

## Creating a new Tax Type: Partner

There comes a time when you might need to add a new tax type to your accounting program. This can be due to tax rate changes

There are quite a few steps involved to ensure the new tax type is applied to all the processing functions where this vat (tax) is applied



Please make a backup before proceeding with the steps below


### Changing the tax type

If the new tax rate applies to more than one tax type, you will need to ensure that the tax percentage is changed in the Tax % column. Should it be greyed out, you will need to create each one again.

- Select Setup > Tax > General settings
- Select the **Percentages Tab**, scroll down until you get the first un - used line

Setup Tax General Settings - Sole Access Mode					
Parameters		Percentages	Multiple Tax	Box Names	Box Layout
No	Description	Tax %	Start	End	
9	Export 2nd hd goods	14.00	06/04/1993	31/12/2020	
10	Change in use	14.00	06/04/1993	31/12/2020	
11	Zero rate exports	0.00	01/09/1991	31/12/2020	
12	Goods/Serv imported	100.00	01/09/1991	31/12/2020	
13	Capital imports	100.00	01/09/1991	31/12/2020	
14		0.00	01/01/1980	31/12/2020	
15		0.00	01/01/1980	31/12/2020	

- Insert a description for the new tax type
- Insert the tax %
- Make sure the start date is the first date it should come into effect. The end date you can set far into the future as possible
- Click on **OK** to save the changes, you will receive the following message

 You have made changes to the Tax Box layout. The Tax Boxes will now be recalculated.

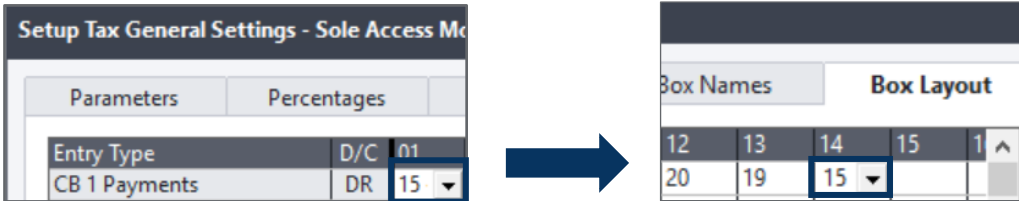
This will take a few seconds.

Click OK to proceed with the recalculation, or Cancel to return to the Setup Tax screen.

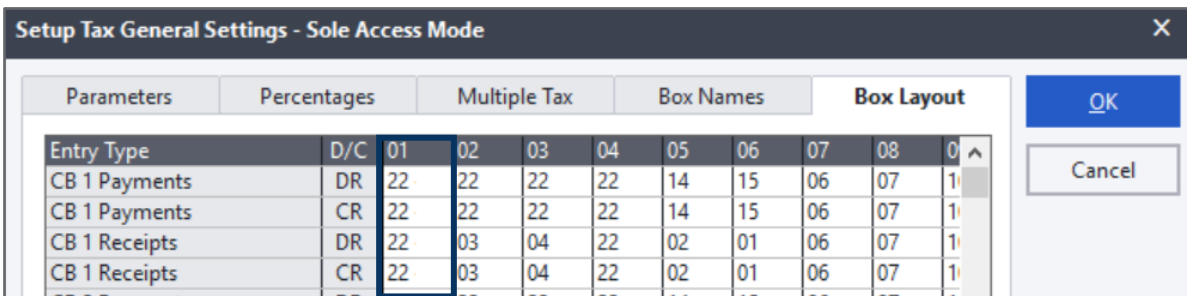


- Change the end date on the current tax type to one month after the effected date, this is to use should you need to process Credit Notes for Invoices updated on the old tax type.
- If you use recurring batches in Journals, Cash Books or Customers Invoices, you will need to change the tax types on those batches.

- Select Setup > Tax > General settings > Box Layout
- Move to the column that corresponds to the tax type you have created. Look at what has been setup in column 1 and apply the same changes to the next tax type  
Example: column 01, shows 15, go to the new tax type column and change it also to 15



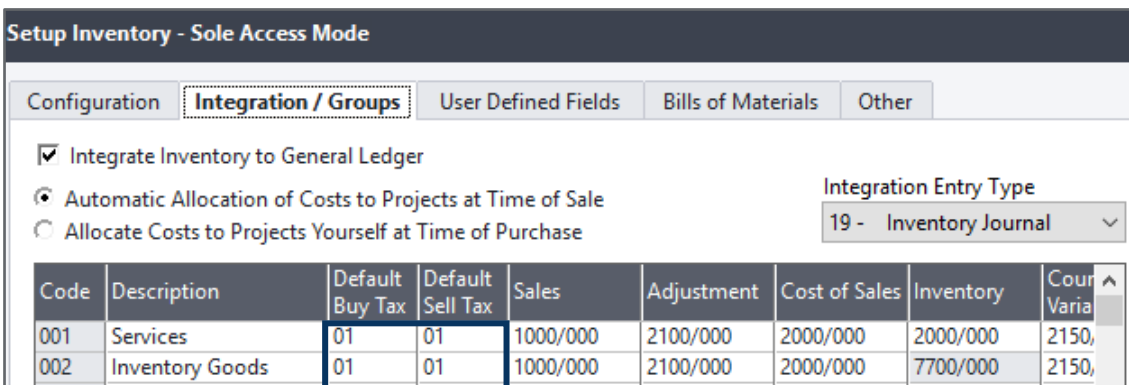
- Go back to column 01 and change everything to 22 for all the Entry Types



- Select **OK** to apply the changes

## Changing the tax type

- Default tax type for new inventory items. Select Setup > Inventory > Integration / Groups  
Insert the number used when the new tax type was created, example 14



- Default tax type for customer processing. Select Setup > Customer > Control > Configuration
- Default tax type for supplier processing. Select Setup > Supplier > Control > Configuration

Tax on Document Lines	
<input type="radio"/>	Print Tax Percentage
<input checked="" type="radio"/>	Print Tax Amount
<input type="radio"/>	No Tax Printing
Default Tax Type for Financial Lines	
01 - Vat - Standard rated (14.00%) ▼	

## Tax Type Adjustment

This assistant will help you to override tax types for many types of Masterfile records. When the tax rates change this assistant will assist you in overriding the default tax types that have been set up.

Example all your Customer were created to have 00 – Tax Type but should be 01 – Standard Rated VAT, this assistant will help you to change a selection all at once.



**Feature is not available in Sage Pastel Xpress and only Supervisors can access this**

### Steps

- Select Edit > Tax Type Adjustment
- Select Next
- Select the Masterfile you would like to change the tax type for, once your selection has been made, select the accounts that needs to be affected by this change
- Select Next, on this screen you need to select the **Old Tax Type**, **New Tax Type** that needs to be used
- Select Next to proceed, confirm the changes you are about to make
- Select Process to complete the changes



**You will only be allowed to do one Masterfile at a time**