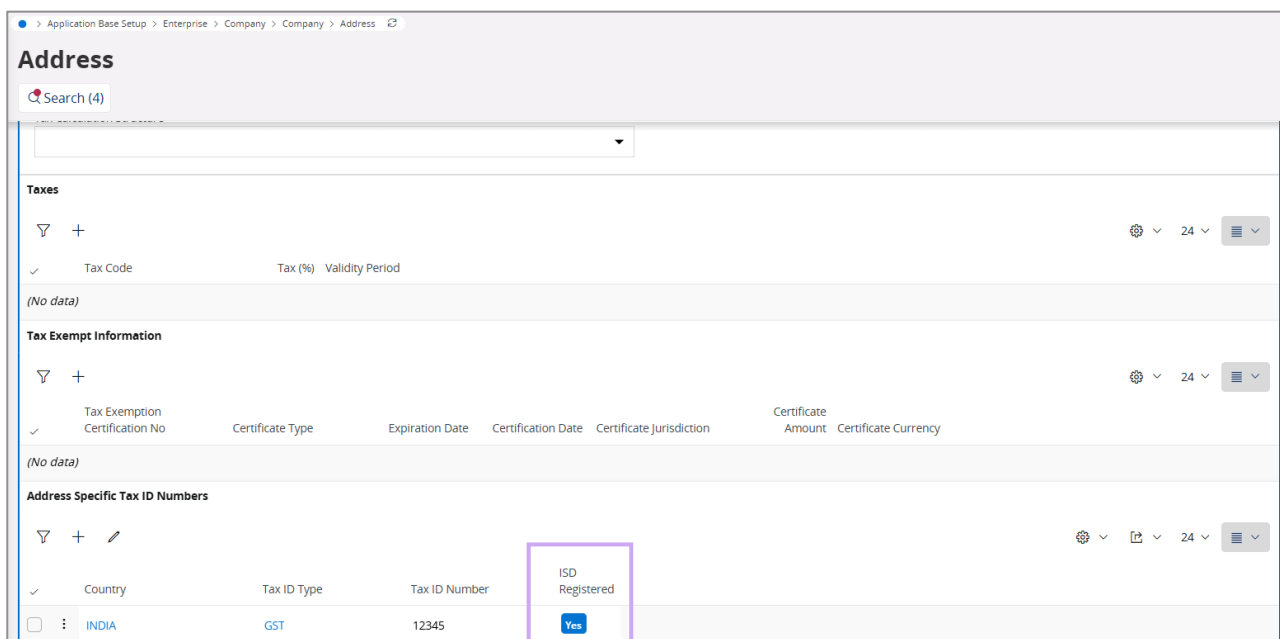
18.4 Prerequisites

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.



Address

Search (4)

Taxes

✓ Tax Code Tax (%) Validity Period

(No data)

Tax Exempt Information

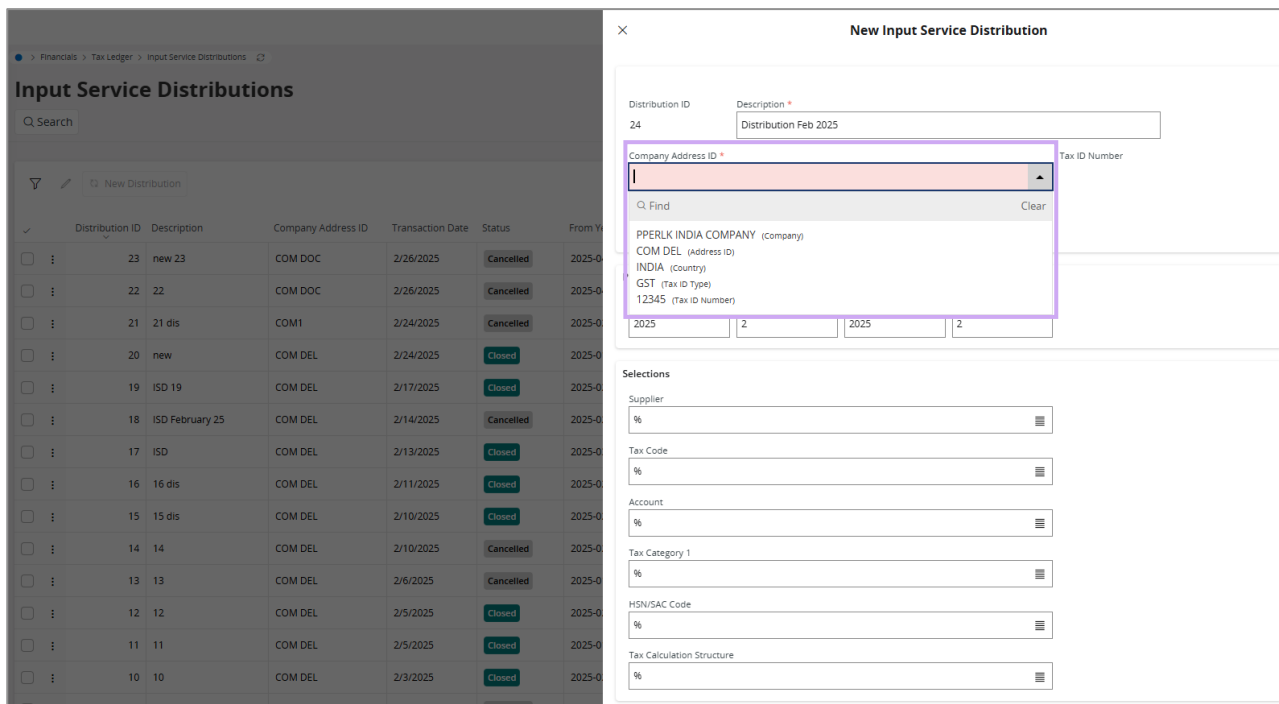
✓ Tax Exemption Certification No Certificate Type Expiration Date Certification Date Certificate Jurisdiction Certificate Amount Certificate Currency

(No data)

Address Specific Tax ID Numbers

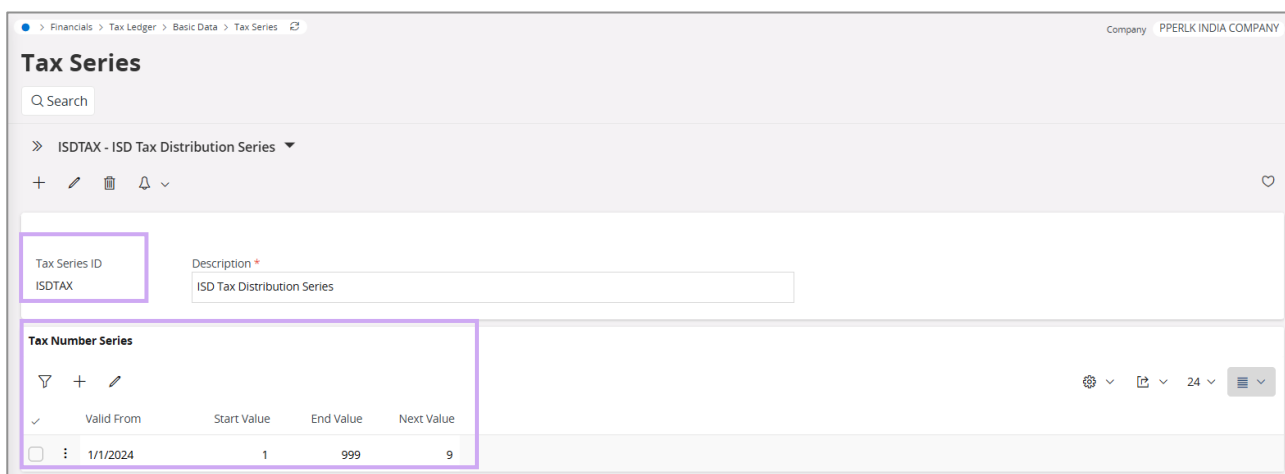
Country	Tax ID Type	Tax ID Number	ISD Registered
INDIA	GST	12345	Yes

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.



18.5.2 DEFINE DISTRIBUTION SERIES ID AND NUMBER

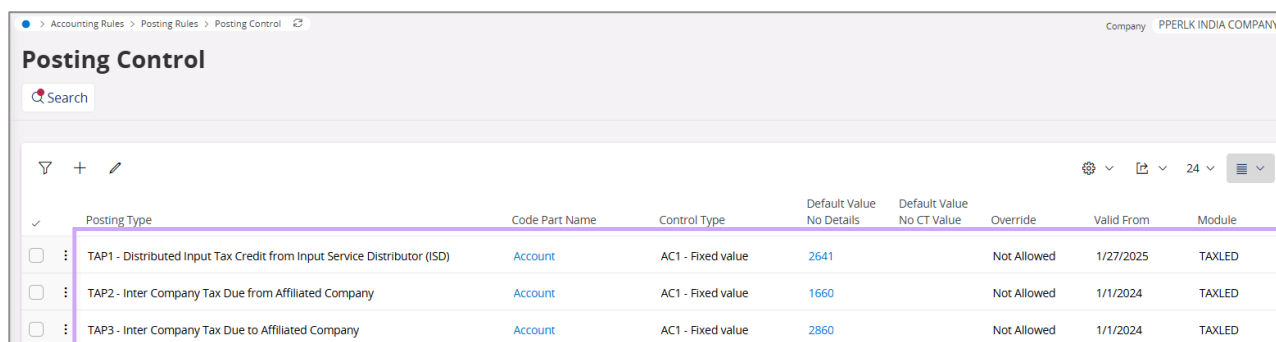
To ensure traceability, a unique number sequence must be maintained for ISD distributions. This sequence should be defined on the **Tax Ledger/Basic Data/Tax Series** page of the distributing company.



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.

Function Group Analysis

Q Search

Function Group	Automatic Allotment Required	Store Original Mandatory	Simulation 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

Voucher Type

Q Search Advanced

Voucher Type Description Ledger ID More Favorites Search

TA - Input Service Distribution

New Voucher Type Voucher Series Excluded From IL Translation

Voucher Type TA Description Input Service Distribution

Ledger Selection

Ledger Type GL, Affect IL Ledger ID * Balance Ma... Yes Use Manual Internal Methods No

Parameter Selection

Automatic Allotment Yes Single Function Group Yes Simulation Voucher No

Separate User Approval No Use Voucher Approval Workflow No

Function Group Information

Function Group	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

Voucher Series per Voucher Type

Q Search (1)

Sort by

TA Description: Input Service Distribution

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

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"/>	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

Q Search

New Distribution

	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Yr
<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

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	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

Company: PPERLK INDIA COMPANY

Input Service Distribution

Q Search

Details New Distribution Distribute

(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

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	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

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...	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

Created

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

Created

18 - ISD February 25

Company Address ID: COM DEL

From Year-Period: 2025-02

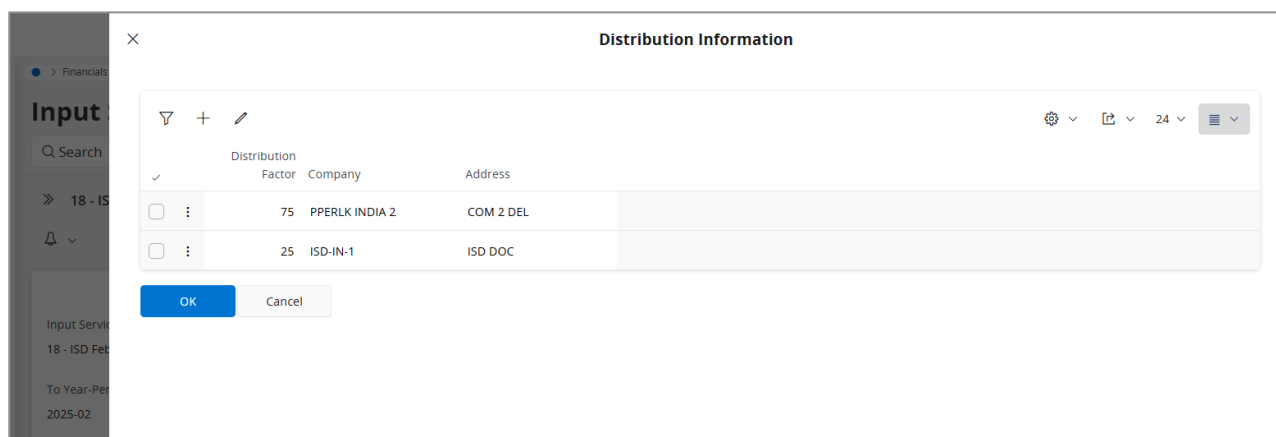
To Year-Period: 2025-02

DETAILS DISTRIBUTION

Distribute

✓	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.



	Distribution Factor	Company	Address
<input type="checkbox"/>	75	PPERLK INDIA 2	COM 2 DEL
<input type="checkbox"/>	25	ISD-IN-1	ISD DOC

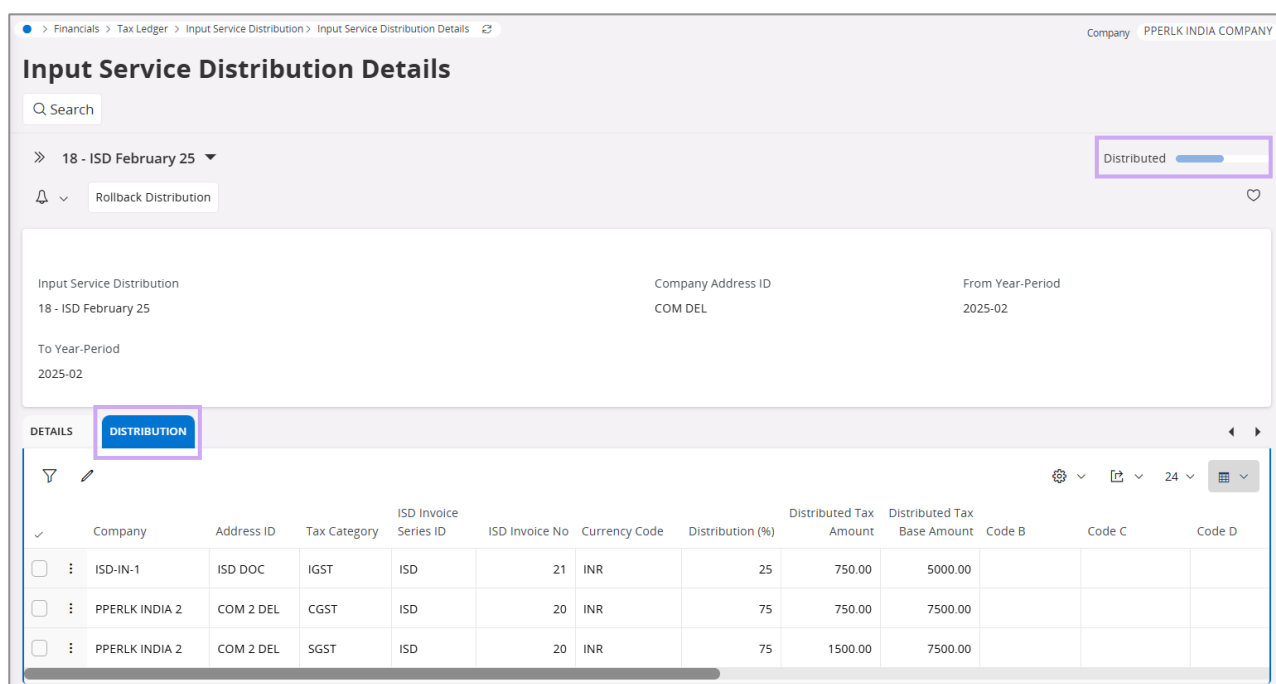
In this dialog, the user can specify the tax allocation percentage among branch companies for the selected tax transactions in the **Distribution Factor** column. Users can enter values ranging from 1 to 100, which must collectively sum to 100%, while negative values are not permitted.

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.



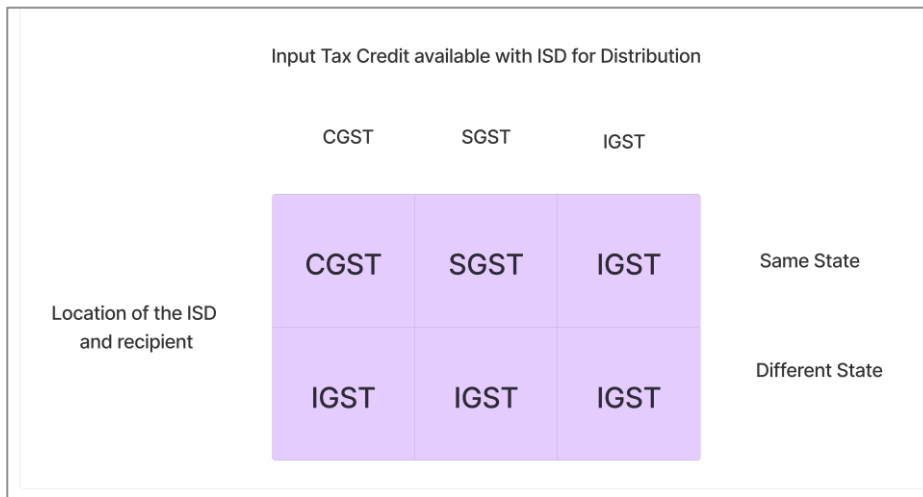
	Company	Address ID	Tax Category	ISD Invoice Series ID	ISD Invoice No	Currency Code	Distribution (%)	Distributed Tax Amount	Distributed Tax Base Amount	Code B	Code C	Code D
<input type="checkbox"/>	ISD-IN-1	ISD DOC	IGST	ISD	21	INR	25	750.00	5000.00			
<input type="checkbox"/>	PPERLK INDIA 2	COM 2 DEL	CGST	ISD	20	INR	75	750.00	7500.00			
<input type="checkbox"/>	PPERLK INDIA 2	COM 2 DEL	SGST	ISD	20	INR	75	1500.00	7500.00			

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

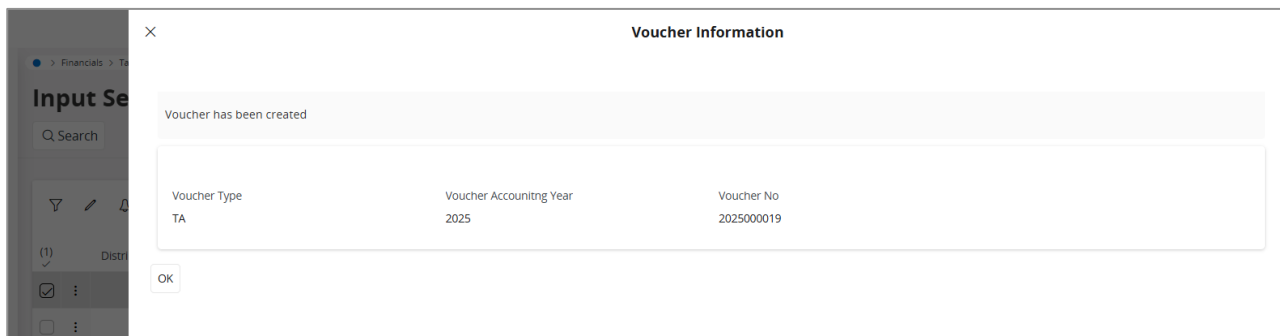
(1)	Distribution ID	Description	Company Address ID	Transaction Date	Status	From Year-Period	To Year-Period	Distribution Series ID	Distribution Series No	Voucher Type	Voucher Number
<input checked="" type="checkbox"/>	18	ISD February 25	COM DEL	2/14/2025	Acknowledged	2025-02	2025-02	ISDTAX			
<input type="checkbox"/>	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



Voucher Information

Voucher has been created

Voucher Type TA	Voucher Accounting Year 2025	Voucher No 2025000019
--------------------	---------------------------------	--------------------------

OK

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.

Financials > Tax Ledger > Input Service Distribution

Company PPERLK INDIA COMPANY

Input Service Distribution

Q Search

New Distribution

24

	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.

Financials > Tax Ledger > Tax Transactions

Company: PPERLK INDIA COMPANY

Search

Calculate Income Amount

✓	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.

Financials > Tax Ledger > Tax Transactions

Company: PPERLK INDIA COMPANY

Search

Calculate Income Amount

✓	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 Amount in Parallel Currency
<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.

Financials > Tax Ledger > Tax Transactions

Company: pperlk-2

Search

Calculate Income Amount

✓	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 Amount in Parallel Currency
<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