



DDMS[®]/DDMSPLUS[®]: Setting Up Address Taxability

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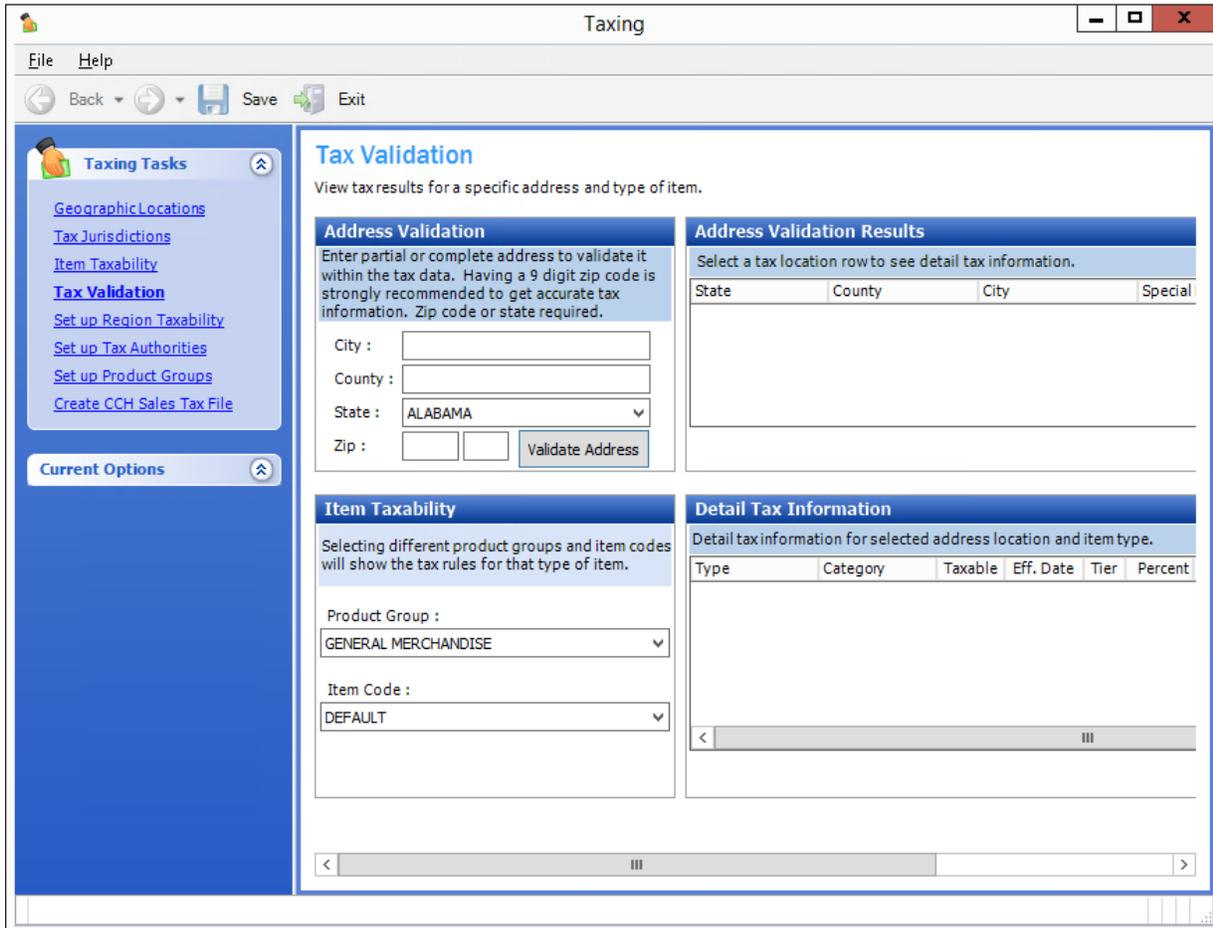


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About Address Taxability

Address Taxability allows you to have a tax table on your server so you can update tax tables on a regular basis. This provides you with the flexibility of maintaining tax information for customers nationwide. Tax rates are not only different from state to state or city to city, rates may differ within a zip code or city limits.



Address Taxability allows you to set up individual items so that they can be taxed correctly, for example, some items may be only taxable in a specific jurisdiction. You can easily set up taxability by state. State, county, city, and other taxes can now be recorded separately. If a state tax changes, one field is populated for the change.

Previously, if you needed to change a tax district, you lost all the previous information. With Address Taxability, you can change the tax district or percentages and the system retains all the history.

With Address Taxability, item taxability is no longer tied to the general ledger department or item SIC code.

Before using Address Taxability, you must decide if you are going to enter the tax information manually or purchase tax files from CCH. Both applications must be authorized in the system before you can use them. First, you must authorize Address Taxability then if you plan to use CCH tax files, you must also be authorized for CCH.

Note: CCH assigns a geographical code (Geocode) to each tax table. Address Taxability applies this same logic to provide you with the flexibility of using CCH tax tables or creating your own through Address Taxability.

Once you've made this decision, there are certain steps you must follow to set up. Some of the steps are different depending on whether you are using the CCH tax files. This handout outlines the steps for both methods. Make sure you refer to the proper headings to set up.

In Order Entry, taxing uses the following hierarchy:

- Zip code.
- Zip code with two different cities.
- Uses first finds. For example, if you have a city that is in two different counties, if you don't have the taxing set up correctly, the system taxes on the first find which might be the wrong county.
- Matches on city and state.
- If multiple cities, matches on the first city found.

These checks are performed in the background. To verify, you must check the tax total in the Order Entry Order Totals tab.

Fields have been added to Report Writer in P-TAX, P-GLOBAL, I-MASTER, and V-ALIAS to enhance your reporting capabilities. This information is also supplied to SQL Reporting. The Sales Tax (Address Taxability) report allows you to view tax totals by state, county, city, and order number. There's also a CCH Tax report in the (UR) Sales Reports screen. Other files include:

- T-AUTH: A list of taxing authorities.
- T-CODE: A list of various codes used by the software, for example state codes.
- T-ITEM: A list of product groups and item codes.
- T-LOG: A log file of what was updated in the monthly CCH tax file import.

Note: Before you can run reports, you must import your data into SQL. See **Importing Data into SQL**.

This handout is intended to help you set up and get started with Address Taxability. As always, if you need more information, refer to your online help.

Setting Up Address Taxability

To use this feature, there are several steps to complete. Some steps are only performed if you purchased tax files from CCH.

1. To use the Address Taxability feature, you must be authorized. (There's no cost associated with authorization.) See the heading **Authorizing Taxing**.
2. To use CCH taxing files with Address Taxability, you must be authorized for CCH Tax Import. See the heading **Authorizing Taxing**.
3. Schedule a date to go live on Address Taxability.
4. **Optional:** Subscribe to CCH taxing so that you have access to the current tax files. Contact ECI to discuss purchase.



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Note: We recommend that you only purchase taxes for the states with which you do business. Also, you can purchase the ability to tax by item from CCH.

5. **Optional:** Download your tax files from CCH monthly and run the conversion. See the heading **Downloading and Converting Your CCH Tax File**.
 6. **Optional:** Purchase the CCH Online Tax Return service. This is an optional service that you can purchase from CCH to file online tax returns. If you purchase this service from CCH, you must purchase the Create CCH Sales Tax File service from ECI. For more information on creating the CCH sales tax file, see the heading **Creating the CCH Sales Tax File**.
 7. Set the Address Taxability parameters. See **Setting Up Address Taxability Parameters**. Do not check the Activate Address Taxability box in the Address Taxability Parameters window at this time.
 8. Set up geographic locations. You can set up geographic locations and/or clean up the locations, as needed. See the heading **Setting Up Geographic Locations**.
 9. **Optional:** If you don't purchase tax files from CCH, you can run the ;SPC:ADDR program to help with set up. See the heading **Running the ;SPC:ADDR Program**.
-

Note: Using the ;SPC:ADDR program only creates zip codes for taxable customers. If you have customers in your database set up as non-taxable, you must manually set up those zip codes. If you enter an order for an existing non-taxable customer and change the order to taxable, the order may not be taxed upon completion.

10. You must set up a tax authority for each state. See **Setting Up Tax Authorities**.
 11. You can set up the regions for which you collect sales tax. See **Setting Up Region Taxability**.
 12. You can add state tax percent. See **Setting Up Tax Jurisdictions**.
 13. You can view and modify product groups. See **Setting Up Product Groups**.
 14. You can view or modify item taxability information for specific tax location, type, and category. See the heading **Setting Up Item Taxability**.
 15. You can view the total tax percent for a specific address and product group. See the heading **Viewing Tax Validation**.
 16. Mass changes may be needed in your Item database if you have any items that require special taxing rules. Mass changes are performed in the (+W) screen. You set up two boxes in the Item Settings tab: Product Group and Item Code. (If you are not authorized for Address Taxability, you cannot see these boxes.) These boxes default to general merchandise. The item information from the Product Group and Item Code boxes has been added to I-MASTER. You can purchase the ability to tax by item from CCH. If you do this, go to the Item Settings tab and set up each item's product group and item code. If you don't purchase taxing by item, you can go to the Item Taxability window and set product groups and item codes. See the heading **Setting Up Items**.
-

Note: The Product Group and Item Code information is available throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

17. With Address Taxability, you may need to check the Taxable box in the Customer Order Entry tab or set up a customer to use tax districts. You may also need to set up the ED box in the Customer Shipto/Attention tab. See the heading **Setting Up a Customer**.
18. There are parameters you must set to ensure credit invoices are properly handled. See the heading **Setting Up Parameters**.
19. For testing purposes, activate Address Taxability. To do so, you must click the Activate Address Taxability box in the Address Taxability Parameters window. See **Setting Up Address Taxability Parameters**.
20. Next, create some test orders using Address Taxability. After you test, delete the test orders.
21. Go back to the Address Taxability Parameters window and clear the Activate Address Taxability box until you are ready to go live.
22. When ready to go live, go to the Address Taxability Parameters window and click the Activate Address Taxability box.
23. Before you can run reports, you must import your data into SQL. See **Importing Data into SQL**.
24. After going live, changes may need to be made to your month-end procs. If you print a standard sales tax report as part of your month-end procedures and activate Address Taxability, your sales tax report do not print due to new prompts that have been added. Adjust your month-end procs to these new prompts. Also, any open orders are taxed according to the old rules (using tax districts).

Authorizing Taxing

To use the Address Taxability feature, you must be authorized. (There's no cost associated with this authorization.)

To use CCH taxing files with Address Taxability, you must be authorized for CCH Tax Import. (CCH tax files must be purchased. For more information, contact ECI Sales.)

Note: There are certain windows in Address Taxability that are automatically populated if you purchase CCH tax files. The Geographic Locations, Tax Authorities, and Tax Jurisdiction windows are automatically populated. If you purchased tax files from CCH or ran the ;SPC:ADDR program, Tax Authorities for your states have already been created.

Authorization is not valid until TBL Utilities is restarted. (This does not apply to DDMSPLUS®.)

For more information, contact ECI Sales.

Downloading and Converting Your CCH TaxFile (Optional)

You can import your tax table files from CCH on a monthly basis. When you purchase tax files from CCH for the first time, you receive a download utility program. When using the program for the first time, you set up a profile specifying which information you need to download. For example, we recommend that you only download taxes for the states for which you do business.

Download the files from CCH to your desktop or wherever you prefer.

- If you are on the DDMS® system, once the files have downloaded, navigate to the Data folder. Then, copy and paste all the CCH files from the Data folder to your DDMS [SR] directory (folder).

- On the DDMSPLUS system, the files are stored differently depending on whether you are Level 2 or Level 3. For Level 3 dealers, navigate to the Hosted Organization File Server, and then go to the DDMSPLUS\Documents folder. For Level 2 dealers, open File Explorer on the DDMSPLUS server and navigate to the DDMSPLUS\Documents folder. Then copy all of the downloaded CCH files to DDMSPLUS\Documents folder prior to running the conversion steps.

After you have run the CCH download utility program following the instructions provided by CCH, you must run the conversion program in the text-based (M) Operational Procedures screen.

When you download the CCH tax files, the tax tables have geographical codes (geocodes) assigned.

Before running the conversion program in the (M) screen, you must go to TBL Server and Stop Utilities. To do this, open TBL Server. Click Utilities then click Stop. After converting the files, go back to TBL Server and restart Utilities. (This does not apply to DDMSPLUS.)

After you've imported your CCH tax files, you can view a log file to see what updated. To do this, in the Address Taxability window, click File then View Tax Import Log File (T-LOG).

Note: You must be authorized for CCH Tax Import to perform this download.

1. Go to the text-based (M) screen.
2. Select the [M] CCH Tax File Import function.
3. The Start Conversion prompt appears. Type Y.
4. The Conversion Finished message appears at the bottom of the screen.

Creating the CCH Sales Tax File (Optional)

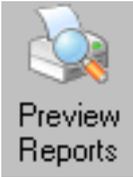
If you are using the CCH Online Tax Return feature from CCH, you can quickly and easily create a sales tax file to electronically submit to CCH.

Note: To use this feature, you must be authorized by ECI and CCH. Contact ECI Sales for more information.

To use this feature, you must first add the CCH Sales Tax report to the Sales group in the SQL Reports window. You only have to do this the first time you use the program. Subsequently, the report is already in the Sales group and you only have to create the Sales Tax File.

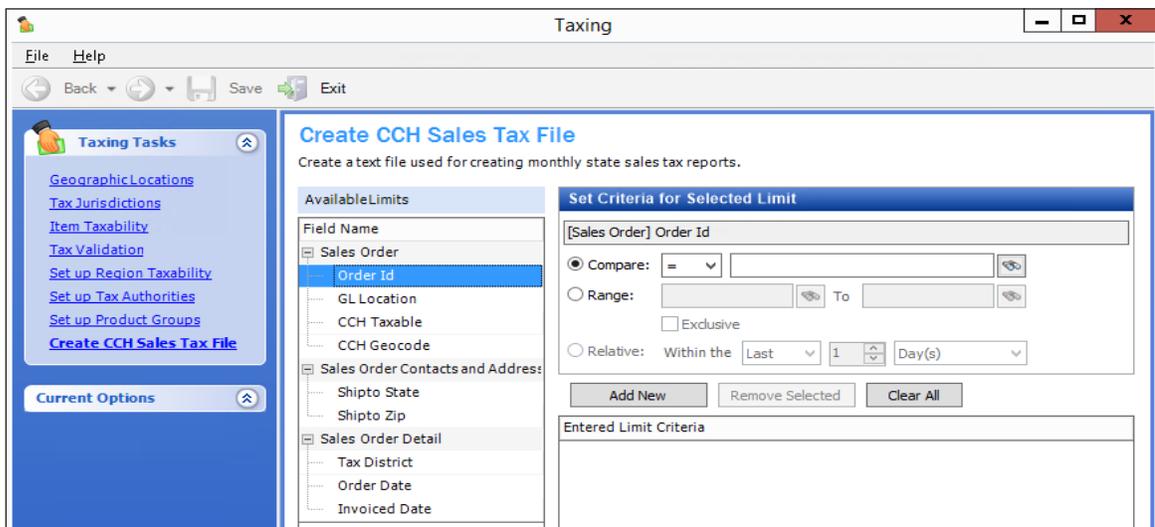
1. Add the CCH Sales Tax Report. (This is necessary only the first time you use this program.)

- 1.1 From the Master Menu, double-click  Reports Menu.

- 1.2 In the Reports Menu, double-click  Preview Reports.

- 1.3 In the Reports window, click Set Up Reports.
- 1.4 In the Reports List, click Sales to highlight it.

- 1.5 Right-click Sales then select Add Report.
- 1.6 In the Select Desired Component 1 Report Definition File dialog box, navigate to the DDMS/Reporting/ECI2 folder. Double-click the SalesOrderReports.xml file to open.
- 1.7 In the Select Report From XML Document dialog box, click CCH Sales Tax then click Continue.
- 1.8 The CCH Sales Tax Report should now appear in the Sales group in the Report List window.
2. Now you can create the Sales Tax File.
 - 2.1 From the Master Menu, click Databases then select Address Taxability.
 - 2.2 In the Taxing window, click Create CCH Sales Tax File.
 - 2.3 The Create CCH Sales Tax File window opens, as shown below. You can set limits for the file as you normally would. For example, you might set limits to create a sales tax file by state.



- 2.4 After setting limits, you are ready to create the file.
 - To see the text file before sending, click Show Created Text File.
 - To create the file, click Create.
- 2.5 Select the folder in which to save the file and change the file name, if needed. Click Save.
- 2.6 You can send the text file to CCH electronically.

Setting Up Address Taxability Parameters

You must be authorized to use Address Taxability. You use the Address Taxability Parameters window to set up product group and item codes for system-generated uncataloged items, such as a minimum order charge. If your minimum order charge requires a special tax, you create that code here and it is applied when creating an order in order entry.

You set up items with product groups and item codes in the Item Settings tab. This information is then supplied throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, then the line item uses these boxes to control the taxes for that line item by assigning the appropriate product group and item code.

1. From the Parameter Editor window, double-click Order Entry.
2. Double-click Address Taxability. The Address Taxability Parameters window opens.
3. To use Address Taxability, you must click the Activate Address Taxability box. If you ever need to deactivate Address Taxability, clear this box.
4. In the Location box, enter the location for which to set parameters.
5. To determine which tax rates to use, enter the dealer's zip code plus four in the Zip + 4 boxes. You must enter the last four digits to ensure accuracy. If the in-state address is not found in CCH then the system checks this box and uses this zip code for the address.

Uncatalog Item Types	Product Group	Item Code
Dollar Discount	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Minimum Order Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Freight Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Contract Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Service Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Meter Billing	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Travel Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT
Machine Labor Charge	0000 - GENERAL MERCHANDISE	000 - DEFAULT

For Furniture O/E, like Job Costing and "SIF" file imports, the standard add on items (Design, Install, Labor, etc.) should be set up as "dummy" items in the Item Maintenance Screen to control the Product Group and Item Code.

6. You can also tax by order date. To do so, click the Tax by Order Date box. However, we do not recommend this method. Normally, you would tax by invoice date.
7. You can use the drop down arrow to set the product group and item code for uncataloged item types. If all these uncataloged item types are taxable in every state, you do not have to make any changes to these boxes. However, if you do have uncataloged item types that are not taxable in certain states, you need to go through the steps in this handout before changing these. Once you completed the steps in this handout through setting up product groups in the Product Groups window, you can return to

this window to set up these uncataloged item types. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

For detailed information on each of these boxes, see your online help.

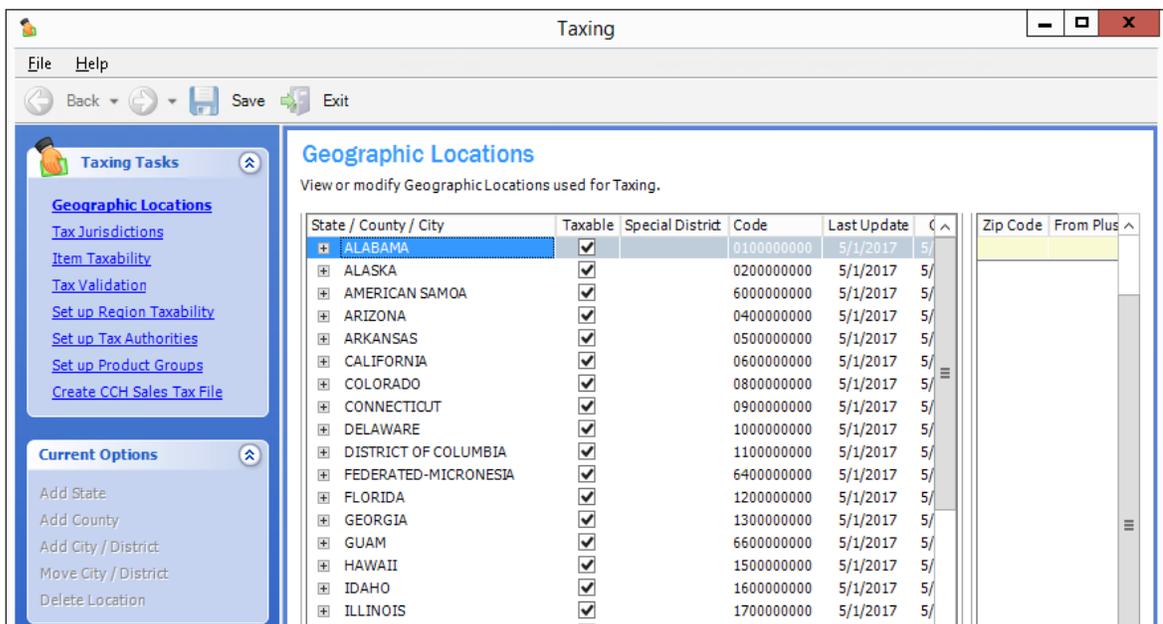
- When you finish making changes, Order Entry and Address Taxability now appear in bold in the Parameter Editor window. Click  to save your changes or when you exit the Parameter Editor window, you are prompted to save your changes.

Setting Up Geographic Locations

You use the Geographic Locations window to view and modify geographic locations for taxing. If you are manually entering tax locations, you would do so in this window. Even if you are not using CCH tax files, this window uses the same geocode logic as CCH.

In this window, you can add, delete, or move records.

- From the Master Menu, click Databases and select Address Taxability.
- Click Geographic Locations.



- When you open this window, you can add a state or county and delete a location or zip code. As you drill down, you can add or move cities and districts. The drill down order is state>county>city.
 - To add a state or county, click Add State or Add County. A dialog box opens. Enter the name of the state or county to add and click OK.
 - To delete a location, click the location to highlight it then click Delete Location. A warning message appears that you are about to delete the location and any information attached to it. For example, if you are deleting a state, cities and counties for that state are also deleted. To delete, click OK. To not delete, click Cancel.

- To add or move a city, click the county to which to add or move. Click Add City or Move City. If you are adding a city, a dialog box opens allowing you to add the city name and special district, if any. Click OK. If you are moving a city, a dialog box opens allowing you to use the drop down arrow to select the county to which to move the city. Click OK.
 - To delete a zip code, highlight the zip code to delete then right-click and select Delete Zip Code.
4. When you finish adding or changing information, click Save then Exit.

Running the ;SPC:ADDR Program (Optional)

Note: If you purchased CCH tax files, this section does not apply to you. Go to **Setting Up Taxing Authorities**.

If you did not purchase tax files from CCH, you use the ;SPC:ADDR program to help you get started with your tax files. Running this program creates default records for every city and state for which the dealer has a bill to or ship to address. This program only looks at states flagged as taxable. This program creates an unknown county and adds all the cities for that state into that county. Once you've run this program, you must go back to Geographic Locations and organize the cities into the correct counties for each state.

Note: Using the ;SPC:ADDR program only creates zip codes for taxable customers. If you have customers in your database set up as non-taxable, you must manually go in and set up those zip codes. If you enter an order for an existing non-taxable customer and change the order to taxable, the order may not be taxed upon completion.

When the program finishes, you have the option of printing an exception report of what addresses were not added to the Geographic Location file (T-GEOCODE).

This program is to be run one time only at the beginning of your setup. If you run it again, it overrides any changes you have made to your tax files.

Important: You must run this program with TBL Utilities stopped. (If you are using DDMSPLUS, you do not have to Stop Utilities. Go to **Step 3**.)

1. Go to TBL Server and Stop Utilities. To do this, open TBL Server.
2. Click Utilities then click Stop.
3. Go to the text-based (Z) screen. On DDMS, use the [B4] Execute a Program function. On DDMSPLUS, type **A** to execute a program.
4. In the Enter File Name field, type ;SPC:ADDR and press Enter. On DDMSPLUS, type **;SPC:ADDR** in the Execute Program field and press Enter.

When the program is complete, you can print an exceptions report listing all the addresses that were not added to the geographic location file. You can press Esc to not print the report.

5. After converting the files, go back to TBL Server and restart Utilities. (This does not apply on DDMSPLUS.)

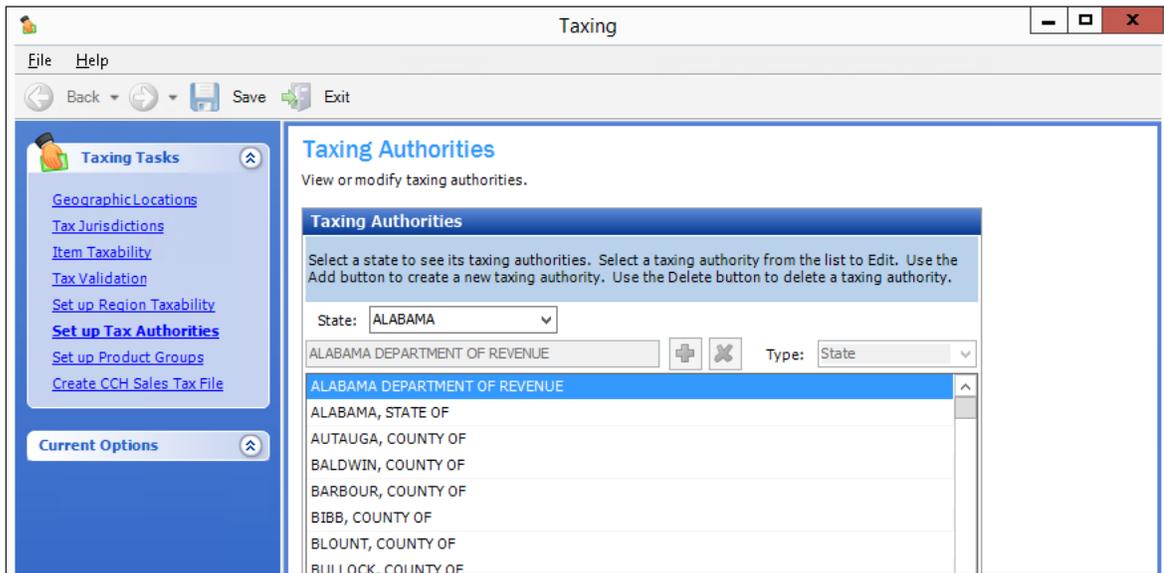
Now, you must go back to Geographic Locations and organize the cities into the correct counties for each state.

Setting Up Tax Authorities

You must set up a tax authority for each state. The tax authority for each state is the entity to which you pay your taxes.

If you purchased tax files from CCH or ran the ;SPC:ADDR program, tax authorities for your states have already been created. If you are manually entering tax tables, every state must have a defined tax authority. Most states only have one tax authority but some states may have multiple. In this case, you would use the Set Up Tax Authorities task to set these up.

1. From the Master Menu, click Databases then select Address Taxability.
2. Click Set Up Tax Authorities. The Taxing Authorities window opens.



3. Use the drop down arrow in the State box to select a state. You can view the tax authority for that state or change or delete it.

You can also select a type by using the drop down arrow to select state, county, city, district or other.

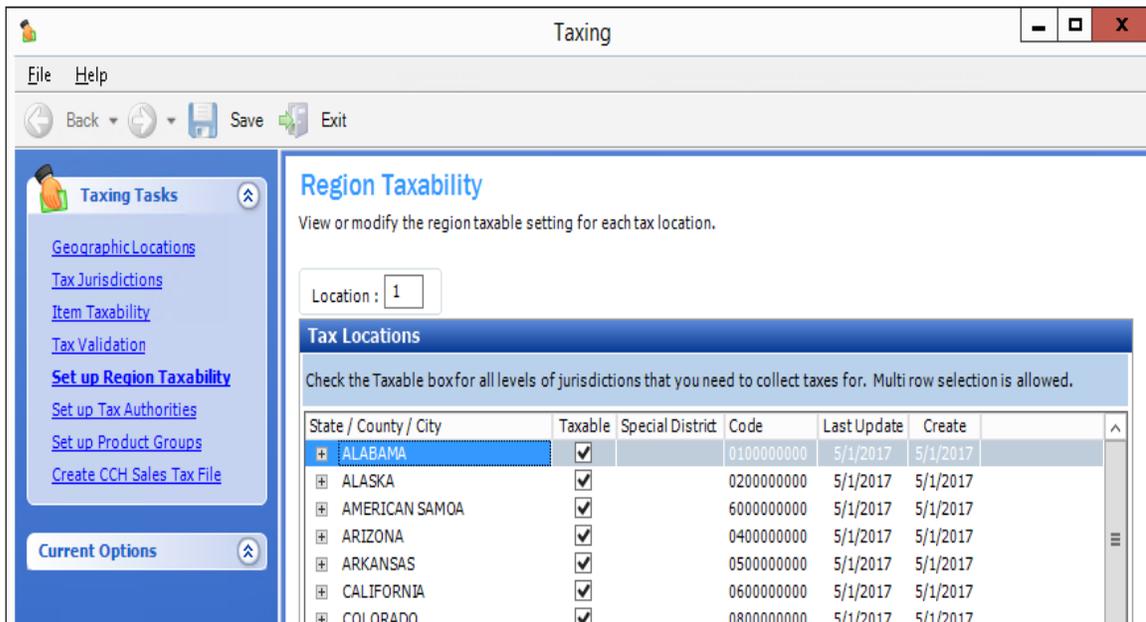
- To add a tax authority, click . Enter the tax authority and press Enter.
- To delete a tax authority, select the tax authority and click . A warning message appears. Click Yes to delete.

4. You must click Save to save your changes before exiting.

Setting Up Region Taxability

You can set up the regions for which you collect sales tax. This window allows you to set up regions by state, county, and city level. Setting up taxability in this window overrides the settings in your Customer database.

1. From the Master Menu, click Databases then select Address Taxability.
2. Click Set Up Region Taxability.



- This window displays all the states for which you imported tax tables. You can set up regions by state, county, and city level by simply clicking the check box in the Taxable column. All regions default to Taxable. You can drill down by clicking the + sign and clear the Taxable check box for any regions that are not taxable. You can select multiple lines to change by using the Shift or Ctrl keys as you normally would. Any regions downloaded for which you do not collect taxes should be set to non-taxable.

If you have multiple locations, you may need to change the Location box which defaults to Location 1.

- When finished making changes, click Save.

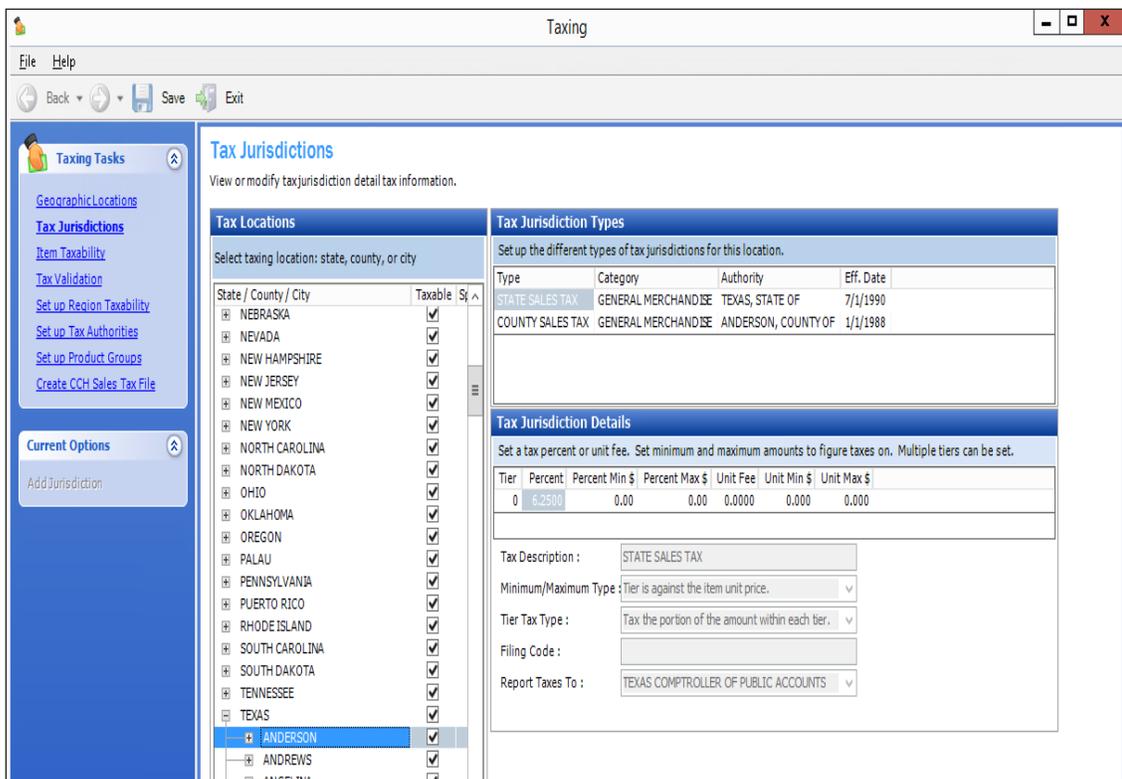
Setting Up Tax Jurisdictions

You use the Tax Jurisdictions window to set up or view state sales tax percents. Adding the tax percent at the state level populates all the lower levels such as city and county. If you add counties or cities to your tax database, you must add the tax percents in this window. This window is also used for setting up tiered taxing.

If you purchased tax files from CCH, you can use this window to view tax jurisdictions.

- Select the state in the Tax Locations column by highlighting it.
- The tax jurisdiction types for that state are displayed in the Tax Jurisdiction Types boxes. You can add or delete tax jurisdictions.
 - Right-click the Tax Jurisdiction Types box and select Add Jurisdiction.
 - In the Type box, use the drop down arrow to select the sales tax type, for example, City Sales Tax.
 - Use the drop down arrow in the Category box to select a category, for example, Commercial Customers.
 - Use the drop down arrow in the Authority box to select the taxing authority.
 - Use the drop down arrow in the Eff Date box to select the effective date.

3. The tax jurisdiction details for that state are displayed in the Tax Jurisdiction Details boxes. You can set tax percents, unit fees, and multiple tiers. You can add or change tax jurisdiction details.
 - 3.1 To add a tier, right-click the Tax Jurisdiction Details boxes and select Add Tier.
 - 3.2 The Tier box is automatically populated with the next sequential number.
 - 3.3 Click the Percent box to enter the tax percentage for this tier.
 - 3.4 Click the Percent Min \$ box to enter the minimum tax percentage for this tier.
 - 3.5 Click the Percent Max \$ box to enter the maximum tax percentage for this tier.
 - 3.6 Click the Unit Fee box to enter the unit fee for this tier.
 - 3.7 Click the Unit Min \$ box to enter the minimum unit fee for this tier.
 - 3.8 Click the Unit Max \$ box to enter the maximum unit fee for this tier.
 - 3.9 In the Tax Description box, enter a description for this tax percent.
 - 3.10 Use the drop down arrow in the Minimum/Maximum Type box to select the type for this tax percent, for example, Tier is against the invoice total.
 - 3.11 Use the drop down arrow in the Tier Tax Type box to select the tier type for this tax percent, for example, Tax the full amount if it is within the tier.
 - 3.12 In the Filing Code box, enter the filing code.
 - 3.13 Use the drop down arrow in the Report Taxes To box to select the taxing authority for this tax percent.



4. You must click Save to save your changes before exiting.

Setting Up Product Groups

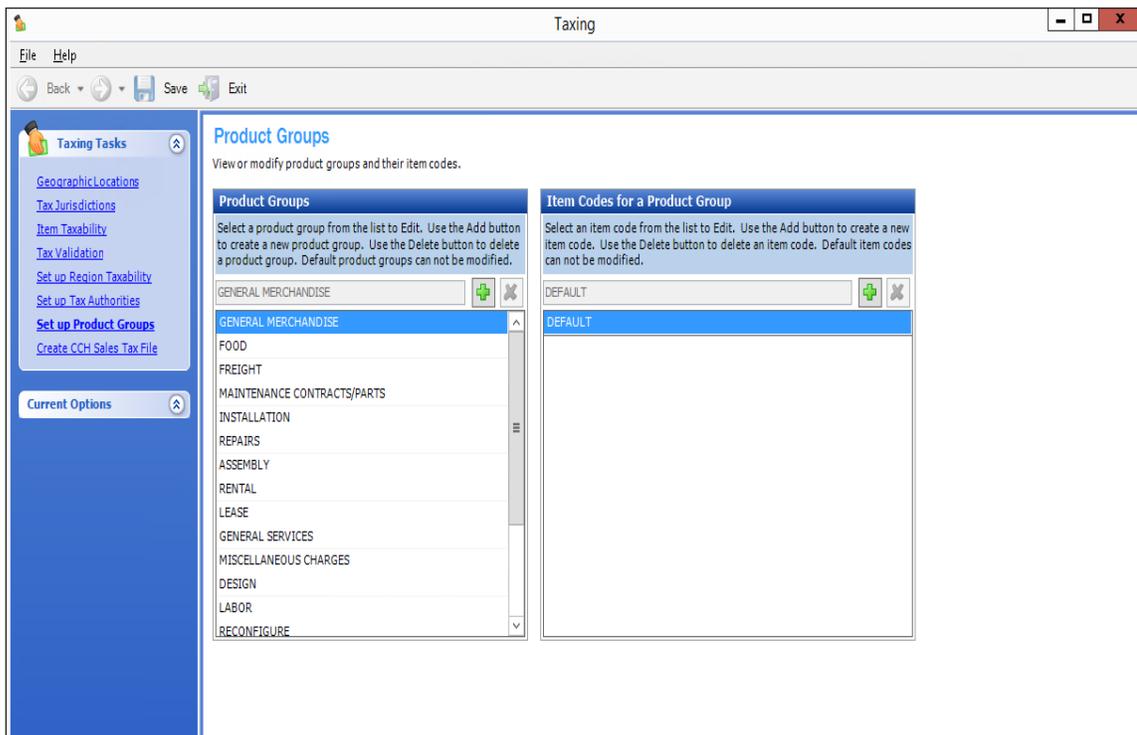
In this window, you can view or modify product groups and their item codes. You cannot delete default product groups or item codes but you can delete any that you create. You only need to separate items into different group codes if those items have different tax rules in different jurisdictions.

If you have custom items that are not taxable, you need to set those up in the Item database before setting up product groups in this window.

If you create new product groups in this window, you may need to go to the Address Taxability Parameters window and set up the uncataloged item types.

These fields are available in Report Writer.

1. From the Master Menu, click Databases then select Address Taxability.
2. Click Set Up Product Groups.



3. In this window, you can view or modify product groups and their item codes. You cannot delete default product groups or item codes but you can delete any that you create.

- To add a product group, click  in the Product Groups box. Enter a descriptive product group name and press Enter.
- To delete a product group, highlight the product group and click . A Warning message appears. Click Yes to delete.

- To add an item code, highlight the product group then click  in the Item Codes for a Product Group box. Enter a descriptive item code and press Enter.
 - To delete an item code, highlight the item code and click . A Warning message appears. Click Yes to delete.
4. You must click Save to save your changes before exiting.

Setting Up Item Taxability

In the Item Taxability window, you can view or modify item taxability information for a specific tax location, type, and category. Use this window to make product groups non-taxable for specific tax jurisdictions.

1. From the Master Menu, click Databases then select Address Taxability.
2. Click Item Taxability.
3. You can select to add or delete item taxability from the Current Options menu or you can right-click the panes and select add or delete.

Select the tax location by highlighting it. Item taxability should be set at state level unless the city has different taxing.

4. Select the tax type and category by highlighting it.

The screenshot shows the 'Taxing' application window with the 'Item Taxability' pane active. The window title is 'Taxing' and it has a menu bar with 'File' and 'Help'. Below the menu bar are navigation buttons: 'Back', 'Save', and 'Exit'. On the left side, there is a 'Taxing Tasks' sidebar with a tree view containing: 'Geographic Locations', 'Tax Jurisdictions', 'Item Taxability' (selected), 'Tax Validation', 'Set up Region Taxability', 'Set up Tax Authorities', 'Set up Product Groups', and 'Create CCH Sales Tax File'. Below this is a 'Current Options' section with 'Add Item Taxability' and 'Delete Item Taxability'.

The main area is divided into three sections:

- Tax Locations:** A table with columns: State / County / City, Taxable, Special District, Code, Last Update. The 'ALABAMA' row is selected.

State / County / City	Taxable	Special District	Code	Last Update
ALABAMA	<input checked="" type="checkbox"/>		0100000000	5/1/2017
ALASKA	<input checked="" type="checkbox"/>		0200000000	5/1/2017
AMERICAN SAMOA	<input checked="" type="checkbox"/>		6000000000	5/1/2017
ARIZONA	<input checked="" type="checkbox"/>		0400000000	5/1/2017
ARKANSAS	<input checked="" type="checkbox"/>		0500000000	5/1/2017
CALIFORNIA	<input checked="" type="checkbox"/>		0600000000	5/1/2017
COLORADO	<input checked="" type="checkbox"/>		0800000000	5/1/2017
CONNECTICUT	<input checked="" type="checkbox"/>		0900000000	5/1/2017
DELAWARE	<input checked="" type="checkbox"/>		1000000000	5/1/2017
DISTRICT OF COLUMBIA	<input checked="" type="checkbox"/>		1100000000	5/1/2017
FEDERATED-MICRONESIA	<input checked="" type="checkbox"/>		6400000000	5/1/2017
FLORIDA	<input checked="" type="checkbox"/>		1200000000	5/1/2017
GEORGIA	<input checked="" type="checkbox"/>		1300000000	5/1/2017
GUAM	<input checked="" type="checkbox"/>		6600000000	5/1/2017
- Item Taxability:** A table with columns: Taxable, Product Group, Item Code, Effective, % of Tax Applied. The 'GENERAL MERCHANDISE' row is selected.

Taxable	Product Group	Item Code	Effective	% of Tax Applied
<input checked="" type="checkbox"/>	GENERAL MERCHANDISE	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	FREIGHT	DEFAULT	1/1/2013	100.0000
<input checked="" type="checkbox"/>	INSTALLATION	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	REPAIRS	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	GENERAL SERVICES	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	MISCELLANEOUS CHARGES	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	DESIGN	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	LABOR	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	RECONFIGURE	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	STORAGE	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	DELIVERY	DEFAULT	1/1/2013	100.0000
<input type="checkbox"/>	EXEMPT PRODUCTS AND SERVIC	DEFAULT	1/1/2013	100.0000
- Tax Type and Category:** A table with columns: Type, Category, Authority. The 'STATE SALES TAX' row is selected.

Type	Category	Authority
STATE SALES TAX	GENERAL MERCHANDISE	
COUNTY SALES TAX	GENERAL MERCHANDISE	
COUNTYLOCAL SALES TAX	GENERAL MERCHANDISE	
CITY SALES TAX	GENERAL MERCHANDISE	
CITYLOCAL SALES TAX	GENERAL MERCHANDISE	

5. You can add product groups to item taxability one at a time or add all.
 - 5.1 Click Add Item Taxability.
 - 5.2 You can select a product group by clicking the drop down arrow in the Product Group box.
You can add all product groups by clicking All Product Groups.
 - 5.3 Select an effective date by clicking the drop down arrow in the Effective Date box.
 - 5.4 Click OK.
6. To delete all item taxability for the selected location, click Delete Item Taxability in the Options menu.
To delete one product group at a time, highlight the product group in the Item Taxability pane then right-click and select Delete Item Taxability.

In the Item Taxability pane, you can mark a product group as not taxable by clearing the Taxable check box.
7. Click Save.

Viewing Tax Validation

In this window, you can view the total tax percent for a specific address and product group.

1. From the Master Menu, click Databases then select Address Taxability.
2. Click Tax Validation.

The screenshot shows the 'Taxing' application window with the 'Tax Validation' pane active. The interface includes a navigation menu on the left with options like 'Geographic Locations', 'Tax Jurisdictions', and 'Item Taxability'. The main area is divided into four sections: 'Address Validation' with input fields for City, County, State (set to ALABAMA), and Zip; 'Address Validation Results' with a table for tax location details; 'Item Taxability' with dropdowns for Product Group (GENERAL MERCHANDISE) and Item Code (DEFAULT); and 'Detail Tax Information' with a table showing tax rules and a 'Combined total tax %' of 0.0000.

State	County	City	Special District	Code	Taxable

Type	Category	Taxable	Eff. Date	Tier	Percent	Min \$	Max \$	Unit Fee	Min \$	Max \$	Authorit

Combined total tax % 0.0000

3. This window allows you to validate tax information for a specific address. In the Address Validation boxes, you can enter a city, county, state or zip code. For the most accurate tax information, you should enter the nine-digit zip code. Enter any address information in the boxes then click Validate Address.
4. The Item Taxability boxes display the product groups and item codes. If there are different tax rules for different product codes, you can view that information. For example, you might select Freight in the Product Group box to see if there are different tax rules for freight than for general merchandise.

The Address Validation boxes display the detailed tax information for the specified address.

The Detail Tax Information boxes display the detailed tax information for the specified address and item type.

The Combined Total Tax % is displayed at the bottom of the window.

Setting Up Items

The Product Group and Item Code boxes in the Item Settings tab are used to define item taxability. See the figure below. These boxes are only available if you are authorized for Address Taxability.

Default product groups and item codes are provided in your system. You can set up and maintain product groups and item codes in the Product Groups window.

The Product Group box defaults to general merchandise. If this item requires a specific tax code, use the drop down arrow to select the code. This box works with the Item Code box. Setting this code ensures that the proper tax is charged for this item.

The Item Code box defaults to a default code. If this item requires a specific tax code, use the drop down arrow to select the code. This box works with the Product Group box. You must select the product group first then select the item code. Setting this code ensures that the proper tax is charged for this item.

Item: 00000 (DIX) CRAYONS,WAX,8CT

File View Help

Location 1

Master Settings Vendors Remarks

Pricing

Loc: 1 Up Cost % Net Price Flag: N
 GL Dept: Up List % Min. Sell Qty:
 Class: Max Discount % Contract: Y
 Don't Mark as National Drop Ship Item:

Units of Measure

EDI Use Only

Unit	Quantity	Unit	Quantity	M/D
	0		0	
	0		0	
	0		0	
	0		0	

Multiple or Information?

Details

Weight: 0.2 Hours: Serial:
 Multiple Bin: Lead Time: Core/Recyclable:
 Tax Code: Price File #: 451534 Kit:
 Product Group: 0000 - GENERAL MERCHANDISE
 Item Code: 000 - DEFAULT

Price By:

Common Aliases

If you have custom items that are not taxable, you need to set those up in the Item database not in the Address Taxability Product Groups boxes.

You can make mass changes to these boxes in the (+W) screen. These boxes are also available in Report Writer.

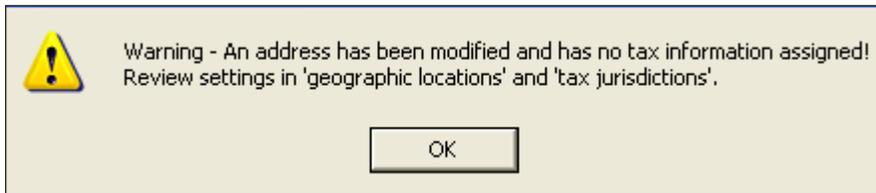
Note: The Product Group and Item Code information is available throughout the system. In addition to the Item Settings tab, these boxes appear in the Vendor Alias dialog boxes and in order entry. For uncataloged items, whether entered into the system via SIF file or manually entered, if the company information matches a vendor alias record that has the product group and item codes set up, the line item uses these boxes to control the taxes for that line item.

Setting Up a Customer

With Address Taxability, you may need to check the Taxable box in the Customer Order Entry 1 tab. Before using Address Taxability with CCH tax files, make sure any customers that are non-taxable have an N set in the Taxable box in the Customer Order Entry tab. (The District box is not used with CCH taxing.) Go to the heading **Setting Up a Non-Taxable Customer (using CCH taxing)**.

You can use the Taxable box to set up state-only taxing. See the heading **Setting Up a Customer for State Tax Only**.

If you do not specify tax information when adding a new customer, a Warning prompt appears, shown below. (This prompt only appears if you did not load CCH tax files.) When adding a new customer, you need to specify a tax percentage if the customer is taxable and no tax specifications are set up for the customer's state or zip code.



You can also set up a customer for tax districts. See the heading **Setting Up a Customer Tax District**.

Setting Up a Non-Taxable Customer (Using CCH Taxing)

Before using Address Taxability with CCH tax files, make sure any customers that are non-taxable have an N set in the Taxable box in the Customer Order Entry tab. (The District box is not used with CCH taxing.)

1. Go to the Customer database and select a customer as you normally would.
2. Click the Order Entry tab.
3. Click the Taxable box and type **N**.
4. Save your changes as you normally would.

Setting Up a Customer for State Tax Only

If you add a new ship to or bill to address in the Customer database, you need to specify tax percentages. You may add a customer who only taxes at the state level. In this case, you need to enter **S** in the Taxable box.

1. Go to the Customer database and select a customer as you normally would.
2. Click the Order Entry tab.

3. Click the Taxable box and type S.
4. Save your changes as you normally would.

Setting Up a Customer Tax District

You can set up tax districts by customer.

1. Go to the Customer database and select a customer as you normally would.
2. Click the Shipto/Attention tab.
3. Right-click in the Shipto section at the bottom of the tab and select Add Shipto.
4. Add the Shipto information as you normally would. The ED box allows you to enable districts for taxing. If you are authorized for Address Taxability but need to use the traditional tax districts taxing method, enter a Y in this column to enable districts for this customer. (This column is only visible if you are authorized for Address Taxability.) For more information on the boxes in this tab, see your online help.
5. Save your changes as you normally would.

Setting Up Parameters

Because sales tax information is stored in the P-TAX file, there are parameters that you should set to ensure that credit invoices work properly.

- For the system to create a unique invoice number for credit invoices, go to the (LG5) Additional Order Entry Parameters screen and set the Use Next Invoice # for Credits field to X.
- To ensure the unique credit invoice number is applied to the original invoice number, go to the (LGB) Credit Order Entry Parameters screen to set the Apply Charge Credits to Original Invoice field to Y.

Importing Data into SQL

Before you can run reports, you must import your data into SQL.

1. Open the EBS SQL Import Control Panel.
2. Click Import Data.
3. In the Full Import tab, scroll down and click the check box to select Tax Geocode.
4. Click Process to import the files.

Note: For details on importing data on the DDMS system, see the handout [Using the EBS SQL Import Panel](#) on the Customer Support Center. For details on importing data on the DDMSPLUS system, see [Using the EBS SQL Import Panel](#).
