
Sales Tax Reduced by Discounts in Cash Receipts

AR-1138

Overview

This Extended Solution to the Accounts Receivable module adds a new Discounts Allowed field to the Sales Tax Detail file. During the Cash Receipts update process, if a terms discount is allowed on an invoice, the reduction of the tax will be posted to the Discounts Allowed field in the Sales Tax Detail file. The Sales Tax Report now includes a column for 'Tax Reduction of Discounts Allowed.'

Installation

Before installing this Extended Solution, please verify that the version level(s) printed on the CD label are the same as the version level(s) of the MAS 90 MAS 200 module(s) you are using. For further information, please see the Upgrades and Compatibility section below. Check your Shipping Manifest for a complete list of Extended Solutions shipped.

For detailed installation instructions, please refer to the Sage website at:

http://support.sagesoftwareonline.com/mas/extended_solutions/main.cfm

Installing Your Extended Solutions under Windows From a CD

If you have the *autorun* function turned on for your PC, the installation program will start up automatically. If not, find the **autorun.exe** file on your CD-ROM drive and double-click it to start the installation program. Follow the on-screen instructions.

From the Sage FTP site

When your Extended Solution is ready to be downloaded, you will receive an email from 'extendedsolutions.na@sage.com' telling you that it is ready. The email will contain the Customer Name, Cross Reference, a case-sensitive Password, a link via which you can download your Extended Solution, instructions and a Shipping Manifest. If you have any problems with this order, please email extendedsolutions.na@sage.com and we will assist you during normal business hours.

Extended Solutions Control Center

Installing any Extended Solution will add an Extended Solutions Control Center to the MAS 90 MAS 200 Library Master Utilities menu. When you open the Control Center, the following options will be available:

- Extended Solutions Manuals
- Remove Extended Solutions
- Unlock Extended Solutions
- Merge Installation Files
- Extended Solutions Setup options

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Setup

Once the disk is installed, you will need to access the Accounts Receivable Setup menu option screen. After the option screens have been displayed, a Setup screen for this Extended Solution will appear. Check the 'Enable Extended Solution' box to activate this Extended Solution (Figure 1).

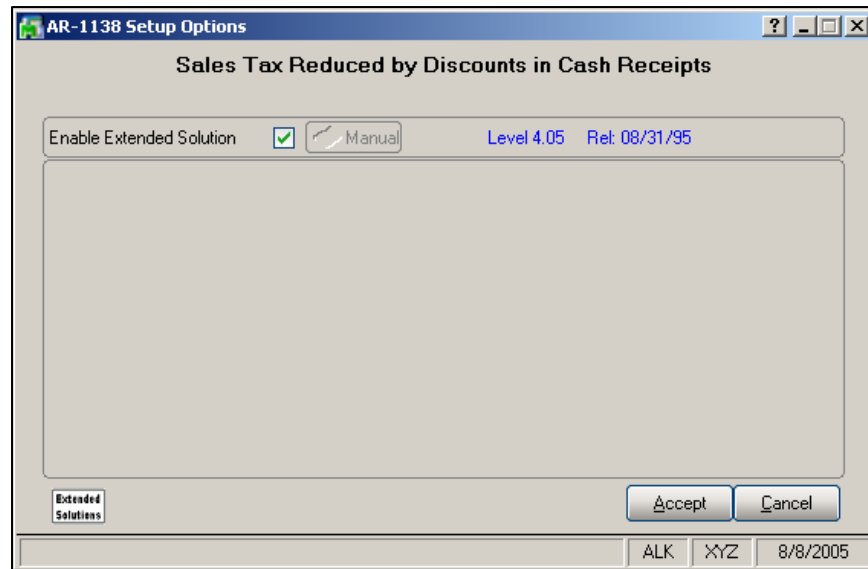


Figure 1

You should visit this Setup screen after each upgrade or reinstallation of this Extended Solution.

Operation

During the Cash Receipts update process, if a terms discount is allowed on an invoice, the reduction of the tax will be posted to the Discounts Allowed field in the Sales Tax Detail file. A new detail record is created with all numerics, except the Tax Reduction For Discounts Allowed field, set to zero, as long as the Cash Receipt Date does not equal the Invoice Date. This record will use the Cash Receipt Date as the Transaction Date and the Invoice Number, Customer Number, etc., from the invoice. The tax reduction is calculated as follows:

current tax rate * discount amount * {taxable inv. amount / (taxable and non-tax. inv. amts)}

Note: current tax rate = taxable amt/(taxable sales+taxable freight)

The Sales Tax Report now includes a column for 'Tax Reduction of Discounts Allowed.' This new column prints on each Invoice selected to print on the report. The new column totals and subtotals in the same manner as the other numeric columns on the standard report (Figure 2).

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EDWARDSON ELECTRIC COMPANY											PAGE: 1
SYS DATE: 11/01/94											AS OF 05/17/95
TIME: 08:53 AM											
FOR STATE: WA WASHINGTON STATE SALES TAX											
+-TAX CODE--	LOCAL	DESCRIPTION	TAX RATE	SALES AMOUNT	TAXABLE SALES	NON-TAXABLE SALES	TAXABLE FREIGHT	NON-TAXABLE FREIGHT	TAXABLE AMOUNT	CALCULATED SALES TAX	TAX REDUCTION FOR DISCOUNT
STATE:		WASHINGTON STATE SAL	8.100%								
	11/01/94	0000388-IN		.00	.00	.00	.00	.00	.00	.00	.41
	11/05/94	0000436-IN		.00	.00	.00	.00	.00	.00	.00	.49
	05/17/95	0000429-IN		.00	.00	.00	.00	.00	.00	.00	1.78
		0000433-IN		.00	.00	.00	.00	.00	.00	.00	2.11
		05/17/95 TOTALS:	8.100%	.00	.00	.00	.00	.00	.00	.00	3.89
		STATE WA TOTALS:	8.100%	.00	.00	.00	.00	.00	.00	.00	4.79
KNG		KING COUNTY	.500%								
	05/17/95	0000429-IN		.00	.00	.00	.00	.00	.00	.00	.11
		0000433-IN		.00	.00	.00	.00	.00	.00	.00	.13
		05/17/95 TOTALS:	.500%	.00	.00	.00	.00	.00	.00	.00	.24
		COUNTY KNG TOTALS:	.500%	.00	.00	.00	.00	.00	.00	.00	.24
KNG	SEA	KING COUNTY	.500%								
	05/17/95	0000429-IN		.00	.00	.00	.00	.00	.00	.00	.11
		0000433-IN		.00	.00	.00	.00	.00	.00	.00	.13
		05/17/95 TOTALS:	.500%	.00	.00	.00	.00	.00	.00	.00	.24
		LOCAL SEA TOTALS:	.500%	.00	.00	.00	.00	.00	.00	.00	.24
TOTAL CALCULATED SALES TAX:										.00	
SALES TAX INVOICED:										.00	
SALES TAX VARIANCE:										.00	
SALES TAX COLLECTED:										55.06	
TAX REDUCTION FOR DISCOUNTS:										5.27	=====

Figure 2

Helpful Hints

- No General Ledger entries are made as a result of this Extended Solution.
- No changes have been made to the Cash Receipts journal, except as described in this manual.
- In order to print invoice detail, the Accounts Receivable Option 'Sales Tax Reporting' must be set to 'Detail.'

Report Master /Visual Integrator

The files listed below have been added or changed in the Data Dictionary by this Extended Solution for Visual Integrator purposes.

File: AR.STAXDTL Field: TAX_REDUCTION

The Data Dictionary may contain other files and data fields that are not available without their corresponding Sage Software Extended Solutions installed.

Note: The Report Master module is not supported in MAS 200 SQL.

Extended Solutions

Crystal Reports

The files listed below have been added or changed in the Crystal Dictionaries by this Extended Solution for Crystal Reports purposes.

<i>File:</i>	<i>Description</i>	<i>Field:</i>
ARV	Sales Tax Detail	TaxReduction

Be aware that the Crystal Dictionaries may contain other files and data fields that will be unavailable without their corresponding Extended Solutions installed.

Upgrades and Compatibility

The installation CD is labeled with the version of the MAS 90 MAS 200 module for which this Extended Solution was prepared. This Extended Solution will check its compatibility with the appropriate MAS 90 MAS 200 modules and will be disabled if an incompatibility is found. If you upgrade your MAS 90 MAS 200 modules, this Extended Solution must be upgraded as well. Your MAS 90 MAS 200 dealer can supply this upgrade.

Documentation

Only changes made to the standard operation of MAS 90 MAS 200 have been documented in this manual. Operations not documented in this manual are standard procedures of MAS 90 MAS 200 processing. Standard MAS 90 MAS 200 processes, data entry screens, inquiry screens, reports, updates, etc., have not been changed unless addressed in this document.

Parts of this document may refer to the *Specific Purpose Rule*. When referenced, the described feature was developed for a specific client to its specifications and may not conform to generally accepted MAS 90 MAS 200 standards and procedures. These features may or may not benefit you in your application of MAS 90 MAS 200.

Acknowledgments

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