Sales Tax

WinNetStar includes a comprehensive and flexible Sales Tax Module that allows the user to create multiple sales tax jurisdictions and rates to be grouped together into a total composite rate used at the point of sale. Multiple tax rate groupings can be created for the various Ship-To locations used in your business. Sales tax rates can then be assigned to the various Ship-To addresses, or to specific customers. Sales tax payments and reporting are also provided within the system. The following document describes the set up and use of these features.

File   View   Company   CRM   Suppliers   Employees   Banking   Fixed Assets   Inventory   Service   Wholegoods   Rental   Reports   Web Links   Windows   Help

RIMSS WinNetStar   Sales Tax Items

Add New   Refresh   Print   Help

Sales Tax Items represent the individual sales tax agencies for which you are required to collect tax. Each Sales Tax Item will include a percentage and a reference to a Supplier in your Supplier Master that has been set up with a Supplier Type of "Sales Tax Agency". This Supplier represents the entity that will receive your payment of the collected tax. Sales Tax Items are assigned to Sales Tax Groups to accumulate the total tax percentage that should be collected on a sale. The Sales Tax Group is then assigned to a sales transaction.

Drag a column header here to group by that column

Inactive	Item Name	Sales Tax Agency	Current Rate	Limit Type	Taxable Limit	Rate After Limit	Print On Invoice	Tax On Tax
False	Racine City Tax	Wisconsin Sales Tax Collector	0.2500 %	None	$0.00	0.0000 %	False	False
False	Racine County	Wisconsin Sales Tax Collector	2.0000 %	None	$0.00	0.0000 %	False	False
False	Wisconsin State Tax	Wisconsin Sales Tax Collector	6.0000 %	None	$0.00	0.0000 %	False	False
False	San Antonio City	Texas Comptroller						
False	Bexar County	Texas Comptroller						
False	Texas State Tax	Texas Comptroller						
False	0100 Adams Unicorp Local	Texas Comptroller						
False	Washington State	Texas Comptroller						
False	0101 Adams Hatton	Texas Comptroller						
False	State of Arkansas	Wisconsin Sales Tax						
False	County of Hillsboro AK	Wisconsin Sales Tax						
False	City of Fayetville AR	Wisconsin Sales Tax						
False	Federal	Wisconsin Sales Tax						
False	WA State Sales Tax	WA Department of R						
False	Dealer Tax	WA Department of R						
False	1725 Renton RTA	WA Department of R						
False	NO SALES TAX	Texas Comptroller						
False	❌							

Sales Tax Item (dialog)

Item Name [   ]

Sales Tax Agency [▼]

☐ Inactive

Rate	As Of Date
*	

☐ Print On Invoice

☐ Tax On Tax

☐ Apply Limits   ○ by Each Unit Sold

Taxable Limit [$0.00]

Rate After Limit Exceeded [0.0000 %]

[OK]

[Cancel]

❌ ☑ [Inactive] = 'False'

Edit Filter

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Sales Tax – Sales Tax Items

In the Main Navigation Menu select Company, then Sales Tax, then Sales Tax Items. This will produce a list of your Sales Tax Items. You can create new items by selecting the Add New menu option or you can edit an existing item by double clicking on the respective line. Sales Tax Items represent the individual sales tax agencies for which you are required to collect tax. Each Sales Tax Item will include a percentage and a reference to a Supplier in your Supplier Master that has been set up with a Supplier Type of "Sales Tax Agency". This Supplier represents the entity that will receive your payment of the collected tax. Sales Tax Items are assigned to Sales Tax Groups to accumulate the total tax percentage that should be collected on a sale. The Sales Tax Group is then assigned to a sales transaction.

Field/Column Name	Description
Item Name	Enter a name for your sales tax item
Sales Tax Agency	This drop down produces a list of your Suppliers that have a Supplier Type of Sales Tax Agency. Each Sales Tax Item must be assigned to a Sales Tax Agency.
Rate	Enter the tax rate for this item.
As of Date	Enter the effective date of the rate. If you are entering a rate for the first time and are not sure when the date was effective, you should enter a date prior to the earliest date on an invoice that will use this sales tax item. Any invoice created with a document date prior to As of Date will not calculate the tax. You can enter future rate changes along with their effective dates and they system will automatically start using the new rate upon its effective date.
Apply Limits	Check this box if you wish to apply taxable limits to a sales tax item. For instance, a particular taxing jurisdiction may tax items at one rate up to a sales price of $1,000.00 and another rate for everything over that amount. (This feature is feature is rarely needed).
Taxable Limit	Enter the dollar amount of the limit. In the above example, this would be $1,000.00
Rate After Limit Exceeded	Enter the tax rate for the amount above the limit.

Sales Tax – Taxable Status Codes

In the Main Navigation Menu select Company, then Sales Tax, then Taxable Status Codes. This will produce a list of your Taxable Status Codes. You can create new codes by selecting the Add New menu option or you can edit an existing code by double clicking on the respective line. Taxable Status Codes are used to override the taxable status (taxable or non-taxable) of the various things that can be sold to a customer. These include inventory items, labor, and miscellaneous charges. Each of these has a default taxable status established in their respective master file, so Taxable Status Codes are used when you wish to override the default taxable status for a particular sales tax jurisdiction. For instance, labor may be taxable in one jurisdiction but not another. To create a Taxable Status Code you must give it a name, select the type of item that will receive the tax status override and select the override tax status. Taxable Status Codes can then be applied to Sales Tax Items when you create a Sales Tax Group. See Sales Tax Group.

Sales Tax – Sales Tax Groups

In the Main Navigation Menu select Company, then Sales Tax, then Sales Tax Groups. This will produce a list of your Sales Tax Groups. You can create new groups by selecting the Add New menu option or you can edit an existing group by double clicking on the respective line. Sales Tax Groups represent the accumulation of individual Sales Tax Items that make up the total tax to be collected on a sale. A default Sales Tax Group should be created to apply to taxable transactions for walk in customers at the point of sale. Sales Tax Groups can also be assigned to a Customer's Ship To Address in the Customer Master to ensure the proper tax is collected for sales shipped to other locations. Each tax group must have a name and you may also give it a more detailed description. Build your tax group by clicking on a sales tax item from the list and then clicking on the Add button. You can remove a sales tax item from your group by clicking on the item in your group and then clicking on the Remove button. The sales tax item can then have a Taxable Status Code assigned to it if it requires a tax status override although this is fairly uncommon. See Taxable Status Codes. Continue to add the individual Sales Tax Items to your group until you have built the total composite tax rate you wish to apply when using this group.

Sales Tax – Pay Sales Tax

In the Main Navigation Menu select Company, then Sales Tax, then Pay Sales Tax. This will produce a list of sales tax amounts due by Sales Tax Agency as of the current date. You can change the date and/or select a specific Sales Tax Agency and repopulate this list by selecting the Fetch button. Using this list, you can select the Sales Tax Agencies you wish to pay and create any adjustments necessary to the amount paid. When you are ready for the system to create the payment documents to the selected Sales Tax Agencies, click on the Create and Save Documents menu option. You can then see the payment documents that were created by navigating to Banking > Find > Payment.

Field/Column Name	Description
Header Section	
Sales Tax Agency	Using this drop down list you can select a specific Sales Tax Agency or All Sales Tax Agencies. Changing the displayed options requires you to click on the Fetch button to regenerate the list.
Pmt Acct	Use this drop down list to select the bank account you will use to pay your sales tax.
Pmt Date	Enter the date you want to use for the payment
Amounts Due on or Before	This field defaults to the current date; however, you can move this date forward or back and click on the Fetch button to regenerate the list of amounts due as of a different date.
G/L Balance	This field is a read only display of the balance in the bank account selected above.
Balance After Pmt	This field is a read only display of the projected balance in the bank account selected above if you create the selected payments on the list.
Pmt Type	Select the type of payment to create. Use System Check if you wish to use the system to print your check, manual check if you will use a manually generated check, credit card if you will pay with a credit card, or Cash/ACH if you will pay using cash or a direct debit to your bank account.
Adj Acct	If you are adjusting the amount of tax to pay in the grid section below,

you will need to select the general ledger account that will receive the adjustment.

Reference
If the adjustment account selected is a referenced account, the system will prompt you for a reference and display that reference in this read only field.

Grid Section

Check Box
Click in the box next to the Sales Tax Agencies you wish to pay. The check boxes next to the sales tax items underneath each Sales Tax Agency will automatically become checked or unchecked along with your selection. You cannot directly edit the check boxes coinciding with the sales tax items.

Sales Tax Agency
Read only list of the Sales Tax Agency name.

Item Name
Read only list of the Sales Tax Item names grouped based on their respective Sales Tax Agency.

Amount
The amount of sales tax due as of the due date selected in the header section.

Adjustment
Enter any adjustment necessary to increase or decrease the Amount to Pay.

Amount to Pay
The sum of the Amount plus or minus any Adjustment. The total of these amounts by Sales Tax Agency will be included on the payment documents created.

File View Company CRM Suppliers Employees Banking Fixed Assets Inventory Service Wholegoods Rental Reports Web Links Windows Help

RIMSS WinNetStar | Pay Sales Tax

Create and Save Documents   Refresh

Sales Tax Agency:	All Suppliers		Pmt Acct	Select an Account		Pmt Date	1/25/2012
Amounts Due On or Before:	1/25/2012		G/L Balance	$0.00		Balance After Pmt	$0.00
	Fetch		Pmt Type	System Check		Adj Acct	
						Ref.	

☑ Select All

	Is Paying	Sales Tax Agency	Item Name	Amount	Adjustment	Amt. to Pay
☑		Texas Comptroller				
	☑		0100 Adams Unicorp Local	$52.73	$0.00	$52.73
	☑		Bexar County	$6,064.32	$0.00	$6,064.32
	☑		NO SALES TAX	$0.00	$0.00	$0.00
	☑		San Antonio City	$6,064.32	$0.00	$6,064.32
	☑		Texas State Tax	$12,128.59	$0.00	$12,128.59
	☑		Washington State	$313.99	$0.00	$313.99
				$24,623.95	$0.00	$24,623.95
☑		Wisconsin Sales Tax Collector				
	☑		City of Fayetville AR	$150.99	$0.00	$150.99
	☑		County of Hillsboro AK	$150.99	$0.00	$150.99
	☑		Racine City Tax	$31,020.96	$0.00	$31,020.96
	☑		Racine County	$25,402.32	$0.00	$25,402.32
	☑		State of Arkansas	$452.97	$0.00	$452.97
	☑		Wisconsin State Tax	$76,206.89	$0.00	$76,206.89
				$133,385.12	$0.00	$133,385.12

Sales Tax – Sales Tax Detail

In the Main Navigation Menu select Company, then Sales Tax, then Sales Tax Detail. This will produce a detailed list of sales tax by sales tax item for each individual document. The list includes useful information to help you manage your sales tax collection and payment process. By selecting the desired date range at the top of the list and applying the appropriate filters to the sales tax items, you can create a report of taxable and non-taxable sales by taxing jurisdiction for any given reporting period.

Taxable Status Codes

Taxable Status Codes are assigned to every Customer and to each item in the system that can be sold (inventory items, miscellaneous charges, wholegoods, etc). WinNetStar then applies the logic in the following matrix to determine whether or not to charge sales tax.

Customer tax status will vary from state to state but will generally be used as follows:

- **Tax Exempt** – any customer that will never pay sales tax on anything they purchase, i.e. government agencies, school districts, non-profit organizations, resellers, etc.

- **Non-Taxable** – customers that will not pay tax on certain items but will pay taxes on other items, i.e. farmers.

- **Taxable** – all other customers. These customers will pay tax on all items unless the item is set up as Never Taxable.

Item tax status will also vary from state to state but will generally be applies as follows:

- **Always Taxable** – those items that do not qualify for special tax exemptions, i.e. non agriculture related items like toys, hats, t-shirts, etc.

- **Taxable** – those items that will be taxable for some customers but not others, i.e. agriculture related inventory items that are not taxable to farmers

- **Never Taxable** – those items that will never be taxed for any customer, i.e. some states do not charge tax on certain food items

Item	Customer		
	Taxable	**Non-Taxable**	**Tax Exempt**
Always Taxable	Taxable	Taxable	Non-Taxable
Taxable	Taxable	Non-Taxable	Non-Taxable
Never Taxable	Non-Taxable	Non-Taxable	Non-Taxable