

SAP PRESS

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for Utilities

SAP

Financial Accounting Global Settings

POWERED BY SAP HANA

SAP S/4 HANA

**A Business and Technical
Roadmap to Deploying SAP**

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15.1 Financial Accounting Global Settings (New)

15.1.1 Ledger

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15.1.1.1.1 Maintain Transaction Types for Consolidation

In this step you can maintain Consolidation transaction types.

Standard settings

A range of transaction types are pre-set in the standard SAP system. They are used in particular for showing the horizontal development of balance sheet items.

Activities

1. Check whether the transaction types supplied meet your requirements.
2. Maintain additional transaction types if required.

15.1.1.1.1.2 Assign Asset Transaction Types

In this step you assign Consolidation transaction types to Asset Accounting transaction types.

Standard settings

In the standard SAP R/3 System, Consolidation transaction types are already assigned to asset transaction types. The assignments have been made in such a way as to allow you to create a group asset history sheet.

Activities

- If you have defined your own asset transaction types or made changes to the standard asset transaction types supplied, then you should assign the relevant Consolidation transaction types to these.
- If you have defined your own Consolidation transaction types or made changes to the standard Consolidation transaction types supplied then you should correct the assignment accordingly.

15.1.1.1.1.3 Functional Area for Cost of Sales Accounting

15.1.1.1.1.3.1 Define Functional Area

In this activity you create your functional areas.

Example

Typical functional areas are Sales, Production, Marketing, Administration and Research & Development.

Activities

Create the functional areas you require.

15.1.1.1.1.3.2 Activate Cost of Sales Accounting for Preparation

In this activity, you activate cost of sales accounting for your company codes as part of the **preparations**.

This makes the **Functional area** field available for entry in the master data of G/L accounts, cost elements, and some CO account assignment objects, allowing you to enter the functional area.

For postings in these company codes, no functional area will as of yet be derived and updated.

Activities

1. For the company codes in which you want to activate cost of sales accounting, choose the entry *Preparations*.
2. Save your entries.

Additional Procedure

Enter the functional area in the master data. To do this choose the activities under Assign Functional Area.

15.1.1.1.3.3 Enter Functional Area

You can enter the functional area in the master data of the objects listed below.

Note

Here, you only find the settings for entering the functional area in the master records of the objects found in Controlling and Financial Accounting. All other functions are found elsewhere as listed.

- **G/L accounts**
- **Cost elements**
- **Cost center types**
- **Order types**
- **Internal orders**

To go to the setting, from the *SAP Easy Access* menu choose *financial accounting -> Controlling -> Internal orders -> Master data -> Order -> Create* or *Change*. For more information, see *Entering the Functional Area in Internal Order Master Data*.

- **Product cost collector**

You can find the setting in the Controlling menu under *Product Cost Controlling -> Cost Object Controlling -> Product Cost by Period -> Product Cost Collectors -> Check Order Types*.

- **Product cost collector hierarchy**

You can find the setting in the *SAP Easy Access* menu under *Accounting -> Controlling -> Product Cost Controlling -> Cost Object Controlling -> Product Cost by Period -> Master Data -> Product Cost Collector -> Edit*.

- **Project profile**

You can find the setting in Project System Customizing under *Structures -> Operative Structures -> Work Breakdown Structure -> Create Project Profile*.

- **Network type**

You can find the setting in Project System Customizing under *Structures -> Operative Structures -> Network -> Settings for Networks -> Maintain Network Types*.

Note

If you have activated cost of sales accounting and postings are in the system, you can no longer change the functional area in the master data of the objects.

Requirements

In order to specify the functional area in the master data, you must have first activated cost of sales accounting for preparation. The *functional area* field is then ready for input in the master data. To do so, choose the activity *Activate Cost of Sales Accounting for Preparation*.

Further notes

For information on how the functional area is derived from the master data of objects, see the SAP Library under *Financials -> Financial Accounting -> G/L Accounting (FI-GL) (New) -> Configuration of General Ledger Accounting Ledgers -> Cost of Sales Accounting* or *-> General Ledger Accounting (FI-GL) -> Cost of Sales Accounting*.

15.1.1.1.3.3.1 Enter Functional Area in G/L Account Master Data

Use

In this IMG activity, you can enter the functional area into the master data of the G/L accounts.

The *functional area* field is only ready for input in the master data of P&L statement accounts.

For information about the special features of the *functional area* field in G/L account master data, see Functional Area in G/L and Cost Element Master Data.

Requirements

In order to specify the functional area in the master data, you must have first activated cost of sales accounting for preparation. The *functional area* field is then ready for input in the master data. To do so, choose the activity Activate Cost of Sales Accounting for Preparation.

Activities

1. Enter the desired functional area in the master data for your G/L accounts.
2. Save your entries.

You can change the G/L account master data for multiple G/L accounts in one step. For information on the collective processing of G/L account master data, see Change Chart of Accounts Data.

15.1.1.1.3.3.2 Enter Functional Area in Cost Element Master Data

In this activity, you enter the functional area in the master records of cost elements.

You can only use this function with cost elements that have already been created. If you want to create a new cost element, you have to do this from the Controlling application menu. You can also make an entry in the *functional area* field.

For specific information on the functional area field in cost element master records, see Functional area in G/L account and cost element master records.

Entering functional areas for secondary cost elements may cause reconciliation problems between Controlling and G/L Accounting. For information on this, read Reconciliation problems between Controlling and G/L Accounting.

Requirements

In order to specify the functional area in the master data, you must have first activated cost of sales accounting for preparation. The *functional area* field is then ready for input in the master data. To do so, choose the activity Activate Cost of Sales Accounting for Preparation.

Activities

1. Enter the desired functional area in the master record of your cost element.
2. Save your entry.

15.1.1.1.3.3.3 Enter Functional Area in Cost Center Categories

In this activity, you can enter the functional area in the master records of cost center categories.

Requirements

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In order to specify the functional area in the master data, you must have first activated cost of sales accounting for preparation. The *functional area* field is then ready for input in the master data. To do so, choose the activity Activate Cost of Sales Accounting for Preparation.

Activities

1. Enter the required functional areas in the master records of your cost center categories.
2. Save your entries.

15.1.1.1.3.3.4 Enter Functional Area in Request Type

In this activity, you enter functional areas in the order types for internal orders.

Requirements

In order to specify the functional area in the master data, you must have first activated cost of sales accounting for preparation. The *functional area* field is then ready for input in the master data. To do so, choose the activity Activate Cost of Sales Accounting for Preparation.

Activities

1. Enter the desired functional areas in the master records of your assignment types.
2. Save your entries.

Further notes

For additional information of directly entering functional areas in the master records of internal orders, see Entering functional areas in internal order master records.

15.1.1.1.2 Customer Fields

15.1.1.1.2.1 Edit Coding Block

In the coding block of the system you can create your own fields. The new coding fields can then be used in:

- FI G/L accounts
- MM inventory management
- MM purchasing

These new fields are also updated in the line items created in the Controlling applications.

If you have created customer fields, they are updated by the system during automatic postings. To enable you to post these fields in the Enjoy transactions manually, you must assign the fields to the entry variants in the Enjoy posting transactions. To do this, choose Include Customer Fields in Enjoy Transactions.

Requirements

You require a test system in order to include coding fields.

The changes are recorded in the test system in a transport request and can thus be transported into other systems.

To include coding fields, you require the following authorizations:

- New field inclusion in coding block X_COBLMOD
- Maintenance of cross-client tables S_TABU_CLI
- Dictionary authorization S_DEVELOP
- Transport authorization S_TRANSPRT

Recommendation

We recommend that you create a concept for your own coding field as early as possible and make the necessary changes to the coding block.

Caution

Define the final format (data type and length) for the new coding field as soon as possible. You cannot make subsequent changes to the field format or delete a coding field once it has been included using standard methods (see also the additional technical information).

Check whether a suitable standard SAP coding field already exists that fulfils your requirements. If this is the case, use that field, otherwise create a new coding field.

As soon as a client has been flagged as a production client in a system, the *Include fields* function is locked for that system. This ensures that no subsequent changes can be made. The system adds the newly included coding fields to the existing ABAP Dictionary tables.

Changes to the ABAP Dictionary tables can, in the case of errors, lead to a loss of data. Carry out a backup before you insert coding fields.

During the execution of these Dictionary operations, no other users should be working in the system. Any other users working in parallel in the system could be hampered by the DDIC activities.

Cross-client objects are maintained with this function. The maintenance of these objects thus affects all the clients in the system.

Activities

Basic and expert modes are available for this function. The default setting is the basic mode. If the basic mode covers your needs, you should use this mode.

Basic Mode

1. Choose *Include fields*.
2. Carry out the necessary settings in the *Process control* group box.
3. Enter the *development class*.
The development class must be assigned to a transport layer that has the same target system as the SAP standard objects.
We recommend that you create your own development class to extend the coding block.
4. In basic mode, you can insert one or more fields in the coding block. You must make the following entries for each new field:
 - *Field Name*
Enter the field name here using the following name convention: The field name must begin with ZZ or YY.
 - *Field Description*
Enter the field description here that is to appear on the sub screens.

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- *Data Type*

CHAR or NUMC are offered as data types for a coding field. CHAR has an ALPHA conversion, that is, numerical values are portrayed internally with leading zeros.

- *Field Length*

The field length must not exceed 22 characters.

5. Choose the *Test run* function.

The system simulates a production run and tests whether your entries are valid.

6. When you remove the flag from the *Test run* field, you automatically set the *production run* status. In the production run, you are asked to enter a correction number and a repair number for table **BSEG**. Both specifications must be contained in the same transport request in order to import the enhancement correctly into the EDI subsystem. The system creates a log of all the changes you have made, allowing you to analyse any errors that occurred in the Dictionary functions performed during this transaction.

7. Choose *Execute*.

Note

Once you have made your entries in the process control, you can make other settings. For more information see **further steps** below.

As of SAP Basis Release 7.00, you can add your own coding fields to table BSEG without modifications. To do this, you have to include the structure CI_COBL in your APPEND structure. This APPEND structure can be included in BSEG afterwards, so that all customer fields are included in table BSEG implicitly by means of CI_COBL. For more information about this procedure and for a description of how you can subsequently still swap out customer-specific fields into an APPEND structure, see SAP Note 1451330.

Expert Mode

Use the expert mode if you cannot carry out your settings using the basic mode. In order to work with the expert mode, you must have ABAP Dictionary knowledge. The expert mode allows you to perform step-by-step all the functions that the basic mode carries out automatically in the background. This affords you greater freedom when defining the various parameters you require. The individual steps involved include:

1. Choose *Coding fields -> Expert mode*.

2. *Create domain*.

Create a domain for the new coding field.

If required, you can enter fixed values or a check table for this domain.

Note:

The complete functionality is only available for the fields of data types CHAR and NUMC in all transactions that use the coding block. For other data types such as amount and date fields, problems can occur in various transactions, and they can only be avoided with a customer-specific modification.

3. *Create data element*

Create a data element for the new coding field.

4. *Include field general*

Incorporate the new field in the include structure CI_COBL.

CI_COBL has been included in all the tables relevant to the coding block, so that new field can thus be entered in these tables.

5. *Include field BI*

Incorporate the new field in the include structure CI_COBL_BI.

This structure is used in FI for entering documents in batch. If you have been working in expert mode and have used a format other than CHAR for your new field, you also have to add a field with format CHAR and the same output length as your new field for use with this include. You may have to define an appropriate data element and the relevant domain as well.

6. *Include field BSEG Caution*

The new field **must** be added to the end of table **BSEG**.

Note

As of SAP Basis Release 7.00, you can add your own coding fields to table BSEG without modifications. To do this, you have to include the structure CI_COBL in your APPEND structure. This APPEND structure can be included in BSEG afterwards, so that all customer fields are included in table BSEG implicitly by means of CI_COBL. For more information about this procedure and for a description of how you can subsequently still swap out customer-specific fields into an APPEND structure, see SAP Note 1451330.

7. *Include ST entries*

Using the *Include control entries* function, you can maintain the appropriate system control tables automatically. This makes the new field available in Customizing just like any other standard SAP field.

8. *Delete ST entries*

You can delete these control entries as long as there are no Customizing entries related to the field in question. Although deleting the control entries suppresses the field in Customizing, it still exists on the database and cannot be deleted using standard functions without leading to a loss of data.

9. Choose *Execute*.

Note

Once you have made your entries in the process control, you can make other settings. For more information, see **further steps** below.

Further Steps

- *Create sunscreen*

You can define suitable sub screens for your new field using the function *Environment -> Create Sub screen*. (See Define Sub screens for the Coding Block. For an overview of sub screens, choose Environment ->Sub screen).

- *Check Field Entries*

You can check the field entries in three different ways:

- Define a check table for the coding field.

- Use the validation.

- Create customer exits for the SAP enhancement ACCOBL01 using transaction CMOD.

- *Input help*

If an input help is available, define a check table for the coding field.

- *Fast entry*

If you also want to use the new field for FI fast entry in your own entry screens, carry out the function *Environment -> Prepare fast entry*.

Then perform the necessary tasks in Customizing, as you would for a standard SAP field.

(Additional technical information)

15.1.1.1.2.2 Include Fields in Totals Table

Use

In this IMG activity, you can add fields to a totals table in General Ledger Accounting. The totals table you use can be the standard totals table *FAGLFLEXT* delivered by SAP or one of your own totals tables. In the totals table, you can include either standard fields from the accounting document or customer fields that you added to the coding block.

Adding fields to the totals table generates additional data records. Each new field that you include increases the data volume. This has a negative effect on performance and uses up more memory. **For this reason, you should not include any more account assignments than you actually require.** This is especially true of fields that can take a large number of values (such as internal order, customer order, or WBS element). From the technical point of view, the customer include *CI_GLFLEX04_INC* is created with this enhancement.

When enhancements are made at the totals record level, the system extends the line item records without generating additional data records. This type of enhancement can therefore be considered uncritical. From the technical point of view, the customer include *CI_GLFLEXA* is created with this enhancement.

Defining Your Own Totals Table

This IMG activity enables you to define your own totals table as the basis for your ledgers. Choose *Extras -> Create Table Group*. The system then creates the totals table as well as the corresponding line item table.

Caution

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SAP recommends using the standard totals table delivered by SAP. Certain functions in General Ledger Accounting (such as planning and reporting) are based on this standard totals table. If the delivered table does not meet your requirements and you define your own totals table, you need to ensure that these functions also access the totals table you have defined.

Requirements

If you want to add a customer-defined field, you need to have already included this field in the coding block. Choose Edit Coding Block.

Activities

1. To make an enhancement to a totals table, choose *Change*.
2. Enter the desired fields under *Field Names*. The following options are available for doing this: - To include a customer field, double-click it under *Customer Fields*.
- To include an accounting document standard field that is delivered by SAP, double-click it under *More Fields*.
3. Save your entries and activate your enhancement.
4. To check the overall installation, choose *Check*.
5. To create database indices for the summary tables as well as actual and plan line items, choose *Database Indices*. The creation of new indices is **not** mandatory. However, creating an appropriate index can improve performance.
6. Assign the fields to the desired ledgers. For this, choose the IMG activity Assign Scenarios and Customer Fields to Ledgers.

Notes on Transport

- Use one customer development class for all objects created and include all objects in the same transport request. Otherwise, a transport to the target system is not possible.
- Use only one correction order for all actions performed. In this way, you ensure that the objects are transported to the target system in the correct chronological order.

15.1.1.1.2.3 Define Master Data Check

In this activity, you determine how the check is to be carried out for the integrated master data that you use for planning and allocation.

Integrated master data is all master data that is used as dimensions in General Ledger Accounting. This data is not always created in the general ledger, such as a G/L account, rather is created during SAP system integration, such as cost center.

Example

During planning you enter a certain account for company code 0001. The system then checks to see if:

- It is a valid account
- It is a valid company code/account combination

Standard settings

Check routines are available in the system for the most important fields, that is, for fields that can be activated when setting up scenarios.

Activities

1. Check the entries in the standard system to see if you can use them.
2. If you cannot use the existing entries, make new entries by:

- Entering an exit number for SAP fields
 - Entering a value table for customer fields
3. If you want to check combinations, you must enter higher-level fields. Enter a company code, for example, if you want to check the validity of this field in this company code.
 4. The indicators *fixed field* und *Use in set* refer to planning.
 - If the *Fixed field* indicator is set, you **cannot** use the field for planning.
 - If the *Use in set* indicator is set, you can use the field for planning.
 5. For the allocation, you can enter a partner field for the field. The sender field is thus known if, for example, you wish to distribute costs from one cost center to another.

15.1.1.1.2.4 Include Customer Fields in Enjoy Transactions

Use

In this IMG activity, you can assign your customer fields to a screen variant for the G/L account items (screen 100 in program SAPLFSKB) of the Enjoy transactions for postings. This enables you to use the customer fields when making manual postings for account assignment.

You cannot select the customer fields directly when creating a screen variant for the G/L account items. In the element list on the screen, you only see generic fields (ACGL_ITEM_GEN-GEN_CHAR1...) as placeholders in the screen variant in place of the customer fields. During runtime, the generic fields are replaced in the screen by the customer fields. However, only fields with the type **CHAR** are considered, and other formats (such as DATS) are purposefully **not supported** (For ways of overcoming this issue, see SAP Note **174413**).

You therefore have to do the following:

- When editing the screen variant, you specify the **maximum number** of visible customer fields and their column position/sequence. For this, a maximum of five customer fields are possible in a screen variant.
For more information about editing a screen variant, see the documentation in the SAP Library under *Accounting -> Financial Accounting -> General Ledger Accounting (New) -> Business Transactions -> Post -> G/L Account Posting -> Screen Variants: Enjoy Transaction*.
- In this IMG activity, you then specify **which fields** are displayed in the screen variant in place of the generic fields and in which sequence they are displayed.
If you do **not** make an assignment for a screen variant, the customer fields are displayed up to the maximum number specified in the variant and in the same sequence as that defined in the coding block.

You can use the customer fields in the following Enjoy transactions to enter G/L account items:

- G/L account posting and parking (FB50, FV50, FV50L)
- Invoice entry and parking (FB70 and FB60, or FV70 and FV60)
- Credit memo entry and parking (FB75 and FB65, or FV75 and FV65)
- Incoming invoice (MIRO, MIR7) (does **not** concern the screens specified in SAP Note 352701)

Alternatively, you can also include your customer fields in the screen as a modification (for example, if **more** than five customer fields need to be entered in **one** screen variant). For more information, see SAP Note **174413**. In this way, you do **not** need to execute this IMG activity, and you can hide the generic fields in screen 100 when editing the screen variant.

If foreign key relationships are defined for customer fields, SAP Note 174413 (point [1]) needs to be Applied so that the foreign key values are known when the program is executed.

Requirements

You have already defined your customer fields and have included them in the coding block. You make the setting in Customizing for Financial Accounting (New) under *Financial Accounting Global Settings (New) -> Ledgers -> Fields -> Customer Fields*.

For more information on customer fields, see the documentation in the SAP Library under *Accounting -> Financial Accounting -> General Ledger Accounting (New) -> Configuring Ledgers in General Ledger Accounting -> Customer Fields*.

Activities

Select the desired screen variant as the work area and arrange your customer fields in the desired sequence.

15.1.1.1.3 Define Field Status Variants

In this activity you can define and edit field status variants and groups. You group several field status groups together in one field status variant. You assign the field status variants to a company code in the activity Assign Company Code to Field Status Variants. This allows you to work with the same field status groups in any number of company codes.

You can also define and process field status groups. You must define a field status group in the company code-specific area of each G/L account. The field status group determines which fields are ready for input, which are required entry fields, and which are hidden during document entry. Bear in mind that additional account assignments (i.e. cost centers or orders) are only possible if data can be entered in the corresponding fields.

Standard settings

Field status variant 0001 is entered for company code 0001 in the standard SAP software. Field status groups are already defined for this variant.

Note

You cannot attach a field status to some fields, such as those in the document header. You can, however, switch between required and optional entry field designations in the document type for some of these header fields.

The field status group you enter in the reconciliation accounts affects postings to the related customer or vendor accounts. You cannot enter a field status group in the customer or vendor accounts. Field status groups are determined for customer and vendor accounts from their respective reconciliation accounts, via the G/L account number in their master records.

There are other factors, besides the field status group itself, which have an influence on the field status. Among these are:

- The field status defined for the posting key.
The status "optional entry field" was assigned to posting keys 40 and 50 in the standard system. These are the standard posting keys for G/L account postings. The "optional entry field" status has no effect on the field status.
- Specifications for the document type.
You can specify here that a reference number and document header text must always be entered, for example.

Recommendation

Designate field status via the field status groups in the G/L accounts. This allows you a more account-specific screen layout. You cannot differentiate by posting key, since there are only two such keys for postings to G/L accounts.

The situation with reconciliation accounts is different. You do not make any differentiated field status definition via the master record for these special G/L accounts. You use the debit and credit posting keys instead.

Activities

1. Create new field status variants using *Edit -> New entries*. You can also use the copy function to create new field status variants. To do this, select *Edit -> Copy as*. When copying field status variants, the accompanying field status groups are also copied.
2. Look at the standard field status groups.
3. Find out which fields on the entry screens should be

- ready for input
- required entry fields
- Hidden for the G/L accounts in your company.

You do not make this definition for each account, but rather for groups of accounts. This is why you may want to adapt the field status groups included in the standard system.

4. If necessary, change the standard field status groups, or define your own for each field status variant.
5. You can delete field status variants that are no longer required via *Edit -> Delete*. The accompanying field status groups will also be deleted.

15.1.1.1.4 Assign Company Code to Field Status Variants

Use

In this IMG activity, you assign the company codes in which you want to work with identical field status groups to the same field status variant.

You define your field status group per field status variant. For more information, see Define Field Status Definition Groups.

Standard settings

In the SAP standard, a field status variant of the same name is assigned to company code 0001.

Activities

Assign the company codes concerned to the same field status variant.

15.1.1.1.5 Define Sub screens for Coding Blocks

Use

In this IMG activity, you can define your own sub screens for posting transactions. In posting transactions, the account assignment objects are displayed on sub screens. If the fields on a sunscreen are not sufficient for your purposes, you can define your own sunscreen.

Note

For more information about defining your own sub screens, see the general section Define Sub screens for Account Assignment Block.

15.1.1.1.6 Display Scenarios for General Ledger Accounting

Use

This IMG activity provides an overview of the scenarios SAP ships for General Ledger Accounting. A scenario determines which fields are updated when postings are received from other application components. You **cannot** define your own scenarios.

In the IMG activity Assign Scenarios and Customer-Defined Fields to Ledgers, you specify which scenario you want to use for which ledger. There you can also add custom fields to a ledger.

Example

In the profit center update scenario, the fields PRCTR (profit center) and PPRCTR (partner profit center) are filled for both actual and plan data.

15.1.1.2 Ledger

15.1.1.2.1 Define Ledgers for General Ledger Accounting

Use

In this Customizing activity, you define the ledgers that you use in general ledger accounting. The ledgers are based on a totals table. SAP recommends that you use the shipped standard totals table *FAGLFLEX*.

A distinction is made between the following ledger types:

- **Leading Ledger**
The leading ledger is based on the same accounting principle as that of the consolidated financial statement. It is integrated with all subsidiary ledgers and is updated in all company codes. You must designate exactly one ledger as the leading ledger.
In each company code, the leading ledger is automatically assigned the settings that apply to that company code: the currencies, the fiscal year variant, and the variant of the posting periods.
- **Non-Leading Ledger**
The non-leading ledgers are parallel ledgers to the leading ledger. They can be based, for example, on local accounting principles such as German Commercial Code.
You have to activate a non-leading ledger for each company code.

For each ledger that you create, a ledger group of the same name is automatically created.

Activities

Create your ledgers for general ledger accounting and set the *Leading* indicator for one of the ledgers.

Caution:

As soon as the leading ledger contains transaction data, the *Leading* indicator can no longer be deselected.

15.1.1.2.2 Define Currencies of Leading Ledger

Use

In this IMG activity, you specify the currencies to be applied in the leading ledger. You can make the following settings for each company code:

- The local currency (as company code currency) is specified in the company code settings.
- You can define one or two additional local currencies that you store per company code parallel to the first local currency.

For additional local currencies you define the following data per company code:

- **Currency type**
The currency type defines the role of the parallel currency. A distinction is made between the following types of currencies:
 - **Company code currency**
 - Group currency
 - Hard currency
 - Index-based currency
 - Global company currency
- **Exchange rate type for the translation**
The exchange rate type determines the exchange rate, which is stored in the system, is applied in calculating the additional amount fields. As in the case of the local currency, you can use exchange rate type M (average rate) or any other exchange rate type.
- **Base currency for the translation**
The calculation of the amounts in parallel currencies can be determined using the document currency of the local currency.
- **Translation date**
The rate for translation amounts can be based on the translation date, the document date, or the posting date.

Caution

You **cannot** change the currency type for company codes that are already productive.

Activities

1. In addition to the first local currency, define one or two currency types.
2. The group currency must be defined in the client.
3. The group currency has to be defined in the client.
4. You have to define the global company currency for the internal trading partner for which the currency is to be valid. Branch into the detail view of the corresponding company to do this.
5. If you want to use the country-specific currencies **hard currency** or **Index-based currency** as additional currencies, you must enter the currency for the countries for which the currency is to apply. To do this, branch to the detail screen of the country in question.
6. Enter the base currency and translation date.
7. You should define a line layout variant for the line item display of the amounts in the parallel currencies. For more information about line layout variants, see the documentation on the IMG activity Define Processing Forms.

15.1.1.2.3 Define and Activate Non-Leading Ledgers

Use

In this IMG activity, you make the following settings for the non-leading ledgers for **each company code**:

- You activate the non-leading ledgers in the company code.
- You can define additional currencies beyond that of the leading ledger. The first currency of a non-leading ledger is always the currency of the leading ledger (and hence that of the company code). For the second and third currencies of a non-leading ledger, you can only use currency types that you have specified for the leading ledger.
- You can define a fiscal year variant that differs from that of the leading ledger. If you do **not** enter a fiscal year variant, the fiscal year variant of the company code is used automatically.
- You can specify a variant of the posting periods. If you do not enter a variant, the variant of the company code is used automatically.

15.1.1.2.4 Assign Scenarios and Customer Fields to Ledgers

Use

In this IMG activity, you assign the following to your ledgers:

- **Scenarios**
This determines what fields in a ledger are updated when it receives posting from other application components.
- **Custom Fields**
You can add custom fields (that you have already defined) to the ledger.
- **Versions**
This enables you to make general version settings for the ledger that depend on the fiscal year. In the versions, you specify whether actual data is recorded, whether manual planning is allowed, and whether planning integration with Controlling is activated.

Note

You **cannot** make assignments to rollup ledgers. You create rollup ledgers with the desired versions in Customizing for *General Ledger Accounting (New)* under *Tools -> Rollup -> Define Rollup Ledgers in General Ledger Accounting*.

15.1.1.2.5 Activate Cost of Sales Accounting

In this activity, you activate cost of sales accounting for your company codes.

This means that when you post to these company codes, the functional areas are derived and updated.

Requirements

To activate cost of sales accounting, you must make at least one of the following settings:

- Assign a functional area to the master data of the account assignment objects. You can make this setting under Enter Functional Area.
- You have defined and activated a substitution.

- If you determine the functional area on the entry screen, you make the settings under Define and Activate Substitution for Cost of Sales Accounting.
- If the functional area is not defined until you save (indicator Determine Functional Area on Entry Screen is not set), you make the setting under Configure Substitution for Cost of Sales Accounting.

You can also assign the functional area to the master data and define a substitution.

Activities

1. For the company codes for which you want to use cost of sales accounting, choose *Active*.
2. Save your entry.

15.1.1.2.6 Define Ledger Group

Use

In this IMG activity, you define ledger groups. A ledger group is a combination of ledgers for the purpose of applying the functions and processes of general ledger accounting to the group as a whole. When posting, for example, you can restrict the update of individual postings to a ledger group so that the system only posts to the ledgers in that group.

You can combine any number of ledgers in a ledger group. In this way, you simplify the tasks in the individual functions of General Ledger Accounting.

- When a ledger is created, the system automatically generates a ledger group with the same name. In this way, you can also post data to an individual ledger or access it when using functions where you can only enter a ledger group and not ledgers.
You can change the name of the ledger group that was taken from the ledger.
- You only have to create those ledger groups in which you want to combine several ledgers for joint processing in a function.
- You do **not** need to create a ledger group for all ledgers because the system automatically posts to all ledgers when you do **not** enter a ledger group in a function.

Representative Ledger of a Ledger Group

The system uses the representative ledger of a ledger group to determine the posting period and to check whether the posting period is open. If the posting period for the representative ledger is open, the system posts in all ledgers of the group, even if the posting period of the non-representative ledgers is closed. Each ledger group must have exactly one representative ledger:

- If the ledger group has a leading ledger, the leading ledger must always be identified as the representative ledger.
- If the ledger group does **not** have a leading ledger, you must designate one of the ledgers as the representative ledger. If the ledger group has only one ledger, this ledger is then the representative ledger. If the ledger group has more than one ledger, the system checks during posting whether the representative ledger was selected correctly. This check is based on the fiscal year variant of the company code:
- If all ledgers in the ledger group have a different fiscal year variant to that of the company code, you can designate any ledger as the representative ledger.
- If one of the ledgers in the ledger group has the same fiscal year variant as that of the company code, that ledger must be designated as the representative ledger.
This means you may not be able to use the same ledger group for all company codes.

Activities

Create ledger groups and assign ledgers to them. A ledger group does not have to contain more than one ledger.

15.1.1.3 Fiscal Year and Posting Periods

15.1.1.3.1 Maintain Fiscal Year Variant (Maintain Shortened Fisc. Year)

You can define the following characteristics for a fiscal year variant:

- how many posting periods a fiscal year has
- how many special periods you need
- how the system is to determine the posting periods when posting

When defining your fiscal year, you have the following options:

- **Your fiscal year is the calendar year**
In this case, you must only select the *Calendar year* field.
- **Your fiscal year is not the same as the calendar year and is not year-dependent** In this case, you first enter the number of your posting periods in the *Number posting per.* field. To define your posting periods, select your fiscal year variant and select *Periods* on the navigation screen. On this screen, enter the month and the day of the period end and the period in each case.
- **Your fiscal year is not the same as the calendar year and is year-dependent** Enter the number of your posting periods in the field *Number posting periods* and select the field *Year-dependent*. To define your posting periods, select your fiscal year variant and select *Periods* on the navigation screen. The system asks for which calendar year your year-dependent fiscal year variant is valid. You then enter the month and day of the period end for each of your periods, and the periods themselves.

It is also possible to determine names for the periods of a non-year-specific fiscal year variant. To do so, select your fiscal year variant and choose *Period texts* on the navigation screen. You can specify a three-character abbreviation (Jan, Feb, Mar...) and a 20-character long text (January, February, March).

Standard settings

The following fiscal year variants have been created in the standard system:

- Variants in which the fiscal year is the same as the calendar and has up to four special periods
- Variants for shortened fiscal years. For more information on shortened fiscal years, see *Defining shortened fiscal years*.
- Variants for non-calendar fiscal years:
- April to March with four special periods
- July to June with four special periods
- October to September with four special periods
- Variants that are set up on a weekly basis. These variants can only be used in the Special Purpose Ledger (FI-SL) application.

Activities

1. Check the standard fiscal year variants.
2. Change the existing variants, if necessary, or create your own variants.

Defining shortened fiscal year

A shortened fiscal year is a fiscal year having less than twelve months, but for which year-end closing must be carried out. The definition of a shortened fiscal year is always year-dependent, since it represents a year-related exception. You must always define an entire calendar year when defining a fiscal year variant. The year-related fiscal year variant therefore contains not only the periods from the shortened fiscal year, but also other periods from the previous or subsequent fiscal year.

There are two ways to define a shortened fiscal year:

- If you only use **Financial Accounting (FI) without Asset Accounting (FI-AA)**, you can begin a fiscal year with any period.

Example

If your shortened year goes from January to September, you can assign periods **004** to **012**. Assign periods **001** to **003** of the new fiscal year to the months October-December.

Specify the number of periods for the fiscal year variant (12 in the example above).

Note

Keep in mind that the last period of a fiscal year must correspond to the number of periods in that Year. This means that if you want to define 12 periods, the last period in that year must be number 12.

- If you also implement the **Asset Accounting (FI-AA) component or another component such as Materials Management (MM) or Controlling (CO)**, each fiscal year must begin with period number **001**, to allow asset depreciation calculations to be carried out accurately.

For a fiscal year variant, specify the periods and the number of periods the shortened fiscal year has. This way, each fiscal year of the variant can begin with period **001**.

Example

If you define a fiscal year with twelve periods, it can contain a shortened year with nine periods (from **001** to **009**). The remaining calendar year contains the first three periods of the new fiscal year (periods **001** to **003**).

For more information about implementing the Asset Accounting component, see the Asset Accounting documentation.

Note

You define your shortened year and the following normal fiscal years under the same fiscal year variant. Bear in mind that you generally need to ensure that it is possible to post to previous fiscal years.

You need to keep the year-dependent fiscal year variant for as long as you are posting in or prior to a shortened fiscal year, or if you are transferring old data from this period. Year-dependent definitions will be deleted as soon as you convert the fiscal year variants from year-dependent to year-independent.

Caution

The fiscal year variant is used in several application components of the SAP system, for example, FI, FI-AA, CO, SD, MM, and HR. In some application components, the calendar year-dependent definition of fiscal periods and years is still required if the shortened fiscal year is already in the past. If such a shortened fiscal year exists in your system, it must always be indicated as *year-specific*. You must not change this setting under any circumstances, even if the shortened fiscal year is already in the past.

Standard settings

Two shortened fiscal year variants are provided with the standard system: variant **R1** for a Financial Accounting shortened year, and variant **AM** for shortened years when Asset Accounting is in use.

Activities

1. If you need to define a shortened fiscal year, first determine which of the two options above will be used.
2. Define the shortened fiscal year.
To define the shortened year for Asset Accounting, select *Navigation -> Shortened fisc.yr*.

15.1.1.3.2 Assign Company Code to a Fiscal Year Variant

For every company code, you must specify which fiscal year variant is to be used.

Requirements

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You have defined the relevant fiscal year variant. The variant does not contain more than 16 periods. For more information, see Maintain Fiscal Year Variant.

Standard settings

The standard company code is assigned to the fiscal year variant that corresponds to the calendar year and uses four additional special periods.

Activities

Assign a fiscal year variant to each company code.

15.1.1.3.3 Posting Periods

It is possible to specify which company codes are open independent of a company code. Thus, as many company codes as required can use the same variants for open company codes.

In the following activities, you make the necessary settings to be able to manage identical posting periods in several company codes.

15.1.1.3.3.1 Define Variants for Open Posting Periods

In this activity, you can define variants for open posting periods.

Standard settings

In the standard setting, a separate variant for posting periods is defined for every company code. The name of this variant is identical to the company code name. Every company code is allocated to this variant with the same name. Thus nothing has changed in the system yet: Every company code has its own variant. If you want to and can continue working on this basis (for example, if you manage with only a few company codes), you do not have to make any changes in the configuration.

If however, you want to use identical variants in several company codes, you must change the default settings as described in the "Activities" section.

Activities

1. Change the name in one of the variants.
2. Allocate all company codes, for which you want to use identical variants for open posting periods, To this variant.
Detailed information on this can be found in the chapter "Allocate company code to variant".
3. Delete the variants no longer required.

15.1.1.3.3.2 Assign Variants to Company Code

In this activity, you make the specification that is necessary to be able to work in several company codes with the same variant for open posting periods. For this reason, you assign the same variant key to the company codes you want to group together.

Activities

Assign the same variant to the corresponding company codes.

15.1.1.3.3.3 Open and Close Posting Periods

In this activity, you can specify which periods are open for posting for each variant. You have two time intervals (time period 1 and time period 2). In each interval, specify a period lower limit, a period upper limit, and the fiscal year.

You close a period by selecting the period specifications so that the period to be closed does not fall within them.

You can also assign authorization groups for permitted posting periods. This means that in month-end or year-end closing for example, you can open some posting periods for specific users only. The authorization group only has an effect on time period 1. The authorization object is F_BKPF_BUP (Accounting document: Authorizations for posting periods). For more information about assigning authorizations, see the corresponding section for User Maintenance.

Note

Specify G/L account numbers for your specifications. You define the permitted posting periods for the sub ledger accounting accounts using the relevant reconciliation accounts. To do this, specify the account type for the sub ledger accounting, such as D or K, and the relevant reconciliation account.

Caution

There must be a minimum entry for each variant. This entry must have + in column **K**, and the columns From Account and To Account must not contain entries. In the columns for the posting periods, specify the periods you want to always be open in this variant. With further entries, you define more specifically which periods are to be open for which accounts.

Activities

1. Specify the periods permitted for posting.
2. First enter the periods permitted for posting for all variants (minimum entry).
3. Then add entries for account types or account areas if the periods are to be further restricted for specific accounts.
4. In addition, enter an authorization group for each time period 1 in order to limit user access.

15.1.1.3.3.4 Open and Close Posting Periods According to G/L Account Assignment Objects

Use

In this step you specify which posting periods are open for the posting for each variant and account assignment object. Two time intervals are available for this (period 1 and period 2). You specify a lower and upper limit for the period and the fiscal year in each interval.

You close periods by choosing the period specifications in such a way that the periods to be closed are **no** longer included.

You can also assign authorization groups for permitted posting periods. As such, you can for example open certain posting periods for specific users only for a particular month or year-end closing. The authorization group can only be assigned as document header level and is only valid for period 1. The authorization object is called F_BKPF_BUP (Accounting document: Authorizations for posting periods). For more information on the assignment of authorizations, see User Maintenance.

Activities

1. Enter the variant of the posted company code and account assignment object of general ledger accounting for which you want to either open or close the posting periods.
2. Specify the interval of the affected account assignments and periods that are allowed for the posting
3. Enter an authorization group for each period 1 for which you want to create an authorization protection.

15.1.1.4 Parallel Accounting

15.1.1.4.1 Define Accounting Principles

Use

In this activity, you define your accounting principles. You then assign the desired ledger group to the accounting principles (see Assign Accounting Principle to Ledger Groups).

For performance reasons, you can combine several different accounting principles in one entry; for example, you create one accounting principle for IAS/US GAAP. This can be useful if, in an application, you have to create the data for each accounting principle, even if the postings derived from the data are identical for each accounting principle.

Caution

The accounting principles that you have defined are available in various functions in Financial Accounting, such as in the report for foreign currency valuation, in *Manual Accruals*. SAP therefore advises you **not** to delete accounting principles.

Requirements

You have created a ledger (see Define Ledgers for General Ledger Accounting).

15.1.1.4.2 Assign Accounting Principle to Ledger Groups

Use

In this IMG activity, you assign the desired ledger group to your accounting principles.

Requirements

You have created a ledger (see Define Ledgers for General Ledger Accounting).

15.1.1.5 Real-Time Integration of Controlling with Financial Accounting

15.1.1.5.1 Define Variants for Real-Time Integration

Use

In this IMG activity, you define variants for the real-time integration of Controlling (CO) with Financial Accounting (FI).

Note

If you use real-time integration, you can deactivate the reconciliation ledger. In this way, the reports that select the data from the reconciliation ledger no longer display any data. Some reports in Cost Element Accounting are affected.

15.1.1.5.2 Assign Variants for Real-Time Integration to Company Codes

Use

In this IMG activity, you assign to one or more company codes the variants in which you have combined Customizing settings for the real-time integration of Controlling with Financial Accounting. If you assign **no variant** to a company code, **no** real-time integration is activated for that company code.

15.1.1.5.3 Define Rules for Selecting CO Line Items

Use

In this IMG activity, you can define rules that the system then applies to determine which line items should be transferred from Controlling into Financial Accounting.

Activities

1. Expand the hierarchy to the desired application area and event.
2. Select the rule that is to be changed or used as a template.
3. Proceed as follows to create or maintain a rule:
 - To create a rule without a template choose *Maintain rule*.
 - To create a rule using a template, choose *Copy rule*. Enter a name and a description for the logical rule.
4. Define the contents of your rule using the formula editor: Enter a Boolean rule for your logical rule or change the existing rule.

Transport Type

To transport rules manually into the productive system, choose *Rule -> Transport*.

You can also use the IMG activity Transport Rules.

Additional Information

You can find more detailed information about creating and maintaining logical rules in the *SAP Library* under *Financials -> Financial Accounting -> FI Special Purpose Ledger -> Validations and Substitutions -> Rules*.

15.1.1.5.4 Define Field Transfers for Real-Time Integration

Use

In this activity, you define the fields that are not used explicitly in new General Ledger Accounting but that you want to transfer to FI with real-time integration. These fields are not updated in the tables of new General Ledger Accounting. Instead, they are only updated in the corresponding receiver fields of the line item table in classic General Ledger Accounting.

Dependencies

If new General Ledger Accounting is not activated in your system, the system transfers all fields that have corresponding receiver fields in the line item table in classic General Ledger Accounting. When these settings are transported, the program code required for transferring fields is not generated automatically in the receiver system. In the receiver system for the transport, run transaction FAGL_COFI_GENERATOR in all relevant clients.

Activities

Set the **Transfer Field to FI** indicator for all fields that need to be updated in the line item table in classic General Ledger Accounting.

Example

You want the order number to be transferred from the CO document to the FI document. Set the appropriate indicator and save your changes.

15.1.1.5.5 Define Account Determination for Real-Time Integration

15.1.1.5.5.1 Define Intercompany Clearing Accounts

In this activity you define the accounts for the clearing entries the system makes when posting cross-company code transactions. These clearing entries represent the receivables and payables between company codes which result from central purchasing or payment.

You can specify G/L accounts as well as customer and vendor accounts for clearing between company codes.

Example

Cross-company code postings occur when purchasing or payment is made centrally for several company codes. They can also occur if one of the company codes in the corporate group is a manufacturer and another is a merchandiser. If, in this case, the manufacturer's products are sold to the merchandiser first and then to customers, items are posted across company codes, that is, between the "merchandising" company code and the "manufacturing" company code. The system creates two documents for these transactions; one for each company code.

Customers sometimes make payment to the wrong company in a group of affiliated companies. You can use cross-company code entry to minimize the number of entries for posting this payment. In doing so, you debit your bank account (company code 1) and credit the customer account (company code 2), and the system automatically generates clearing entries between both company codes.

Caution

If the company code for which you are posting these items is an external one, then you can specify only G/L accounts as the clearing accounts.

Note

The company codes involved must be part of a single legal entity for tax purposes if you are posting Invoices to which each of the following points apply:

- The receivables or payables are posted in a different company code from the one in which the revenue or expenses (costs) are posted.
- The business transaction is relevant to taxes.

If a single legal entity exists for tax purposes, then only one of the company codes creates the advance tax return for every company code involved in the cross-company code postings.

Activities

1. Enter the account numbers for the clearing entries for every company code pair that carries out purchasing or payment together.

Note

The required posting keys are already defined in the standard system. To display them, choose *Goto -> posting keys* from the initial screen of the clearing accounts.

2. Make sure that the accounts have been created.
3. For cross-company code payment, you must also specify which company codes pay together.

15.1.1.5.5.2 Define Account Determination for Real-Time Integration

Use

In this IMG activity, you define account determination for the real-time integration of Controlling (CO) with Financial Accounting (FI).

You have two options for the definition of account determination:

- **Account determination without substitution** (standard account determination) the level of differentiation with which you want to trace the postings to Financial Accounting determines how many accounts you create and whether you assign transactions or object classes. You can assign the accounts as follows:
 - You specify an account for all reconciliation postings.
 - You assign an account to each business transaction.
 - You assign an account to each object class.
 - You assign an account to each transaction and to each object class.

- **Account determination with substitution**

In addition to account determination without substitution, you can determine the reconciliation account using substitution. For this, you have to define account determination at least for the specification of the posting key. Furthermore, you can use substitution to refine account determination.

In contrast to when the reconciliation ledger is used, additional fields are available when real-time integration is used:

- RCL_ICCF-BEKNZ
- RCL_ICCF-RSEGMENT
- RCL_ICCF-SSEGMENT

These fields are only filled by the system when real-time integration is used.

Caution

If you deploy the following functions, you may not use the additional fields in account determination:

- You still use reconciliation posting instead of real-time integration.
- You use real-time integration but you still have the reconciliation ledger activated so that you can use the reconciliation reports from Cost Element Accounting, such as *CO/FI Reconciliation in Company Code Currency*.

These functions use the reconciliation ledger data, which does not contain the additional fields.

For more information about defining account determination, see Define Adjustment Accounts for Reconciliation Posting.

15.1.1.5.6 Transfer CO Documents Retrospectively

Use

With this IMG activity, you can subsequently transfer into external accounting any CO documents that were posted during internal clearing in Controlling, such as during assessments. This can be useful if, for example, you do not activate real-time integration of Controlling with Financial Accounting until after you have activated the new General Ledger.

For more information, see the documentation on the report.

15.1.2 Global Parameters for Company Code

15.1.2.1 Enter Global Parameters

In this activity, you can make various global specifications for the company code. In addition, you can look at the most important specifications of the company code at any time in the overview. This includes, among other things, the chart of accounts and the fiscal year variant.

Requirements

You have created the organizational unit "Company code" in the "Enterprise Structure" section of the Implementation Guide. For further information see "Create company code".

Standard settings

For the standard company code 0001, the global parameters for Germany have already been set, such as, for example, the payment methods, the tax calculation procedures and the chart of accounts most frequently used in Germany.

If you need a company code for a different country and the corresponding legal requirements, you must first of all run the country installation program in client 001. The country which you need is then entered as the country of company code 0001 and all the country-specific parameters associated with it are also converted to this country. Read the chapter "Set up client" within your Customizing project.

Activities

You can look at the most important specifications. You make these specifications later from other activities.

15.1.2.2 Set Company Code to Productive

In this activity, you set the productive indicator for the company codes for which the test phase has been completed. The productive indicator prevents data within the company code from being deleted by the programs for deleting test data.

Activities

Set the productive indicator for the required company codes.

15.1.2.3 Currencies

15.1.2.3.1 Maximum Exchange Rate Difference

In the following activities, you define the maximum difference between exchange rates for postings in foreign currency.

With the maximum difference between exchange rates, you specify, per company code, how much the exchange rate entered manually in the document header may differ in terms of percent from the one stored in the system. If required, you can also specify a maximum difference between exchange rates per foreign currency.

15.1.2.3.1.1 Define Maximum Exchange Rate Difference per Company Code

In this activity, you define, per company code, a maximum difference between exchange rates for postings in foreign currency. To do this, you specify how much the exchange rate entered manually in the document header may differ in terms of percent from the one stored in the system.

If an exchange rate or the local and the foreign currency amount were entered manually during document entry, then a comparison is made with the exchange rates stored in the system. If a deviation does occur and it exceeds the percentage rate specified here, then a warning appears.

Note

The specifications are company code-dependent.

Standard settings

For the standard company code 0001, the maximum difference between exchange rates is defined in the system.

Activities

Check the entries for the difference between exchange rates and, if necessary, add an entry for your company code.

15.1.2.3.1.2 Define Maximum Exchange Rate Difference per Foreign Currency

In this activity, you can specify a maximum difference between exchange rates for the foreign currency/local currency exchange rate in terms of percent.

Note

You can set this function if you need a differentiated difference between exchange rates per foreign currency in addition to the company code. This is, for example, the case if the foreign currency/local currency difference between exchange rates deviates too much from the one stored for the company code.

Activities

Define a maximum difference between exchange rates for all foreign currency/local currency combinations for which it is necessary.

15.1.2.3.2 Indicate Currency Differences for Partial Payments

In this activity, you indicate a document type that will enable you to calculate period-related currency differences for partial payments. The indicator activates the calculation of period-related currency differences.

Once you have set the indicator for the required document type, the following steps are taken:

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1. When a partial payment in foreign currency is posted, the original exchange rate from the invoice posting date is compared with the current exchange rate. Any exchange gains or losses are calculated and posted immediately in the document.
2. When the remaining balance is paid, any exchange gain or loss on that amount is calculated and posted in the same way.

Requirements

You have defined at least one document type for partial payments.

Activities

Set the indicator for the required document type.

15.1.2.4 Tax

15.1.2.4.1 VAT Registration Numbers (VAT Reg.No.)

For every company code which has its headquarters in an EU country and carries out business transactions with other EU member states, you specify the VAT registration numbers (VAT reg.no.) in the following activities. A VAT reg.no. is to be specified on invoices and purchase orders for tax-exempt goods and services to other EU member states. The VAT reg.no. is required for the control procedure which replaces the former border controls within the EU (EC sales list).

You can have a VAT reg.no. assigned in the country of your company code and in all other countries of the EU member states. The VAT reg.no. of other EU member states is used in purchase orders for which the delivery of goods is made to this country and taxed there.

Example

In the company code country Germany, you order goods which are to be delivered directly to your plant in France. In the purchase order, you specify the VAT reg.no. from France. The goods are listed in the EC sales list for France.

Requirements

You can only specify a VAT reg.no. for the company codes that you specified as being an EU country. Check whether the company code country is marked accordingly.

15.1.2.4.1.1 Define Domestic VAT Registration Numbers

In this step, you store the VAT registration number for every company code which has its headquarters in an EC country and maintains business transactions with other EC member states. The VAT registration number applies to the company code country.

Activities

Specify the VAT registration number for the required company codes which was granted in the country of the company code.

15.1.2.4.1.2 Define Foreign VAT Registration Numbers

In this activity, you define the VAT registration number which you received in another EC member state for every company code which has its headquarters in an EC country and maintains business transactions with other EC member states.

Activities

Specify the VAT registration number for the required company codes which were issued in other EC member states for your company codes.

15.1.2.4.2 Activate Extended Withholding Tax

In this activity you activate extended withholding tax.

SAP provides you with two procedures for processing withholding tax: "Standard" and extended withholding tax.

"Standard" withholding tax is the procedure that has always been supported by the system. It offers you the following features:

- Withholding tax for accounts payable
- Withholding tax calculation during payment
- Withholding tax code per vendor line item

Extended withholding tax provides the following additional features:

- Multiple withholding taxes per customer or vendor line item
- Withholding tax calculation for partial payments

-

Activities

1. Migrate your master data and transaction data.
2. Activate extended withholding tax.
3. Carry out Customizing in Financial Accounting Global Settings under *Withholding Tax* -> *Extended Withholding Tax*.

Further notes

Once you decide to use extended withholding tax and activate it, you have to migrate your master data and transaction data. It is then impossible to revert back to using ordinary withholding tax.

15.1.2.5 Activate Accounts Receivable Pledging Procedure per Company Code

In order to display accounts receivable factoring, you have to activate the factoring procedure for the company code.

Activities

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1. Set the activation indicator for the required company codes.
2. Define the accounts receivable factoring indicator.
You can do this in Customizing as follows: *Accounts Receivable and Accounts Payable -> Customer Accounts -> Master Records -> Preparations for Creating Customer Master Records -> Define Accounts Receivable Factoring Indicator.*
3. Check whether the field *Accounts receivable factoring indicator* is set as an optional or required entry field in the customer account group and the company code (customers) screen layout. You can do this in Customizing as follows: *Accounts Receivable and Accounts Payable -> Customer Accounts -> Master Records -> Preparations for Creating Customer Master Records -> Define Account Groups with Screen Layout (Customers).*
4. Check whether the field *Accounts receivable factoring indicator* has been set as an optional or required entry field in the company code (customers) screen layout.
You do this in Customizing: *Accounts Receivable and Accounts Payable -> Customer Accounts -> Master Records -> Preparations for Creating Customer Master Records -> Define Screen Layout per Company Code (Customers).*
5. Adapt a line layout variant for the customer line item display. Alternatively, you can create your own line layout variant for the accounts receivable factoring procedure. You can do this in Customizing: *Accounts Receivable and Accounts Payable -> Line Items -> Customer Line Item Display -> Define Line Layout.*

15.1.3 Document

15.1.3.1 Document Types

15.1.3.1.1 Define Document Types for Entry View

Use

In this activity, you define your document types. Document types are used to differentiate the business transactions and to manage how documents are stored. This documentation describes the special procedure for setting up document types for New General Ledger Accounting.

For general information about defining document types, see Define Document Types.

Activities

- If you only work with one ledger (the leading ledger), proceed as follows:

In this activity, define for **all postings** the document types for the documents in the entry view. Also assign a number range to the document types.

For example:

Document Type SA, G/L Account Document, Number Range 01 Document Type SB, G/L Account Posting, Number Range 12

- If you work with a leading ledger and with non-leading ledgers, proceed as follows: Since the majority of postings has the same effect in all ledgers, define in this IMG activity the document types for the entry view for **postings that affect all ledgers**. Also assign a number range to the document types.

Example:

Document Type SA, G/L Account Document, Number Range 01

Document Type SB, G/L Account Posting, Number Range 12

In the case of postings that **do not have the same effect on all ledgers**, proceed as follows:

- Postings only for the leading ledger:

Define a separate document type for these postings. Assign a unique number range to this document type.

Example:

Document Type SX, Closing Postings, Number Range 90

- Postings for non-leading ledgers:
You make these settings under Define Document Types for Entry View in a Ledger.

Note

By segregating the ledger-related postings (here, the leading ledger) in a separate number range, you ensure the contiguous assignment of document numbers at the ledger level for each number range.

15.1.3.1.2 Define Document Types for Entry View in a Ledger

Use

Here, you make the settings specifying the document type for postings to non-leading ledgers.

Under Define Document Types for Entry View, you make the document type settings for postings in the entry view that effect **all** ledgers and for postings to the **leading** ledger.

Requirements

You work with a leading ledger and with non-leading ledgers.

Activities

To define document types for postings to non-leading ledgers, proceed as follows:

Set up a separate document type for these postings. Assign a unique number range to this document type for each ledger.

Example:

Document Type SX, Closing Postings, Ledger L2, Number Range 91

Document Type SX, Closing Postings, Ledger L3, Number Range 92

Note

By segregating the ledger-related postings (here, for the non-leading ledgers) in a separate number range, you ensure the contiguous assignment of document numbers at the ledger level for each number range.

Within a ledger group, the representative ledger determines the document types and number ranges applied. For this reason, you cannot perform this IMG activity for a ledger group.

If you use a ledger group to make account assignments for postings, it is only possible to verify that Document numbers are assigned contiguously at the ledger level for the representative ledger.

15.1.3.1.3 Define Document Types for General Ledger View

Use

In this IMG activity, you define for **non-leading ledgers** the document types for the documents in the General Ledger view. At the same time, you assign for each document type a number range to be applied in the assignment of document numbers:

- You do **not** need to make these settings for your leading ledger because, in the case of this ledger, the document number in the entry view always corresponds to the document number in the general ledger view.
- You only have to make these settings for any non-leading ledgers that have a fiscal year variant that differs in at least one company code from the fiscal year variant of the leading ledger in this company code. In this case, the document number in the entry view does **not** correspond to the document number in the general ledger view and you have to define a separate document type with document number assignment for the general ledger view.

For all non-leading ledgers that, in the company code to which the postings are made, have a fiscal year variant corresponding to the fiscal year variant of the leading ledger in this company code, the document number in the entry view always corresponds to the document number in the general ledger view.

Note

The need to define a document type for documents in the general ledger view depends only on whether the fiscal year variant of the non-leading ledger in the company code (to which the postings are made) differs from the fiscal year variant of the leading ledger in this company code. On the other hand, document type definition is **independent** of which the type of ledger group to which postings are made, that is, regardless of

- Whether postings are made without a ledger group
- Whether postings are made to a ledger group with a leading ledger as the representative ledger
- Whether postings are made to a ledger group with a non-leading ledger as the representative ledger

15.1.3.2 Document Number Ranges

A number range must be assigned to each document type in the SAP System. Via the document types, you distinguish the postings according to the different business transactions, for example customer payment, vendor credit memo, and so on. To store documents separately according to document types, you must assign a separate number range to each document type, for example to invoices or to credit memos.

In the following activities:

- You define your document number ranges.
- You can determine which intervals of document number ranges are to be copied from one company code into another.
- You can determine which intervals of document number ranges are to be copied from one fiscal year into another.

15.1.3.2.1 Documents in Entry View

15.1.3.2.1.1 Define Document Number Ranges for Entry View

In this IMG activity you create number ranges for documents. For each number range you specify (among other things):

- a number interval from which document numbers are selected
- the type of number assignment (internal or external)

You assign one or more document types to each number range. The number range becomes effective via the document type specified in document entry and posting.

You can use one number range for several document types. This means you can differentiate documents by document type but combine them again for filing the original documents, provided you store your original documents under the EDP document number.

Note

The type of number assignment is of special importance. For each document type you should check whether a separate number range must be used and which type of number assignment is most appropriate.

One example of a case where external number assignment would be suitable is when you transfer documents into your SAP system from a non-SAP system. The numbers must be unique. The number range is not displayed with external numbers. You must therefore ensure that you do not skip any numbers when entering numbers manually (for organizational reasons). You should use internal number assignment if the original documents do not have a unique document number. This is the case, for example, with vendor invoices.

Number ranges for documents are company code-dependent. You must therefore create your number ranges for each company code in which the document type is used, namely with the same number range key.

The number intervals must not overlap. If you use year-dependent number ranges, you can specify the same interval with the same key several times for different *to-fiscal years* (the limit up to which a number range is still valid). If you want to define number ranges which are independent of the *to-fiscal year*, enter **9999** in the *to-fiscal year* field.

Caution

For sample documents, use a number range with key **X2**, for recurring entry documents with key **X1**.

These keys may not be used for other number ranges.

Recommendation

Store your original documents (paper documents) under the EDP number of the SAP System. You should write the EDP document number on the original document. In this way, the original document for a business transaction can be found at any time.

Activities

1. Determine how document filing is to be carried out in your company codes.
2. Define your number ranges accordingly.
3. Make sure that the number ranges are assigned to the corresponding document types.

Notes on transporting

You transport number range objects as follows:

Choose *Interval -> Transport* in the accounting document *Number Range* screen.

All intervals for the selected number range object are deleted in the target system first. After the import, only the intervals you export are present. The number statuses are imported with their values at the time of export.

Dependent tables are not transported or converted.

15.1.3.2.1.2 Copy to Company Code

In this activity, you can copy intervals of document number ranges from one company code to other company codes. To do this, you have to store the following information:

- Intervals which are copied
- To fiscal year(s) (validity limit up until which the number range is valid)

- Company code from which you copy (source company code)

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- Company code(s) into which you copy (target company code(s))

Activities

Make all necessary specifications for copying the number ranges.

Note

The number ranges are only copied into a target company code if no number ranges exist there within the selected "*To fiscal year*" interval.

Notes on transporting

The documentation for the step "Define document number ranges" describes how to transport document number ranges.

15.1.3.2.1.3 Copy to Fiscal Year

In this activity, you can determine which intervals of document number ranges are to be copied from one fiscal year into another per company code. To do this, you have to define the following information:

- Company code(s) within which you copy
- Number range number(s) which are copied
- Fiscal year from which you copy (source fiscal year)
- Fiscal year into which you copy (target fiscal year)

Activities

Make all necessary specifications for copying the fiscal years.

Note

The number ranges are only copied per company code into the target fiscal year if no intervals exist there for this fiscal year.

Notes on transporting

The documentation for the step "Define document number ranges" describes how to transport document number ranges.

15.1.3.2.2 Documents in General Ledger View

15.1.3.2.2.1 Define Document Number Ranges for General Ledger View

Use

In this IMG activity, you define the document number ranges for the documents in the General Ledger view.

Caution

Number ranges for documents in the General Ledger view may only be issued internally by the system. Do **not** set the *External Number Assignment* indicator for **any** of your ranges.

15.1.3.2.2 Copy to Company Code

Use

In this IMG activity, you can copy intervals of document number ranges for documents in the General Ledger View from one company code to other company codes. To do this, you need to enter the following information:

- The intervals to be copied
- The "To Fiscal Year(s)" to delimit the period of validity for the number range
- The company code from which the intervals are to be copied (source company code)
- Company code(s) to which the intervals are to be copied (target company code(s))

Note

The number ranges are copied to a target company code if no number ranges yet exist in the target company code within the selected interval *To Fiscal Year*.

Activities

Enter the required data.

Notes on Transport

For information about transporting document number ranges, see the documentation on the IMG activity Define Document Number Ranges for Entry View.

15.1.3.2.3 Copy to Fiscal Year

Use

In this IMG activity, you can specify for each company code which intervals of document number ranges for documents in the General Ledger View are copied from one company code to another company code. To do this, you need to enter the following information:

- Company code(s) between which the intervals are copied
- Number range number(s) that is/are copied
- The fiscal year from which the intervals are to be copied (source fiscal year)
- Fiscal year to which the intervals are to be copied (target fiscal year)

Note

The number range intervals are copied for each company code to the target fiscal year if no intervals yet exist in this company code for this fiscal year.

Activities

Enter the required data.

Notes on Transport

For information about transporting document number ranges, see the documentation on the IMG activity Define Document Number Ranges for Entry View.

15.1.3.3 Define Posting Keys

In this activity you define posting keys. Users specify a posting key before entering a line item. The posting key controls how the line item is entered and processed.

For each posting key, you define among other things:

- which side of an account can be posted to,
- which type of account can be posted to, and
- Which fields the system displays on the entry screens and whether an entry must be made (field status).

Note

The system also uses the field status group you specify in a G/L account to determine the status of fields in document entry. Field status groups are defined within a field status variant.

Recommendation

Use the posting keys delivered with the standard system.

Activities

1. Check the standard settings.
2. Modify them if necessary.
In particular, you may need to make changes to customer and vendor posting keys if a different field status is required.

15.1.3.4 Screen Variants for Document Entry

The screen variant which you specify for each company code addresses special screens for documents for several specific functions. You determine the screen variant dependent on the company code.

Example

In an Italian company code, for example, a screen with fields for withholding tax is required when entering a vendor item. You therefore have to select a special screen variant for Italian company codes.

Standard settings

A corresponding variant was selected for the standard company codes.

Activities

Check whether the required variants have been selected for your company codes.

15.1.3.5 Rules for Changing Documents

15.1.3.5.1 Document Change Rules, Document Header

In this activity, you determine under which circumstances fields within posted documents can be changed.

Note

For a number of fields, the system itself determines that they can no longer be changed after posting. This includes all fields which are central to the principles of orderly accounting, for example, the amount posted and the account.

The system also prevents the update objects from being changed in documents which have already been posted, independent of the document change rules. Update objects are elements in the system for which transaction figures or line items are updated, for example, business area or cost centers (if cost center accounting is used in the SAP system). Update objects are entered as additional account assignments during posting.

If you are using the **Special Purpose Ledger** application, you should ensure that fields which are updated there are protected against changes in the document. Document changes do not affect updating in the special purpose ledger.

Activities

1. Check the default settings.
2. Change the specifications if necessary.

15.1.3.5.2 Document Change Rules, Line Item

In this activity, you determine under which circumstances fields within posted documents can be changed.

Note

For a number of fields, the system itself determines that they can no longer be changed after posting. This includes all fields which are central to the principles of orderly accounting, for example, the amount posted and the account.

The system also prevents the update objects from being changed in documents which have already been posted, independent of the document change rules. Update objects are elements in the system for which transaction figures or line items are updated, for example, business area or cost centers (if cost center accounting is used in the SAP system). Update objects are entered as additional account assignments during posting.

If you are using the **Special Purpose Ledger** application, you should ensure that fields which are updated there are protected against changes in the document. Document changes do not affect updating in the special purpose ledger.

Activities

1. Check the default settings.
2. Change the specifications if necessary.

15.1.3.6 Bar Code Entry

15.1.3.6.1 Specify Control Parameters for Bar Code Entry

In this activity you make the specifications to archive documents using bar codes. You need to enter the bar code details for object type "BKPF" and your document type. You can enter them for all users or individual users. You must select the "Bar code act." option so that the additional popup for entering the bar code is displayed when a document is posted.

The standard document type FIINVOICE is used for all document types for which you do not make any specifications. If you want to use bar code entry for document type "XY" only, for example, you would have to create a new document type and select the "Bar code act." option for it. If you, however, want to use bar code entry for all document types apart from document type "XY", you would have to create a new document type, select the "Bar code inact." option for it, and select the "Bar code act." option for the standard document type FIINVOICE. This means that you can make settings so that only the exceptions to your normal situation are made in the customizing table. To create new document types, select archive link monitor by choosing from the main menu of the R/3 System Tools -> Administration -> Management -> Process technology -> Optical archive -> Document types -> Global doc. types.

In this activity you define what document types can be archived using bar codes. The following fields are used to do this:

- **Object type**

You use the **Object type** field to specify what document types can be archived using bar codes.

The object type in the non-coded information documents has been defined for each document type. Only those document types which are assigned to the object type can be archived using bar code.

- **Document type**

In this field, you can limit the number of document types selected with the object type.

- **User name**

By specifying the user name you can limit the users whose original documents can be archived using bar codes with a certain document type.

- **Bar code type**

In the **Bar code type** field, you can specify what types of bar code are permitted for archiving documents using bar codes.

In addition, there are two checkboxes, **Bar code act.** And **Bar code check**, that you can select to determine whether your entry is activated for bar code entry and whether a bar code check should be made.

Activities

1. Check the standard SAP entries.
2. If necessary, limit these entries by defining new ones.

15.1.3.6.2 Maintain Document Types for Bar Code Entry

In this activity you determine the document type for bar code entry using the company code and document type. Depending on the company code and document type, you can thus control whether the popup window for entering the bar code is displayed when entering a document.

You access the customizing table at several levels by

- Completely specifying the company code and document type
- Specifying the company code without a document type

- Specifying the document type but no company code
- Specifying neither the company code nor document type

The first entry found determines the document type. You make the bar code settings for the object type "BKPF" and your document type in the activity "Specify control parameters for bar code entry". You can do this for all or individual users. You have to select the "Bar code active" setting so that the dialog window to enter bar codes is displayed during document entry.

Activities

Set the document types for which you want to use bar code entry.

15.1.3.7 Tolerance Groups

15.1.3.7.1 Define Tolerance Groups for Employees

In this activity, you predefine various amount limits for your employees with which you determine:

- the maximum document amount the employee is authorized to post
- the maximum amount the employee can enter as a line item in a customer or vendor account
- the maximum cash discount percentage the employee can grant in a line item
- The maximum acceptable tolerance for payment differences for the employee.

Payment differences are posted automatically within certain tolerance groups. This way the system can post the difference by correcting the cash discount or by posting to a separate expense or revenue account.

In this respect you define:

- the amounts or percentage rates up to which the system is to automatically post to a separate expense or revenue account if it is not possible to correct the cash discount or
- Up to which difference amounts the system is to correct the cash discount. In this case the cash discount is automatically increased or decreased by the difference. Using tolerance groups.

You can also additionally differentiate these settings by company code. Since the same rules usually apply to a group of employees, enter the values for employee groups. You can then enter amount limits and tolerances per employee group and company code.

Note

You can also define tolerances without specifying a tolerance group. Leave the field *Grp* empty in this case. The stored tolerances are then valid for all employees who are not allocated to a group. There must be at least one entry for every company code.

You can also specify tolerances for clearing procedures depending on your customers or vendors. The lower limits from the customer/vendor specifications and employee group are taken in each case during clearing.

Standard settings

In the system, sample tolerances are defined for the standard company codes.

Activities

1. For every company code, find out which tolerances are to be determined and whether a differentiation according to employee group is necessary. If you want to define different tolerances for your employees, specify the amount limits for each of the groups. If the tolerance limits are to apply to all employees, leave the "group" field empty.
2. Define the tolerances correspondingly.
3. If you have defined differing tolerance groups, you then have to assign your employees to a certain tolerance group. To do this, select the activity "Assign users to tolerance groups". This is where you enter your employees under the relevant groups.

15.1.3.7.2 Assign User/Tolerance Groups

In this activity, you assign Financial Accounting employees to whom you wish to give special tolerances to a group. Tolerances are defined for a group for posting and clearing documents or line items.

Note

For employees that you do not assign to a group, you must define tolerance values for which you leave the *Group* field blank and only specify the company code. For more information on this, see Define Tolerances (Vendors)

Activities

Enter your employees under the required group.

15.1.3.8 Texts and Text Identifiers for Documents

15.1.3.8.1 Define Text IDs for Documents

In this activity you define text IDs for long texts at document header level. When entering a document, you can enter texts for every text ID. This means that you can store information on the document that affects the whole document.

Note

You create text IDs across the system, i.e. for all clients.

SAP standard settings

The system is delivered with the text IDs *Note*, *Correspondence*, and *Payment advice info* as standard settings.

Activities

1. Define the required text IDs.
2. Select the *Relevant text* field in the clients in which the text IDs are to be used.

15.1.3.8.2 Define Text Identifications for Line Items

Use

In this activity, you define the text identifications for long texts at line item level. When you enter a document, you can enter texts for each text identification, thereby defining information that concerns the line items in the document.

Note

You create text identifications system-wide, that is, cross-client.

Standard settings

SAP delivers the text identification *Note* as standard setting.

Activities

1. Define the required text identifications.
2. Select the field *Text relevant* in the clients in which the text identifications are to be used.

15.1.3.8.3 Define Texts for Line Items

In this activity, you can store texts under keys which can be transferred to the line item. When entering a document, the key is entered in the text field.

Note

If you wish, the texts can be transferred to the customers in payment notices.

Activities

1. Find out which texts are to be stored.
2. Enter these texts into the system under a key.

15.1.3.9 Default Values

15.1.3.9.1 Define Default Values

In this activity, you define default values for document types and posting keys which otherwise must be Entered by the user when processing business transactions. Your specifications depend on the function code.

Example

When posting outgoing invoices, you use the document type "DR" and posting key "01". You can store these specifications in the system. They are proposed by the system when you call up the corresponding transaction.

Activities

Define the required default values.

15.1.3.9.2 Enable Fiscal Year Default

In this activity, you determine that a fiscal year is proposed during document display and for document change functions. The system uses the year which was last used by the user in the work session. The work session.

Note

This option is only useful for company codes working with year-dependent document number ranges.

Activities

Select this option for the company codes using a year-dependent document number range.

15.1.3.9.3 Default Value Date

When entering line items, you may need to enter a value date. In this activity you can determine, per company code, whether the CPU date is defaulted as the value date.

Activities

Specify the company codes for which you want the CPU date to be defaulted.

15.1.3.9.4 Change Message Control for Document Processing

Use

In this activity, you can configure the appearance of system messages according to your requirements.
You can

- Determine whether a message is output as a note in a dialog box or in the footer
- Change warnings to error messages
- Deactivate warnings and error messages

You can make different specifications for dialog processing and batch input processed in the background.

You can make the specifications for a client, and if necessary, for individual users.

Activities

1. Select the work area.
Note: Message classes F5 and F5A are the main classes used for document processing in Financial Accounting.
2. Choose 'Edit -> New Entries'.
3. Enter the following data:
 - Message number
 - You can see which messages are available using the input help for *MsgNo...*
 - User name
If you enter a name here, the specifications only apply for this user. If you enter "Blank", the settings apply to all users of the client.
 - Message type
You can display the permitted message type via the input help for *Dialog or BatchI*.

Save your entries. The message text is implemented automatically.

15.1.3.10 Recurring Entries

In the following you make the settings for reference documents (account assignment models and recurring documents).

15.1.3.10.1 Account Assignment Models: Define Entry Screen Templates

In this activity you define your own screen templates for line-by-line document entry via account assignment model, similar to the fast entry of G/L account items.

To do this, you select the fields you require for your screen template by double-clicking on them from a list of available fields.

Activities

1. Check to what extent you can use the standard settings. If necessary, change or enhance these definitions.
2. If you want to assign a screen template to a user, enter the value as a parameter in their user master record.

15.1.3.10.2 Define Run Schedules

Postings which recur time and time again can be made using the recurring entry program. To do this, you enter a recurring entry document, and then execute the recurring entry program at certain intervals or schedule it for execution.

You can specify when an accounting document is created from a recurring entry document as follows (choose from the alternatives below):

- You enter the interval in the recurring entry document by specifying a date for the first run and a date for the last run. You also enter the run intervals in months. By specifying a calendar day, you can determine the day on which the program is executed. This is useful if the postings are to be made at monthly intervals (calendar months).
- You can define a run schedule in the system, and specify in the recurring entry document which schedule the system uses for the document. This procedure is useful if the postings cannot be made at monthly intervals. Postings that are to be carried out in 13 periods or every other week, for example, can only be made by scheduling the run.
In this activity, you define the run schedules by specifying a key and a description. In a second activity, you enter the required dates for each schedule.

Activities

Define the run schedules.

15.1.3.10.3 Enter Run Dates

In this activity, you specify the required run dates for the run schedules.

Activities Specify the run dates.

15.1.3.11 Changes Display

15.1.3.11.1 Define Field Groups for Documents

In this activity, you define the field groups for the program for the change display of documents.

For this you define the following information:

- Document type

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By pressing F4, you receive a selection of the available document types.

- Key (one-digit to two-digit, numeric) for the field group
- Name for the field group

Activities

Define your field groups.

Further notes

For more information on the cross-documents display of changes for the documents, refer to the program documentation (program RFBABL00).

15.1.3.11.2 Group Document Fields

After you defined the field groups here, you allocate the required document fields to the field groups. You specify the complete field name from the ABAP/4 Dictionary and a field description for each field.

Example

You group together, for example, the document fields BKPF-BKTXT (document header text) and BKPF-BLDAT (document date) under the field group 1.

Activities

1. Allocate the fields to the groups.
2. Then enter the corresponding field groups into the program RFBABL00.

15.1.3.12 Document Parking

Use

In the following activities, you make the settings for document parking.

With document parking, you can enter and store (park) incomplete documents in the SAP system without extensive entry checks. You can add to, check, and post parked documents later or another processor can do this.

The following settings mainly refer to releasing parked documents. You define whether the document must be released and who should release it. The document release uses the *SAP Business Workflow* component.

Requirements

Note that you must first carry out the standard settings for the *SAP Business Workflow*. To do this, choose the IMG activity Maintain Standard Settings for SAP Business Workflow.

Additional Information

For more information about the workflow, see the SAP Library under *SAP NetWeaver -> Application Platform -> Business Services -> SAP Business Workflow*. For more information about document parking, see the SAP Library under *Financial Accounting*, and the document *Accounts Receivable and Accounts Payable Accounting*.

15.1.3.12.1 Change Posting Date for Parking Documents

Definition

In this activity, you define how the posting date is to be set for posting parked documents.

Use

For each company code, specify whether the posting date is to remain unchanged or whether it is to be overwritten with the system date. You can choose from several procedures.

Activities

1. Enter the required procedure for the posting date.

Note

You can only use this function for the classic FI parking transactions. The function is not active in the new FI Enjoy single screen transactions since the user can change the posting date at any time.

15.1.3.12.2 Develop Enhancements for Parking Documents

The following SAP enhancements are available for the "Document release workflow" area:

- SAPLF040 for the "Document release" workflow

Activities

1. Create your enhancement. To do this, either create a new project or use an existing one. Modify the source code for a transaction delivered by SAP by adding the elements you need. SAP provides you with the necessary function modules with short text, interface, and documentation to be able to do this. A sample source code created by SAP may exist for user exits which can be copied (and changed) if required.
2. Activate the project.
This allows the ABAP source code to run. Enhancements will not have any effect beforehand.

Further notes

In contrast to modifications, enhancements can generally be transferred between Releases since they are carried out within a name range reserved for the customer rather than in the SAP original.

For more information about creating enhancements, see the SAP Library BC - Changing the SAP Standard.

Every enhancement is documented. To call up the documentation, choose *Utilities -> Display req.docu* from the project management screen for SAP enhancements.

15.1.4 Tax on Sales/Purchases

The taxes on sales/purchases include input tax, output tax, acquisition tax and additional taxes.

In addition to tax codes, percentage rates and tax accounts, you have to specify whether the cash discount amount reduces the tax base amount, depending on the company code. This reduction is, for example, possible in Belgium but not in Germany.

The following sections describe the specifications you must make for calculating taxes on sales/purchases.

15.1.4.1 Basic Settings

In the following activities, you make the global settings for the taxes on sales/purchases.

15.1.4.1.1 Check Calculation Procedure

In this activity, you can check and, if necessary, change existing procedures for tax calculation.

Standard settings

Calculation procedures containing the necessary specifications for the calculation and posting of taxes on sales/purchases have already been defined in the standard SAP system for certain countries. Every calculation procedure groups several tax types together into a condition type (for example, output tax or input tax) in the calculation procedure, and determines calculation rules for it.

The calculation procedure determines for which amount the individual condition types are to be calculated. This can be the base amount (total of the expense items and the revenue items) or a subtotal. The entry in column *FrmLvl*, determines for which amount tax is calculated.

Note

In this activity, the condition types for the check and the possible change provided in the standard system are also displayed. Here, for example, the condition calculation rule, or for which base amount the tax is calculated is determined (= condition type).

Recommendation

If possible, do not change the condition types and calculation procedures provided in the standard system. Only check the standard condition types and calculation procedures regarding whether you can use them for your requirements. If necessary, make changes.

Activities

If you cannot use the standard settings, change the condition types and calculation procedures delivered to meet your requirements.

15.1.4.1.2 Assign Country to Calculation Procedure

In this activity, you enter the key for the calculation procedure which determines the conditions which are allowed per document and which defines the sequence of the conditions in the document for each country.

Requirements

Each calculation procedure which you enter must contain the necessary specifications for calculating and posting the taxes on sales/purchases. For more information on this, read the chapter "Create calculation procedure".

Activities

1. Assign a procedure for tax calculation to every country with which your company has business dealings.
2. Make sure that the corresponding data for calculating taxes is stored for each calculation procedure which you enter here.

15.1.4.1.3 Check and Change Settings for Tax Processing

In this activity you make the necessary specifications for posting taxes. In doing this you specify under a process key the following indicators:

- Tax type
Output tax, input tax, additional taxes, or "not tax-relevant" can be specified as the tax type.
- No deductibility of tax amounts
For this, tax amounts are marked as not deductible.
- Posting indicator
Here you specify whether the tax amount is posted separately or distributed to expense or revenue items.
- Tax not relevant to cash discount (Not discount relevant)
This indicator is set only for Canada. If you select it, the system does not take into account the corresponding tax amount when determining the tax base.

Standard settings

Process keys with the most important characteristics for tax amounts have already been set in the standard SAP system.

Recommendation

Do not change the standard settings. Check whether you can use these process keys for your company, making changes only if necessary.

Activities

If you cannot use the standard settings, use new process keys and enter them in your calculation procedure. Do **not** change the standard SAP process keys.

Note

You must make enhancements to the standard settings if you want to specify a new account key in the "Create calculation procedure" activity. You must create and maintain this key beforehand in the "Settings for tax processing" activity.

15.1.4.1.4 Specify Structure for Tax Jurisdiction Code

In this activity, you determine the structure of the tax jurisdiction code. This code is used for calculating taxes which are defined below the federal level (for example, US taxes, Canadian taxes). The tax jurisdiction code can be subdivided into a maximum of four levels (for example, state/county/city/district). This way the tax rate is defined per level and the tax value is calculated individually per level.

If an entry exists for a calculation procedure, then tax processing for this calculation procedure is switched over automatically to the tax jurisdiction code method.

In this activity you can also set whether taxes should be calculated at the line item or the "tax code/tax jurisdiction code" level.

Activities

1. Enter the name of a calculation procedure for which you need a tax jurisdiction code. You can call up the names of all the available procedures via the possible entries key. A calculation procedure is defined for every country in the SAP standard system.
2. Define the structure and the length of the structure elements of the tax jurisdiction codes in the fields defined for this purpose.
3. If taxes are to be calculated at line item level, select the *line-by-line taxes* indicator.

15.1.4.1.5 Define Tax Jurisdictions

In this activity, you specify the tax jurisdiction code per tax calculation procedure.

The tax jurisdiction code consists of up to four parts depending on the tax jurisdiction code structure for the relevant calculation procedure: the state code, the county code, the city code, and a local code component. The system uses these component parts to determine the tax rate for each tax authority.

Requirements

You must have already determined the allowed length of the tax jurisdiction code. See the activity Specify Structure for Tax Jurisdiction Code for more information.

Activities

1. Enter the name of the calculation procedure which requires a tax jurisdiction code. Press the F4 key to display a list of all the procedures defined in the standard system.
2. Enter the tax jurisdiction code for state, county, city and local code component.
3. Set the indicators for determining the tax base and cash discount base for the country code.

Additional information

If tax is calculated using an external tax system, then an entry is only to be included at the upper level to determine the tax base or cash discount base at the "State" level. If such an entry does not exist for a state, the company code setting for the tax base/cash discount base is used.

15.1.4.1.6 Change Message Control for Taxes

In this activity you can set system messages to appear as you require them.

You can

- determine whether a message is issued as a note in the dialog box or in the footer
- change warnings into error messages
- switch off warnings and error messages

Different specifications are possible for the online mode and for the batch input sessions processed in the background.

You can make the corresponding specifications for a client or, if required, also for the individual user.

The relevant work areas for tax on sales/purchases are "FS" and "FF".

Activities

1. Select the application area.
2. Select *Edit -> New entries*.
3. Enter the following data:

- Message number

By selecting the F4 key on the *MsgNo* field you can find out which messages are available.

- User name

If you enter a name here then the specifications only apply to this particular user. If you enter "blank", then the settings apply to all users within the client.

- Message type

You can find out the permitted message type by selecting F4 on the **Online** or **BatchI** fields.

- Save your entries. The accompanying message text is inserted automatically.

15.1.4.1.7 Change Field Control for Tax Base Amount

In this activity you change the field control for the tax base amount.

When you enter a document, you can set the field control for the tax amount so that it is possible to change manually the tax base amount that is automatically determined by the system.

Requirements

Note that this function is exclusively defined for document entry with the FI Enjoy transactions (for example, transactions FB60, FB65, FB70, FB75) and the MM transaction MIRO. Therefore, you **cannot** use the function for the normal posting transactions (for example, transaction FB01).

Activities

Check whether you really need to implement this function in your organization.

Note that the changed tax base amount is also changed automatically in the document; the original base amount cannot be reconstructed.

Further notes

Valid in Italy, the Czech Republic, Slovakia, and Argentina.

15.1.4.1.8 Switch off Tax Translation between Local and Document Currency

In this activity you can switch off the automatic translation of manually entered tax from local to document currency, and vice versa.

Example

In the Czech Republic, it is a legal requirement that all tax amounts to be reported are rounded off.

A document is entered in a foreign currency and translated into the local currency (Czech Koruna). If you were then to round off the tax amount in local currency, the document currency amount would also be adjusted accordingly automatically.

To avoid this scenario, you can switch off the automatic conversion here.

Requirements

Note that this function is exclusively defined for document entry with the FI Enjoy transactions (for example, transactions FB60, FB65, FB70, FB75) and the MM transaction MIRO. Therefore, you **cannot** use the function for the normal posting transactions (for example, transaction FB01).

Further notes

Valid for the Czech Republic and Slovakia.

15.1.4.1.9 Define and Check Tax Reporting Date

Use

You use this Business Add-In (BAI) in the *Financial Accounting (FI) component to have the system propose a value for the tax reporting date field during document entry.*

The method `VATDATE_DETERMINE` determines the default value proposed on the screen, for example, during document entry in the dialog box for taxes. The method `VATDATE_DETERMINE` proposes the posting date, the document date, or another value according to customer-defined rules.

You can change this date in the transaction for changing documents (FB02). But first you need to allow for the date to be changed in Customizing for Document Change Rules under Document Change Rules, Document Header. You can use the method `VATDATE_CHECK` of this BAI to verify the changes to the tax reporting date in the document.

Standard settings

The BAI is activated in the standard delivery. The default implementation takes effect only after you activate the function for the tax reporting date in Customizing for the global parameters of the company code. To do this, go to Enter Global Parameters and set *Tax Reporting Date Active*.

The standard programs of Financial Accounting only call up the method `VATDATE_CHECK`.

In Financial Accounting, the BAI is implemented in the following places:

- Function group TAX1 (taxes)
- Program SAPMF05A (entry of accounting documents)
- Program SAPMF05L (display and change of financial accounting documents)
- Function group RWCL (general interface to accounting)
- Function group SAPLFCJ_PROCESS_MANAGER (cash journal)

The default implementation for Releases starting at SAP ERP 6.0 is called `VATDATE_VALUES_DEFAULT_SAP`.

Within the default implementation, the system always calls the method `VATDATE_DETERMINE` when the document requires a tax reporting date (`VATDATE`) but no value is available or a value could not yet be entered. By default, the system proposes either the posting date or the document date. Which date the system proposes depends on your Customizing settings for the company code, which you make under Assign Company Code to Document Date for Tax Determination?

Method `VATDATE_CHECK` checks whether a provided value, a proposed value, or an entered value fulfils certain conditions or rules.

You also can create your own implementation in which these special rules are defined. The standard rule states that the tax reporting date (`VATDATE`) must not be prior to the posting date and the document date. If it is earlier, the system issues the message `FF785`; you can change this message in Message Control. The BAI is **not** filter-dependent. And it is **not** usable more than once.

Activities

After calling up the IMG activity, a dialog box appears, in which you can enter a name for the implementation.

If you have already made other implementations for this BAdI, another dialog box appears, in which the existing implementations are displayed. In this case, choose *Create*, and proceed as follows:

1. In the dialog box, enter a name for the BAdI implementation in the *Implementation* field, and choose *Create*.
The screen for creating BAdI implementations is now displayed.
2. Enter a short text for the implementation in the *Short text for implementation* field.
3. From the tab index, choose *Interface*.
The *Name of implemented class* field is already filled on the tab page, as a class name was automatically assigned to the implementation when you named it.
4. Save your entries, and assign the implementation to a development class.
5. Place the cursor on the method, and double-click to enter method processing.
6. Enter the code for the implementation between the statements `method <Interface name> ~ <Name of method> and end method.`
7. Save and implement your code. Return to the *Edit Implementation* screen.
8. Save the entries on the *Edit Implementation* screen.
Note: You can also create an implementation, and then activate it at a later time. In such a case, end the processing stage at this point.
9. Choose *Activate*
The code you stored in the method will be run when the application program is executed.

See also

Methods:

Determine Tax Reporting Date (VATDATE_DETERMINE)

Check Tax Reporting Date (VATDATE_CHECK)

SAP Note: 1232484

15.1.4.1.10 VAT Refund

15.1.4.1.10.1 Define Tax Code as Refund-Relevant Value Added Tax

Use

In this Customizing activity, you define which tax codes are relevant for VAT refund.

You can define which country is to be the tax refund country for line items. In addition, you can flag a tax code as a cross-country tax code.

Example

The VAT refund directive requires mandatory data for each invoice in a VAT refund application. This includes the tax refund country of an invoice. As an FI document does not include this information in the standard system, it is possible to assign this information to a tax code for VAT refund.

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Different configuration variants are possible here, each with various pros and cons.

Variant 1: Cross-country 0% tax code

Advantage: Use of fewer tax codes

Drawbacks:

- The tax amount has to be manually entered for the document posting
- Country may have to be added. As a VAT registration number should be specified in the document anyway, the country can be automatically determined from this
-

Variant 2: A tax code for each refund country with country-specific tax rate

Advantages:

- Tax amount is automatically determined for the document posting
- Country can be automatically determined by the selection report

Drawback: Use of many tax codes

Variant 3: A 0% tax code for each refund country

Advantage: Country can be automatically determined by the selection report Drawbacks:

- The tax amount has to be manually entered for the document posting
- Use of many tax codes, but fewer than with variant 1

Variant 4: A cross-country tax code for each tax rate

Advantage: Tax amount is automatically determined for the document posting

Drawbacks:

- Refund country may have to be added for the different documents
- Use of many tax codes, but fewer than with variant 1

For variants 1 and 4 it is possible to store country-dependent tax rates. However, these tax rates are not evaluated by the SAP standard programs (posting documents, post-processing tax data). They can, though, be applied manually in BADIs.

15.1.4.1.10.2 Define Code for Goods and Services per VAT Refund Country

Use

In this activity, you define the relevant VAT refund codes for each country. You can define sub codes for each VAT refund code, as needed.

The VAT refund directive requires specific mandatory data for each invoice that is included in the VAT refund application. This includes the identification of a line item according to the nature of the acquired goods and services.

These VAT refund codes and sub codes for the relevant EU countries can be created here.

For the standard values stipulated by the EU, the system contains no default values for the respective refund country.

15.1.4.1.10.3 Assign Code for Goods and Services to a G/L Account

Use

In this activity, you assign the tax refund code and, if needed, sub code to the combination of tax refund country, chart of accounts and G/L account.

To avoid a VAT refund code having to be manually assigned to each line item, you can assign the line item to a G/L account here. If a line item is posted to a corresponding account that is assigned to a VAT refund code and, if needed, sub code, the relevant code for the line item can be determined using the report RFUMSRVG00.

As the use of sub codes may require the creation of numerous G/L accounts, a customer-specific additional criteria can be used to avoid this. This criteria can be used to assign a code and several sub codes to a G/L account. To use this logic, you have to implement a BAdI that resolves freely usable document fields such as BSEG-XREF1, -XREF2, or -XREF3 against this additional criteria.

15.1.4.1.10.4 Set up RFC Connection

Use

In this Customizing activity, you set up the RFC connection between the SAP FI system and the SAP Travel Expenses system.

To select trip receipts it is necessary to call an RFC module. For this to be possible, an RFC connection must be set up between the SAP FI system and the SAP Travel Management system. You need to create the connection using transaction SM59 (Display and Maintain RFC Destinations).

You make the technical connection of an SAP system by setting up logical systems, RFC connections, and standard method calls.

15.1.4.1.11 External Tax Calculation

In addition to the internal SAP tax calculation procedures, you have the option to calculate taxes in an external system (via the SALESTAX interface).

The interface includes the following functions

- Determining the tax jurisdiction code in the master record elements:
- Customer
- Vendor

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- Cost center
- Plant

Each element's address data determines its tax jurisdiction code. This function is also carried out for "Ship to" partner address changes and/or one-time account customers in SD orders.

- Calculating taxes for the following transactions:
- document entry in Financial Accounting (G/L accounting, Accounts Receivable and Accounts Payable)
- Orders and invoicing in sales & distribution
- Ordering and invoice verification in materials management
- Updating the external system

15.1.4.1.11.1 Define Number Ranges for External Tax Returns

In this step you define number ranges for external tax documents.

Standard settings

The number range interval "01" should be defined here.

Recommendation

It is recommended to take a wide range, for example, an interval between '00000000001' and '99999999999'.

Activities

Define number range interval "01".

15.1.4.1.11.2 Define Physical Destination

In this activity, you define the physical destination for external tax software.

Requirements

The external tax system must already be installed, configured and ready to run. You must also know the server program path (supplied by the supplier of the external tax system) on the target computer. As a user of the SAP work process, you will require write authorization for the external tax system files.

Recommendation

Use "TAXWARE" or "VERTEX" as the physical destination for Taxware or Vertex external tax systems.

Activities

1. Select the "TCP/IP connections" node.
2. Select *Edit -> Create* and specify the connection name under "RFC destination".
3. Enter "T" for the connection type.
4. Next, enter the program name and the path for the server program on the target computer.

5. Finally, carry out a test of the connection.

Notes on transporting

No transport is necessary for this activity.

15.1.4.1.11.3 Define Logical Destination

In this activity you define a logical destination for the external tax system.

You define the logical destination for the American external tax systems, Taxware and Vertex, in the activity *Activate External Tax Calculation*.

Requirements

You must maintain the physical destination for the external tax system.

Standard settings

The standard SAP software already includes the required entries for Brazil.

Activities

If you cannot use the standard settings, change the standard specifications for the logical destination.

15.1.4.1.11.4 Activate External Tax Calculation

In this activity, you activate the access to the external tax system depending on the tax calculation procedure.

Activities

1. Enter the following IDs for the external systems:
 - "A" for Taxware
 - "V" for Vertex
2. Enter "TAXDOC00" under *Tax Interface Version*.
3. Enter the RFC destination that you defined in the activity *Define Physical Destination*.

15.1.4.1.11.5 Activate External Updating

In this activity, you activate the updating facility for the external tax system.

Note

The data is sent to the external system when the relevant items are posted to Financial Accounting.

You can use program RFYTXDISPLAY to display the current data.

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Activities

Set the indicator for activation, if necessary.

15.1.4.1.11.6 Develop Enhancements for External Tax Calculation

The following SAP enhancements are available for external tax calculation:

- FYTX0002 Function Module Exit for Tax Interface for External Systems

Activities

1. Create your enhancement. To do this, either create a new project or use an existing one. Modify the source code for a transaction delivered by SAP by adding the elements you need. SAP provides you with the necessary function modules with short text, interface, and documentation to be able to do this. A sample source code created by SAP may exist for user exits which can be copied (and changed) if required.
2. Activate the project.
This allows the ABAP source code to run. Enhancements will not have any effect beforehand.

Further notes

In contrast to modifications, enhancements can generally be transferred between Releases since they are carried out within a name range reserved for the customer rather than in the SAP original.

For more information about creating enhancements, see the SAP Library BC - Changing the SAP Standard.

Every enhancement is documented. To call up the documentation, choose *Utilities -> Display req.docu* from the project management screen for SAP enhancements.

15.1.4.1.12 Fiscal Regional Codes

In some countries, a regional code or a fiscal regional code is contained in the tax number. In other Countries (such as Spain), the fiscal regional code is used for processing withholding tax.

You store the regional code, per country and region, for these countries in the following activities. Your entry is used to check the tax number.

You can enter the code in two ways:

- If several regional codes are needed for each region, enter them in the activity *Define provincial tax codes for Italy, Colombia and Spain*.
- If only one regional code is needed for each region, enter this code in the activity *Define provincial tax codes for several countries*.

15.1.4.1.12.1 Define Fiscal Regional Codes for Italy, Colombia, and Spain

In this step, you define the fiscal regional codes if several fiscal regional codes are used in one region.

This is the case in Italy, for example.

Requirements

You have defined the regions.

Activities

Define the fiscal regional codes for the required countries and regions.

15.1.4.1.12.2 Define Fiscal Regional Codes for Other Countries

In this step, you define the fiscal regional codes if only one fiscal regional code is used in a region.

Requirements

You have already defined the regions.

Activities

Define the fiscal regional codes for the required countries and regions.

15.1.4.1.13 Plants Abroad

In the following activities you can activate the *Plants abroad* function and make the subsequent changes to the tax settings.

15.1.4.1.13.1 Activate Plants Abroad

Use

This function lets you do your tax returns for plants in foreign countries without having to create a separate company code for these plants.

Note

If you activate this function, you will have to make various tax settings again and may have to make a number of changes to the old settings.

Requirements

Plants abroad cannot be actual plant locations in foreign countries.

Activities

1. Activate the *Plants abroad* function by selecting *Plants abroad active*.

Some new fields become activated once you set this function. You enter them in the following activities:

1. In the Define Countries activity in the *Global Settings* IMG, you have to enter:
 - Country currency for the tax return
 - Exchange rate type (usually "M")
 - Indicators for the tax base and cash discount base
2. In the Define Tax Codes for Sales and Purchases activity, you have to enter the *Reporting country* for the tax codes by choosing *Properties*.

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3. You make the remaining settings in the Define VAT Registration Numbers for Plants Abroad activity.

Note

For more information, see the *FI General Topics* documentation in the SAP Library.

15.1.4.1.13.2 Enter VAT Registration Number for Plants Abroad

In this activity you maintain the additional data for countries that are not the company code country after activating the *Plants abroad* function:

- VAT registration number
- Company name and address
- Registration entries
- For Austria: Tax office number, tax number, and data processing register number.

15.1.4.1.14 Argentina

In the following activities, you make the settings for taxes on sales/purchases in Argentina.

15.1.4.1.14.1 Tax Categories

15.1.4.1.14.1.1 Maintain Tax Categories

Tax categories are defined to reflect different tax types and situations.

Tax categories are used in FI and MM to help the user in selecting the correct tax code when entering documents. Whenever possible the F4 help (possible values) will display only the tax codes that are in accordance with the relevant tax category information of the business partner and the company code. You have to assign a condition type to each tax category if you want to use this extended help during the online posting transaction.

In SD tax categories can be used in pricing to calculate taxes. You have to assign a condition type to each tax category to enable this functionality.

15.1.4.1.14.1.2 Maintain Company Code Tax Categories for Accounts Receivable

Here, you maintain the tax category data for accounts receivable.

Activities

Please maintain the data for all relevant company codes.

15.1.4.1.14.1.3 Maintain Company Code Tax Categories for Accounts Payable

Here, you maintain the tax category data for accounts payable.

Activities

Please maintain the data for all relevant company codes.

15.1.4.1.14.2 Maintain Minimum Amounts per Processing Key

You can define tax minimum amounts per tax processing keys. This minimum amounts are used during the online posting transaction to check if the correct tax code has been selected by the user.

Standard settings

An example is delivered for Argentina: VAT perception minimum

15.1.4.1.14.3 Maintain Tax Classification

This customizing point allows you to define tax relevant classifications these classifications can be used in the tax determination via the condition technique.

Example

The tax relevant classifications can be used for Gross Income Tax perceptions determination.

Activities

Please define tax relevant classifications as needed.

15.1.4.1.15 Brazil

15.1.4.1.15.1 Define IPI Tax Situations

In this IMG activity, you define tax situations for the IPI tax laws.

15.1.4.1.15.2 Define ISS Tax Situations

Use

In this IMG activity, you define ISS tax situations as required. This is only relevant for companies in the municipality of Sao Paulo (SP) that issue electronic notes fiscais (NF-e) for services. Note that only certain companies and certain services in SP fall under this requirement.

Activities

Define ISS tax situations if it applies to your company and the services you provide. Create the following tax situations, which must then be included in the NF-e:

<u>ISS tax situation</u>	<u>Description</u>
T	Normal
I	exempt: service provided in SP but exempt from ISS or not taxable in the municipality of SP
F	Exempt: service provided outside SP and due for ISS outside SP
C	Cancelled
E	Lost

Afterwards, assign the tax situations to the appropriate tax laws in the corresponding IMG activity.

15.1.4.1.15.3 Define PIS Tax Situations

Use

In this IMG activity, you define tax situations for the PIS tax laws.

15.1.4.1.15.4 Define COFINS Tax Situations

Use

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In this IMG activity, you define tax situations for the COFINS tax laws.

15.1.4.1.15.5 Define IPI Tax Laws

In this IMG activity, you define tax laws for IPI processing.

Activities

For each tax law, maintain the following information:

- Tax situation codes - for incoming and outgoing notes fiscais as required
- Description
- Four-line text, which is printed on the nota fiscal

15.1.4.1.15.6 Define ICMS Tax Laws

In this IMG activity, you define tax laws for ICMS processing.

Activities

For each tax law, maintain the following information:

- Tax situation code
- Description
- Four-line text, which is printed on the nota fiscal

15.1.4.1.15.7 Define ISS Tax Laws

Use

In this IMG activity, you define tax laws for ISS processing.

Activities

For each tax law, enter a description and up to four lines of text that are to be printed on the nota fiscal.

If you are required to issue electronic notes fiscais for services in the municipality of Sao Paulo, additionally assign the relevant ISS tax situation to the ISS tax law (see Define ISS Tax Situations).

15.1.4.1.15.8 Define PIS Tax Laws

Use

In this IMG activity, you define tax laws for PIS processing.

15.1.4.1.15.9 Define COFINS Tax Laws

Use

In this IMG activity, you define tax laws for COFINS processing.

15.1.4.1.15.10 Define Sequence for SD Tax Law Determination

Use

In *Sales and Distribution* (SD), the system derives the tax law for ICMS and IPI automatically from one of these sources:

- Tax exceptions
You maintain tax exceptions under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Settings for Tax Calculation in Brazil -> Tax Rates*.
- Item category
- Customer master record

In this IMG activity, you define the sequence in which the system accesses these sources.

Activities

Define the access sequence for the specified tax law sources.

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Example

Assume you have made the following settings:

<u>Sequence in Tax Law Determination</u>	<u>Source for Tax Law Determination</u>
1	Tax Exception Tables
2	Item Category Table
3	Customer Master

When you enter a sales order, the system searches for the tax law first in the tax exemption tables, and if it does not find one there, then in the item category table, and lastly in the customer master record.

15.1.4.1.15.11 Define Brazilian Tax Regions and Assign to Geography. Regions

Use

In this IMG activity, you maintain tax regions for Brazil. You assign a geographical region to each tax region; the system uses this assignment to determine the tax regions automatically during maintenance of master records for Brazilian customers, vendors, and plants.

You can assign a geographical region to more than one tax region. If this is the case, users are offered list of possible tax regions when they maintain the master records, and they must choose the appropriate one manually.

Further notes

The tax region is not stored in master data for foreign customers and vendors. To allow different tax regions for customers/vendors from different countries, the system assigns the tax region dynamically, based on the settings made in the IMG activity Define Tax Regions for Foreign Customers/Vendors. However, we do recommend that you define tax regions for your foreign customers and vendors (in the current activity), but without assigning a geographical region.

If you have activated condition-based tax calculation (see activ.) and set the *Tax-Free Zone* indicator, the system generates a condition record with a rate of 100% in the background, which the tax calculation procedure can use to perform special handling of tax-free regions.

15.1.4.1.15.12 Define Tax Regions for Foreign Customers/Vendors

In this IMG activity, you maintain the assignment between countries **other than Brazil** and the tax region which is used as ship-from (vendor) or ship-to (customer) in the tax rate determination.

The tax region you assign here is not stored in the master records; the system determines it dynamically during the tax calculation.

It is possible to assign the same tax region code to several countries, in which case the system uses the same ICMS rates for all of these countries.

Further notes

For foreign customers/vendors, we recommend that you define tax regions, but without assigning a geographical region. You define tax regions in the activity Define Brazilian Tax Regions.

15.1.4.1.15.13 Define Tax Jurisdiction Codes

Use

In this Customizing activity, you enter tax jurisdiction codes, which are used by the system to do the following:

- Calculate taxes. You must maintain this information if you need to calculate ISS.
- Create NF-e, for example, the tax jurisdiction code is used to derive the region in NF-e access keys and city codes.

For more information, refer to the documentation for the Assign Postal Codes to Tax Jurisdiction Codes Customizing activity.

Activities

Enter your required tax jurisdiction codes as follows:

- The first three characters must contain the tax region as defined in the Define Brazilian Tax Regions and Assign to Geography. Regions customizing activity.
- The next four to sixteen characters contain the municipal (*município*) code.

Example

For the state of São Paulo, you have defined the tax region SP in the above activity. Its *município* São José do Rio Preto has the municipal code 4980. In this activity, you then define the tax jurisdiction code for this *município* as **SP 4980**. Note that the space after the SP counts as the third character of the tax region.

15.1.4.1.15.14 Assign Postal Codes to Tax Jurisdiction Codes

Use

Each geographical region can include a number of tax jurisdictions, which, in turn, are defined by its postal codes. In this IMG activity, you assign a range of postal codes to each tax jurisdiction code.

You make these settings so that your SAP ERP system can do the following:

- Calculate ISS. To calculate ICMS and SubTrib, the system requires Brazilian tax regions. You define and assign them to geographical regions in the Define Brazilian Tax Regions and Assign to Geography. Regions customizing activity.
- Create NF-e, for example, the tax jurisdiction code is used to derive the region in NF-e access keys and city codes.

Requirements

You have defined your tax jurisdiction codes in the Define Tax Jurisdiction Codes Customizing activity.

Activities

For each of your tax jurisdiction codes, assign the geographical region, and the beginning and ending postal codes.

Further notes

When you maintain Brazilian address data (in master records or transaction data), and enter the postal code and geographical region, the system automatically assigns the correct tax jurisdiction code as follows:

- It first accesses the data in **this** activity to determine the tax jurisdiction code.
- If it does not find an entry here, it then reads the tax region from the Define Brazilian Tax Regions and Assign to Geography. Regions customizing activity.

Once the system determines either of these values, it stores it in the *Jurisdiction. Code* field of the address.

15.1.4.1.15.15 Assign Alternative Calculation Procedure per FI/MM Tax Code

Use

In this IMG activity, you can assign an alternative calculation procedure to FI/MM tax codes for Brazil.

Standard settings

There are two tax calculation procedures defined for Brazil:

- TAXBRJ for the external tax calculation
- TAXBRA for condition-based tax calculation

You can use either procedure, but we recommend that you use the condition-based tax calculation, since it offers more flexibility.

Activities

You have assigned a tax calculation procedure to your country in the IMG activity Define Countries. In the current activity, you can assign a different calculation procedure to individual tax codes - as well as assign an alternative tax code belonging to the different procedure. This enables you to, for instance, use the external tax calculation for some tax codes (by specifying TAXBRJ as the alternative calculation procedure) or use several smaller calculation procedures, for example, in the case of performance problems or new requirements.

15.1.4.1.15.16 Define Tax Types

Use

In this IMG activity, you define tax types for Brazil. Note that in *Materials Management* (MM), tax types are identical to the tax conditions.

Activities

For each tax type you define, select the applicable tax group and enter a short description.

In addition, you need to set the *Last PP* (Activate Last Purchase Price for Stock Transfers) indicator for:

- ICMS and substituição tributária tax groups, if the last purchase price is to be used. The system uses the last purchase price in the *Inventory Management* (MM-IM) process as the base for the tax calculation, and it influences the values of the nota fiscal. For this reason, a tax code must be used with the tax type/condition in the cases where this indicator is set; postings in *Financial Accounting* (FI) are not affected.

- Reimbursement tax groups

If the indicator is set for reimbursement tax groups, the system creates an offset posting in the FI document based on the moving average tax. This amount is not transferred to the nota fiscal.

15.1.4.1.15.17 Set Tax Type as Statistical for Specific Scenarios

Use

In this Customizing activity, you can define if the tax type is to be considered statistical in a given scenario. The scenario is identified as a combination of NF type and NF type item. You can use this customizing in two situations:

ICMS and IPI

This customizing enables you to set the tax type as statistical on the level of the single tax type. The settings you make here overrule the settings for the whole tax groups done in the following customizing activities:

- Define Nota Fiscal Item Types
- Maintain Sales Document Item Category

Other Tax Groups

By using this customizing you can, for instance, define that the PIS/COFINS for a given scenario are handled by the system as statistical tax types.

Activities

For a combination of NF-e type and NF-item type, define if the relevant tax type is to be set to statistical.

Example

Scenario 1: CT-e Annulment in invoice verification (LIV)

In the customizing example below, the ICMS on Conhecimento is set as statistical for the Nota Fiscal Type AB and NF Item Type 1:

NF Type	NF Item Type	Tax Type
AB 1	CIC1	

Scenario 2: CT-Annulment in Sales and Distribution (SD)

In the customizing example below, the ICMS on Conhecimento from SD is set as statistical for the Nota Fiscal Type MN and NF Item Type 1:

NF Type	NF Item Type	Tax Type
MN 1	CIC3	

Scenario 3: Future delivery goods receipt

In the customizing example below, the PIS/COFINS is set as statistical for the Nota Fiscal Type XZ and NF Item Type 42:

NF Type	NF Item Type	Tax Type
XZ	42	ICOF

XZ

42

IPIS

15.1.4.1.15.18 Define Which Taxes Are Included in MM Price Conditions

Use

In *Materials Management* (MM), the system determines which calculation procedure is valid for a business transaction and takes into account, one after the other, the condition types it contains. It does this, for example, to calculate prices.

In Brazil, depending on your business process, you may need to include certain taxes in the net price of materials before the system calculates the tax in the standard way. You do this by defining condition types that contain net prices for each combination of tax group. Then, in this activity, for each of these condition types, you define which taxes are included.

When you go to enter a material's net price in a purchasing info record or a contract, a dialog box appears that contains all the basic price conditions defined in the calculation procedure, and you select the appropriate one.

When you enter a purchase order item, the system uses the conditions defined in the corresponding info record or contract. If there is none, then you must specify a net price in the PO and the system stores it in the manual condition PBXX, for which you can customize the taxes that are included by default. Alternatively, you can specify the price in a different condition by changing lines on the *Conditions* screen in the item details.

When the system then calculates tax for a given transaction, it accesses the entries in this Customizing activity to determine if the base value already includes a certain tax group.

Requirements

You have created condition types (see activity) and inserted them into your calculation procedure (see activ.).

Activities

Define which tax is included in which price by specifying a tax group for each of your price condition types. Note that those condition types are displayed here that are defined as basic prices (these are assigned the condition category **H** in the definition of the condition type). The following tax groups are supported: PIS, COFINS, and ISS at location of provider, ISS at location where service is provided, and ISS at location of service recipient. If more than one tax group applies to a single condition type, you need to create a separate entry for each combination.

Example

You need to maintain the following net prices for your materials:

- Price without any taxes
- Price + ISS at location of service provider + ISS at location where service is provided
- Price + PIS + COFINS
- Price + ISS at location of service provider + ISS at location where service is provided + PIS + COFINS

In this case, you would proceed as follows:

1. You create a condition type for each of the above four cases - ABC1, ABC2, ABC3, and ABC4 respectively. Each must be defined as a basic price.
2. Insert the condition types into your calculation procedure.
3. Assign the appropriate tax group to each condition type:

Price condition type	Tax group
-----------------------------	------------------

ABC2	ISS at location of service provider
------	-------------------------------------

ABC2	ISS at location where service is provided
------	---

ABC3	COFINS
------	--------

ABC3 PIS

ABC4 COFINS

ABC4 ISS at location of service provider

ABC4 ISS at location where service is provided

ABC4 PIS

Then, when you enter a net price in an info record, contract, or purchase order, the system displays the price condition types ABC1, ABC2, ABC3, and ABC4, and you select the appropriate one. When the system calculates taxes, it processes the correct condition type in the calculation procedure.

15.1.4.1.15.19 Define Which Taxes Are Included in MM-SRV Price Conditions

Use

In this IMG activity, you define which taxes are included in *External Services Management* (MM-SRV) price conditions - in exactly the same way as you do for Materials Management (MM) price conditions.

15.1.4.1.15.20 Define Which Taxes Are Included in SD Price Conditions

Use

In this IMG activity, you define which taxes are included in which prices.

15.1.4.1.15.21 Condition-Based Tax Calculation

15.1.4.1.15.21.1 Activate Condition Generation

Use

In this IMG activity, you activate condition-based tax calculation for a given country.

Activities

If you activate condition-based tax calculation for Brazil, be sure to make all related tax settings, in particular those under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Condition-Based Tax Calculation*.

You can make all tax settings from the Tax Manager's Workplace.

15.1.4.1.15.21.2 Specify Calc. Procedures for Condition-Based Tax Calculation

Use

In this IMG activity, you activate condition-based tax calculation for your various calculation procedures.

Standard settings

SAP delivers the following standard Customizing entries:

- For application TX, procedure TAXBRA.
- For application V, procedure RVABRA.

Activities

1. Enter usage **A**, and application **TX** for *Financial Accounting* (FI) tax calculation procedures or **V** for *Sales and Distribution* (SD) pricing procedures.
2. Enter relevant calculation procedures:
 - a) For FI, you specify the FI calculation procedure used in *Materials Management* (MM) tax calculation (which you have assigned to the country in the activity Assign Country to Calculation Procedure).
 - b) For SD, you specify all pricing procedures which operate based on condition-based tax calculation.
3. Set the *CBT Act.* Indicator.

15.1.4.1.15.21.3 Map MM Tax Values to Nota Fiscal Fields

Use

In this IMG activity, you map MM tax values to nota fiscal fields.

Activities

When you customize the tax code of an item, you specify which tax types are to appear in the nota fiscal. The tax types are identical to the condition types in the tax calculation procedure. (See the IMG documentation for Define FI/MM Tax Codes for further information.)

In this activity, for each nota-fiscal-relevant tax type, you define from which lines of the pricing-procedure results table the system is to take the nota-fiscal values. You can map the following nota-fiscal fields to table fields:

- Base amount
- Tax rate
- Tax value
- Excluded base
- Other base

For each of these nota-fiscal fields, you specify:

1. The condition type that indicates the line of the pricing-procedure results table (in the *Tax* (Tax Type) field)
2. The field in this table line that stores the value to be transferred. It can be the condition base (KAWRT), the condition rate (KBETR), or the condition value (KWERT).

Example

Suppose an item in a document (such as a purchase order, material document, or invoice) has the tax code **II** (Inp. Industrialization: ICMS only). This tax code is delivered with three active tax types: ICM1, ICMX, and IPIN.

According to the Brazilian law, the nota fiscal must contain two tax lines in this case:

1. ICMS tax line, which contains the actual tax rate, amount, and base values
2. IPI tax line, which has the IPI calculation base (net value + ICMS) stored in the *other base* field because no IPI tax is due.

The system takes the values of the ICMS line from the line of the pricing-procedure results table that has the condition type ICM1. It takes the values of the IPI line from the line that has the condition type IPIN. (The tax type ICMX is not to be considered in the nota fiscal; it is used only for calculation purposes in the tax calculation procedure.) The assignment of tax group ICMS to the tax type ICM1 and tax group IPI to the tax type IPIN is defined in the Customizing activity Define Tax Types.

During tax calculation, the system processes the calculation procedure and stores the results internally in the pricing-procedure results table. Which fields of that table contain the nota-fiscal values? This information is stored in this mapping table. Suppose it has the following entries:

Tax Type ICM1

Tax Rate:	BIC0	Mapping: Condition Rate
Tax Amount:	ICM1	Mapping: Condition Value
Tax Base:	BIC9	Mapping: Condition Value
Ex. Base:	BIC7	Mapping: Condition Value
Other Base:	BIC2	Mapping: Condition Value

Tax Type IPIN

Tax Rate:	<left blank>	
Tax Amount:	<left blank>	
Tax Base:	< left blank >	
Ex. Base:	< left blank >	
Other Base:	IPIN	Mapping: Condition Value

For the ICMS line of the nota fiscal, the system takes the tax value from the field KBETR (condition rate) of the line of the pricing-procedure results table that has the condition BIC0; the tax amount will be taken from the field KWERT (condition value) of the line of the pricing-procedure results table that has the condition ICM1; the normal tax base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition BIC9; the excluded base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition BIC7; and the other base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition BIC2.

For the IPI line of the nota fiscal, the tax rate, tax amount, normal tax base, and excluded base will be zero since no mapping field is specified. The other base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition IPIN.

15.1.4.1.15.21.4 Map SD Tax Values to Nota Fiscal Fields

Use

In this IMG activity, you map SD tax values to nota fiscal fields.

Activities

When you customize the tax code of an item, you specify which tax types are to appear in the nota fiscal. The tax types are identical to the condition types in the tax calculation procedure. (See the IMG documentation for Define FI/MM Tax Codes for further information.)

In this activity, for each nota-fiscal-relevant tax type, you define from which lines of the pricing-procedure results table the system is to take the nota-fiscal values. You can map the following nota-fiscal fields to table fields:

- Base amount
- Tax rate
- Tax value
- Excluded base
- Other base

For each of these nota-fiscal fields, you specify:

1. The condition type that indicates the line of the pricing-procedure results table (in the *Tax* (Tax Type) field)
2. The field in this table line that stores the value to be transferred. It can be the condition base (KAWRT), the condition rate (KBETR), or the condition value (KWERT).

Example

Suppose an item in a document (such as a purchase order, material document, or invoice) has the tax code

11 (Inp. Industrialization: ICMS only). This tax code is delivered with three active tax types: ICM1, ICMX, and IPIN.

According to the Brazilian law, the nota fiscal must contain two tax lines in this case:

1. ICMS tax line, which contains the actual tax rate, amount, and base values
2. IPI tax line, which has the IPI calculation base (net value + ICMS) stored in the *other base* field because no IPI tax is due.

The system takes the values of the ICMS line from the line of the pricing-procedure results table that has the condition type ICM1. It takes the values of the IPI line from the line that has the condition type IPIN. (The tax type ICMX is not to be considered in the nota fiscal; it is used only for calculation purposes in the tax calculation procedure.) The assignment of tax group ICMS to the tax type ICM1 and tax group IPI to the tax type IPIN is defined in the Customizing activity Define Tax Types.

During tax calculation, the system processes the calculation procedure and stores the results internally in the pricing-procedure results table. Which fields of that table contain the nota-fiscal values? This information is stored in this mapping table. Suppose it has the following entries:

Tax Type ICM1

Tax Rate:	BIC0	Mapping: Condition Rate
Tax Amount:	ICM1	Mapping: Condition Value
Tax Base:	BIC9	Mapping: Condition Value
Ex. Base:	BIC7	Mapping: Condition Value
Other Base:	BIC2	Mapping: Condition Value

Tax Type IPIN

Tax Rate:	<left blank>	
Tax Amount:	<left blank>	
Tax Base:	< left blank >	
Ex. Base:	< left blank >	
Other Base:	IPIN	Mapping: Condition Value

For the ICMS line of the nota fiscal, the system takes the tax value from the field KBETR (condition rate) of the line of the pricing-procedure results table that has the condition BIC0; the tax amount will be taken from the field KWERT (condition value) of the line of the pricing-procedure results table that has the condition ICM1; the normal tax base will be taken from the field KWERT of the line of the pricing-

procedure results table that has the condition BIC9; the excluded base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition BIC7; and the other base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition BIC2.

For the IPI line of the nota fiscal, the tax rate, tax amount, normal tax base, and excluded base will be zero since no mapping field is specified. The other base will be taken from the field KWERT of the line of the pricing-procedure results table that has the condition IPIN.

15.1.4.1.15.21.5 Map MM Tax Laws to Nota Fiscal Fields

Use

In this IMG activity, you map MM tax laws to nota fiscal fields.

Activities

Tax laws are stored in condition records that the system generates when you maintain the tax code or certain tax rate tables (such as Maintain IPI Values or Maintain ICMS Material-Dependent Exceptions).

In this activity, you maintain which condition types the laws are to be taken from.

15.1.4.1.15.21.6 Define Internal Codes for Tax Conditions

Use

In this IMG activity, you define internal codes for tax conditions.

Standard settings

SAP delivers the internal codes required for the standard Brazilian tax calculation.

Activities

If you need to define new internal codes for user-specific coding, you can define new codes beginning with Z.

Create an internal code for each condition type that is to be used in the automatic generation of condition records during the maintenance of the Brazilian tax tables.

If the internal code represents a condition type that contains data of a specific tax group (ICMS, IPI, ISS, or SubTrib), assign the tax group to the code. This is necessary for the system to consider the access sequence of the condition type assigned to the internal code in the automatic extension of access sequences after changing tax groups of dynamic exceptions.

15.1.4.1.15.21.7 Assign Condition Types to Internal Codes for Tax Conditions

Use

In this IMG activity, you can assign condition types to internal codes for tax conditions.

Standard settings

SAP delivers all internal codes, conditions and their assignments.

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Activities

If you use condition types other than ones SAP delivers, you need to assign them to the respective internal codes.

Also, if you created new internal codes in the activity Define Internal Codes for Tax Conditions, then you need to assign condition types to those codes.

15.1.4.1.15.21.8 Assign Condition Tables to Tax Tables

Use

In this IMG activity, you assign condition tables to Brazilian tax tables.

Activities

When you maintain Brazilian tax tables, the system generates or changes condition records automatically. In this activity, you specify which condition tables are to be used for a specific tax table. In the case of dynamic exceptions, you additionally specify the condition table per tax group. The system then knows for which condition table (which must be contained in the access sequence) condition records are to be generated.

15.1.4.1.16 Hungary

15.1.4.1.16.1 Define Percentages for Sales Tax Codes

Use

In this Customizing activity, you define percentages for each sales tax code.

If the tax amount of the deductible and non-deductible VAT is calculated using proportions, you can enter the proportional value in percentage in this activity. You must enter the percentage for each sales tax code and specify the start date of the validity period. The entered percentage is valid until you create a new entry with a new validity start date for the same tax code.

If you do not enter a percentage for a tax code, the system applies 100% as the VAT deductibility percentage.

The Domestic Sales and Purchases List report calculates the amount of the deductible VAT by multiplying the total VAT amount with the entered percentage for each sales tax code. The report also updates the amount of the deductible VAT in the database table in which the collected data is stored. The tax amount is taken into account when none of the vendor invoices that belong to a tax number exceed the limit amount.

15.1.4.1.16.2 BAdI: Enhancement of Domestic Sales and Purchases List

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use this BAdI to collect all the data that is necessary for preparing the 1365M form for the tax return, using the Domestic Sales and Purchases List report. To do so, you can activate the default BAdI implementation (EHIMPL_BADI_HU_DSP), or you can create your own implementation in accordance with your requirements.

The methods collect the following data from the different components:

- Invoice number
- Invoice issuing date
- Original invoice number for a correction invoice (previous invoice number)
- Original invoice number for a reversal invoice (previous invoice number)

The BAdI calls the following methods:

- FI_GET_INVOICE_DETAILS
You can use this method to execute your own logic to collect all the necessary data about the invoices that were created in the *Financial Accounting* (FI) component.
- MM_GET_INVOICE_DETAILS
You can use this method to execute your own logic to collect all the necessary data about the invoices that were created in the *Materials Management* (MM) component.
- SD_GET_INVOICE_DETAILS
You can use this method to execute your own logic to collect all the necessary data about the invoices that were created in the *Sales and Distribution* (SD) component.
- RE_GET_INVOICE_DETAILS
You can use this method to execute your own logic to collect all the necessary data about the invoices that were created in the *Flexible Real Estate Management* (RE-FX) component.
- FI_CA_GET_INVOICE_DETAILS
You can use this method to execute your own logic to collect all the necessary data about the invoices that were created in the *Contract Accounts Receivable and Payable* (FI-CA) component.
- GET_VAT_ID
You can use this method to determine which number and from where the system calls the tax number (VAT ID) of a normal customer/vendor or a one-time customer/vendor (CPD customer/vendor).
- ADD_DOCUMENTS
You can use this method to determine parameters for including invoice data in the tax return from external (non-SAP) systems.

Standard settings

For more information about the standard settings (filters, single or multiple uses), see the *Enhancement Spot Element Definitions* tab in the BAdI Builder (transaction SE 18).

Example

More Information

For information about implementing BAdIs as part of the enhancement framework, see SAP Library for SAP NetWeaver Platform on SAP Help Portal at http://help.sap.com/nw_platform. Choose a release and then *Application Help*. In SAP Library, choose *SAP NetWeaver Library: Function-Oriented View -> Application Server -> Application Server ABAP -> Application Development on AS ABAP -> ABAP Customer Development -> Enhancement Framework*.

15.1.4.1.17 India

15.1.4.1.17.1 Activate Country Version India for Specific Fiscal Years

In this activity, you specify for which fiscal years you want to activate Country Version India for the accounting interface.

Activities

In the table, maintain data as follows:

- *Comp.* (Component): **IND**
- *To year:* **2999**
- *Active:* **X**

15.1.4.1.17.2 Activate Business Transaction Events

Use

In this activity, you activate the function modules for Country Version India. Follow the instructions listed below, but if you need more information about what this function does, see the standard documentation.

Activities

1. Choose *Settings* -> *Identification* -> *SAP applications*.
2. Make sure that there is an entry for the application CIN (Country Version India) and that it is active.
3. Go back to the *SAP Business Framework: Business Transaction Events* screen.
4. Choose *Settings* -> *P/S function modules* -> *... of an SAP appl.*
5. Make sure that there are entries for the following:

Event Ctr	Appl.	Function module
00001030	IN	CIN J_1IEWT_CHALLAN_UPDATE
00001050	IN	CIN J_1I_CIN_BTE_00001050
00001110	IN	CIN J_1ITDS_SAVE_CHANGES
00001310	IN	CIN J_1IKUNNR_INTERFACE_00001310
00001320	IN	CIN J_1IKUNNR_SAVE_00001320
00001330	IN	CIN J_1IKUNNR_KEYTEXT_00001330
00001410	IN	CIN J_1IVENDOR_INTERFACE_00001410
00001420	IN	CIN J_1IVENDOR_SAVE_00001420
00001430	IN	CIN J_1IVENDOR_KEYTEXT_00001430

6. Go back to the *SAP Business Framework: Business Transaction Events* screen.
7. Choose *Settings* -> *Process function modules* -> *... of an SAP appl.*

8. Make sure that the following entry exists:

<u>Process</u>	<u>Ctr</u>	<u>Appl.</u>	<u>Function module</u>
00001120	IN	CIN	J_1IEWT_DUEDATE

15.1.4.1.18 Italy

In the following activities, you make the settings for tax on sales/purchases in Italy.

15.1.4.1.18.1 Maintain Settings for Retail Value-Added Tax

Use

In order for the system to be able to calculate retail value-added tax (VAT) (*ventilazione*), you have to group the input tax codes. The totals of these groups are used to calculate the retail VAT. Assign the tax codes used for calculating the percentages to the retail VAT code.

15.1.4.1.19 Poland

15.1.4.1.19.1 Assign Number Range to Company Code for Internal Invoices

Use

In this Customizing activity, you assign the number range for internal invoices to your company code. This activity is relevant to Poland only.

Requirements

You have already created the required number range in the Customizing activity Define Document Number Ranges for General Ledger View.

15.1.4.1.19.2 Assign Tax Codes to Company Code

Use

In this Customizing activity, you assign the relevant tax code and document type to your company code.

15.1.4.1.19.3 Define Tax Exemption Codes

Use

In this Customizing activity, you enter the tax exemption codes that are used for tax exemption.

15.1.4.1.20 South Korea

15.1.4.1.20.1 Types of Businesses and Industries

15.1.4.1.20.1.1 Define Types of Business

Use

In this IMG activity, you define the types of business recognized by district tax offices.

Activities

You do not have to define all the types of business. If you want, you only have to define the most important types. You can enter the less frequent types of business directly in the master records.

When you have done that, you enter the type of business in:

- Your own business places
- Each customer master record
- Each vendor master record

Finally, when you come to print tax invoices or print the VAT Summary Report, they automatically show your own type of business and also those of your customers and vendors, as required by the National Tax Service.

15.1.4.1.20.1.2 Define Types of Industry

Use

In this IMG activity, you define the types of industry recognized by district tax offices.

Activities

You do not have to define all the types of industry. If you want, you only have to define the most important types. You can enter the less frequent types of industry directly in the master records.

When you have done that, you enter the type of industry in:

- Your own business places
- Each customer master record
- Each vendor master record

Finally, when you come to print tax invoices or print the VAT Summary Report, they automatically show Your own type of industry and also those of your customers and vendors, as required by the National Tax Service.

15.1.4.1.20.2 Business Places

15.1.4.1.20.2.1 Define Business Place

Use

In this IMG activity, you create one business place for each of your tax registrations with district tax offices.

Activities

For each business place, enter all of your tax registration details, such as the VAT registration number and the name of your company's representative. This information will be printed on tax invoices that you issue and printed in the VAT Summary Report.

Headquarters Business Place

Once you have defined your business places, enter the business place that your headquarters is located in in the company code master data:

1. In Customizing for FI, choose *Financial Accounting Global Settings -> Company Code -> Enter Global Parameters*.
2. Double-click the company code.
3. Choose *Additional Details*.
4. Enter the business place.

This will be taken as the default business place for postings in *Assets Accounting* (FI-AA), when you post goods receipts, and when you settle internal orders from *Controlling* (CO).

15.1.4.1.20.2.2 Assign Business Place

Use

In this activity, you specify which business place each of your plants is assigned to. By doing so, you effectively specify which district tax office each plant is assigned to.

When you come to carry out transactions in *Logistics*, the system automatically assigns each tax item to the correct business place.

Requirements

The plants must already be assigned to a company code.

15.1.4.1.20.3 Tax Invoices

15.1.4.1.20.3.1 Set up Tax Invoice Numbering

Use

In these IMG activities, you set up the system so that the Print Tax Invoices (South Korea) program numbers tax invoices properly.

Activities

Create a document type for each series of tax invoice numbers that you need, and assign a numbering range to each document type.

When you come to run the program, you enter the document type on the selection screen. The program then numbers the tax invoices according to the number range associated with the document type. (For information about making sure that the user enters the right document type for the right business place, see the information under KR_USER_EXIT_TAX_CODE.)

Note that the document types are required for numbering purposes only. Tax invoices do not constitute separate system documents.

Example

Assume that your company has premises in four different cities. Each of your premises is under the jurisdiction of a different district tax office, and each has its own set of pre-printed, renumbered stationery for tax invoices.

To make sure that the program numbers the tax invoices correctly, you create four document types and assign each a number range object of its own.

15.1.4.1.20.3.2 Assign SAP script Forms to Tax Invoice Programs

Use

In this IMG activity, you specify which SAP script forms you want to print your tax invoices on. Do this for the following programs:

- Print Tax Invoices
- Reprint/Cancel Tax Invoices
- Print Tax Invoices Between Business Places

You only need to carry out this activity if you want to print the tax invoices using the SAP script functions.

Standard settings

Sample forms are supplied with the standard system (for a list, see below).

Activities

1. From the *SAP Easy Access* menu, choose *Tools -> ABAP Workbench -> Development -> ABAP Dictionary*.
2. In the *View* field, enter **V_T001F**
3. Choose *Display -> Utilities -> Contents*.
4. Enter data as follows, substituting your own forms for the standard forms if necessary:

Program	Title	Form
RFIDKRTP	Print Tax Invoices	FTIV_KR_DEB
RFIDKRCP	Reprint/Cancel Tax Invoices	FTIV_KR_DEB
RFIDKRTPIB	Print Tax Invoices Between Business Places	FTIV_KR_IBP

15.1.4.1.20.3.3 Enhance Tax Invoice Programs

Use

In this IMG activity, you can enhance the tax invoice programs by means of user exits. The user exits used are as follows:

Program	User Exits
Print Tax Invoices	KR_USER_EXIT_LIST_TAXINVOICE KR_USER_EXIT_COPY_TAXINVOICE KR_USER_EXIT_TAX_CODE KR_USER_EXIT_ROUND OFF
Reprint/Cancel Tax Invoices	KR_USER_EXIT_LIST_TAXINVOICE

	KR_USER_EXIT_ROUND OFF
	KR_USER_EXIT_CANCEL_TAXINVOICE
VAT Summary Report	KR_USER_EXIT_ROUND OFF
	KR_USER_EXIT_TAX_CODE
Time-Stamp Tax Invoices	KR_USER_EXIT_ROUND OFF

15.1.4.1.20.3.4 Electronic Tax Invoices

15.1.4.1.20.3.4.1 Define Amendment Status Code

Use

In this Customizing activity, you define the amendment status code and the amendment date relevant for electronic tax invoice.

15.1.4.1.20.3.4.2 Tax Invoice Data Interface

15.1.4.1.20.3.4.2.1 Notes on Implementation

15.1.4.1.20.3.4.2.2 BAdI: Map Tax Invoice Data to Interface of the Third Party Solution

Use

You use this BAdI to map the data stored in the SAP standard system to the format required by the third party solution for generation of electronic tax invoice.

The electronic tax invoices need to be generated as per the format required by the tax authorities. The third party solution uses this BAdI to get the data from the standard system and then convert it as per the required format.

15.1.4.1.21 Spain

15.1.4.1.21.1 Assign Number Range for Self Invoices to Company Code

Use

In this IMG activity, you assign the number range for self-invoices to your company code. This activity is relevant to Spain only.

Requirements

You have already created the required number range in Customizing for *Financial Accounting*, under *Financial Accounting Global Settings > Document > Document Number Ranges > Define Document Number Ranges*.

15.1.4.1.21.2 Define Operation Keys for Modelo-340

Use

In this Customizing activity, you maintain the settings to identify different operation keys that the system uses for reporting purposes.

Activities

1. Enter the transaction key for equalization VAT purposes.
2. Select the tax code relevant for *Eq VAT Txc*.
3. Enter the tax code that belongs to IGIC.

15.1.4.1.22 Slovakia

15.1.4.1.22.1 Enter Report Date for Deferred Tax

Use

In these IMG activities, you make settings used by the Deferred Tax program.

In **this** IMG activity, you specify which dates VAT returns are due on

Example

Assume that:

- The VAT return for January 20X2 is due on 25 February of the same year

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- The VAT return for February 20 X2 is due on 25 March - The VAT return for December 20 X2 is due on 25 January 20X 3 You would make the following entries:

Fiscal Year	Period	Date
20X2		25 /02/20X 2
20X2	02	25 /03/20X 2
20X2 12	25 /01/20X 3	

See also

SAP Library -> SAP ERP Central Component -> Financials -> Country Versions -> Slovakia -> Financial Accounting (FI) -> Taxes (FI-AP/AR) -> Deferred Tax.

15.1.4.1.22.2 Specify Accounts for Deferred Tax

Use

In this IMG activity, you set up the account determination used by the Deferred Tax program.

Activities

Enter all of the following accounts used in the deferred tax process, and classify them as required:

- Interim bank accounts
The program uses the table to track the open item clearing process. If the counterpart of the clearing document is an account included in this table, the program proceeds further to track the clearing process of the interim bank account in order to complete tracking of the clearing documents down to bank statements.
- Payment accounts (for example, bank accounts, cash accounts):
If during the document clearing sequence the program tracks down a document with an account defined in the above mentioned table, the program proceeds to transfer-post the tax (under the condition that other criteria are met).

The bank code (KODBNK) is displayed in the output list during the reimbursement identification.

15.1.4.2 Calculation

In the following activities you make the settings for calculating the taxes on sales/purchases.

15.1.4.2.1 Define Tax Codes for Sales and Purchases

Use

You have to define a separate tax on sales/purchases code for each country in which one of your company codes is located.

Each code contains one or more tax rates for the different tax types.

If you have to report tax-exempt or non-taxable sales to the tax authorities, you need to define a tax rate with the value **0**.

Note

Do **not** delete or change any taxes on sales/purchases codes and their definitions as long as items with these codes exist in the system.

Otherwise, the SAP system displays the tax amounts with incorrect tax rates in the corresponding reports and determines incorrect amounts during a tax adjustment for payment transactions.

Standard settings

SAP supplies a tax calculation procedure for each country. The procedure comprises a list of all common tax types with rules for tax calculation. In addition, example tax codes are defined for some countries.

Activities

1. Check the standard tax codes for your country. Add further tax codes, if necessary.
2. Ensure that tax accounts are defined for the automatic posting of taxes.

Notes on transporting tax codes

When tax codes are transported, the tax rates of the tax codes are transported using auxiliary table T007V. Logical transport object FTXP is used to transport the definition data of the tax code from table T007A and the language-dependent name to table T007S.

The tax accounts for the tax codes (table T030K) are not transported.

The internal jurisdiction codes are also not transported.

The transport of tax codes between systems or clients consists of two steps:

1. Step :

Export tax codes from source system or source client

2. Step :

Import tax codes into target system or target client

Export

1. In the source system or client, in Customizing for the Financial Accounting Basic Settings, choose *Tax on Sales/Purchases -> Calculation -> Define Tax on Sales and Purchases Code*.
2. Choose *Tax Code -> Transport -> Export*.
3. Assign the export to the relevant transport request and make a note of the request number.
4. Select and save the tax codes to be transported.
5. Make sure that the selected tax codes have the transport number in table T007V. To check the table, in the SAP menu choose *Tools -> ABAP Workbench -> Overview -> Data Browser*. Enter the table name. The tax codes are in the MWSKZ fields, the tax jurisdiction codes in the TXJCD fields.
6. Arrange the transport of the request to the target system.
To transport the request, in the SAP menu choose *Tools -> ABAP Workbench -> Overview -> Workbench Organizer -> Environment -> Customizing Organizer*.

Import

1. Make sure that the transported tax codes are recorded in table T007V of the target system or target client.
2. In the source system or client, in Customizing for the Financial Accounting Basic Settings, choose *Tax on Sales/Purchases -> Calculation -> Define Tax on Sales and Purchases Code*.

3. The tax codes should have been created in the target system without a tax percentage rate by the import.

Otherwise you can do this manually:

In the target system, create the tax codes that do not exist there.

Create the tax codes completely, but **without** tax percentage rates.

If you use internal systems in company codes in the USA or Canada, the relevant tax jurisdiction codes should also exist. You make the settings for the tax jurisdiction code in Customizing for Financial Accounting Basic Settings under *Tax on Sales and Purchases -> Basic Settings -> Define Tax Jurisdiction Codes*.

4. Choose *Tax Code -> Transport -> Import*.
5. Check the proposed values for the transport request and country.
6. Run the import.

15.1.4.2.2 Assign Company Code to Document Date for Tax Determination

In this activity you specify per company code the following data necessary for processing taxes with jurisdiction codes: whether the baseline date for determining the tax percentages should be the posting date (default date) or the document date.

The system usually takes the posting date for this purpose. However, if you want the system to determine tax percentages on the basis of the document date, you must configure the system accordingly at this point.

Standard settings

This specification is country-dependent in the standard company code.

Activities

Determine for each company code whether the tax percentage should be calculated based on the document date.

15.1.4.2.3 Specify Base Amount

In this activity you determine whether cash discounts are deducted from the base amount used for calculating tax on sales/purchases for each company code.

Standard settings

The setting made for the standard company code depended on the respective country.

Note

The rules for determining the base amount to calculate taxes on sales/purchases depend on the respective national laws. Base amount determination is controlled by using either the company code table or the jurisdiction code table. Taxes in the US, for example, are calculated using jurisdiction codes.

Activities

If the cash discount amount should not be included in the base amount for tax calculation, select the *TaxBaseNet* indicator (tax basis is net value).

15.1.4.2.4 Change Foreign Currency Translation

Normally tax amounts are converted using the exchange rate that is specified by the tax base amounts.

For more information, see the documentation for Specify Base Amount in Customizing under *Financial Accounting Global Settings (New)* or *Financial Accounting Global Settings*. However, if you want to enter a different exchange rate when entering documents or you want to have the system propose one when you enter documents, then you have to make settings here.

In this activity, you enter the following for each company code: whether, in the case of foreign currency postings, it is possible to enter a separate exchange rate for the currency conversion of the tax amounts. The following settings (among others) are possible:

- Enter tax exchange rate manually
- Determine exchange rate based on posting date
- Determine exchange rate based on document date
- Determine exchange rate based on tax reporting date

If you do not make any settings here, then the currency is converted, as before, using the exchange rate that is derived from base amounts in document and local currency belonging to the tax code.

Activities

For each company code, ensure that the prerequisites are met so that you can enter a separate exchange rate for the conversion of taxes.

Further notes

If you enter a different exchange rate (differing from that in the document header) during document entry, then it is possible that differences can arise in the local currency. Therefore, you need to enter an account for the posting of exchange rate differences. For more information, see Define Account for Exchange Rate Difference Posting.

15.1.4.2.5 Determine Exchange Rate for Tax Items

Use

This Business Add-In (BAI) is used in *Financial Accounting (FI)*. You can use this BAI to determine the exchange rate that is relevant for tax items in documents.

The BAI is implemented exclusively in the general interface to accounting (function group RWCL).

Standard settings

The BAI is activated in the standard delivery. The default implementation takes effect only after you activate the function for the tax reporting date in Customizing for the global parameters of the company code. To do this, go to Enter Global Parameters and set *Tax Reporting Date Active*.

The enhancement spot ESPOT_TAX_EXCHANGE_RATE has the BAI definition BADI_TAX_EXCHANGE_RATE.

The default implementation is called TXKRS_SET_DEFAULT_VATDATE. It determines an exchange rate only for billing documents and cash journal documents.

The BAI is **not** filter-dependent. And it is **not** usable more than once.

Activities

After calling up the IMG activity, a dialog box appears, in which you can enter a name for the implementation.

If you have already made other implementations for this BAI, another dialog box appears, in which the existing implementations are displayed. In this case, choose *Create*, and proceed as follows:

1. In the dialog box, enter a name for the BAI implementation in the *Implementation* field, and choose *Create*.
The screen for creating BAI implementations is now displayed.
2. Enter a short text for the implementation in the *Short text for implementation* field.

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3. From the tab index, choose *Interface*.
The *Name of implemented class* field is already filled on the tab page, as a class name was automatically assigned to the implementation when you named it.
4. Save your entries, and assign the implementation to a development class.
5. Place the cursor on the method, and double-click to enter method processing.
6. Enter the code for the implementation between the statements `method <Interface name> ~ <Name of method>` and `end method`.
7. Save and implement your code. Return to the *Edit Implementation* screen.
8. Save the entries on the *Edit Implementation* screen.
Note: You can also create an implementation, and then activate it at a later time. In such a case, end the processing stage at this point.
9. Choose *Activate*

The code you stored in the method will be run when the application program is executed.

See also

Method: Determine Tax Rate (TXKRS_SET)

15.1.4.2.6 Tax Codes for Tax-Exempt Sales

15.1.4.2.6.1 Define Reasons

Use

In this and the following IMG activity, you specify which tax codes you use for posting tax-exempt transactions, or transactions with zero-rated VAT. These settings are required by companies in Argentina and Poland only, and for the following purposes:

- In **Argentina** tax reports, a reason must be assigned to all transactions with zero VAT.
- In **Poland**, when a clerk issues a tax invoice, tax-exempt transactions must be marked with the letters *zw*.

Activities

For **Argentina**, define as many reason codes as you need in your reports.

For **Poland**, define one reason code. If you want to use the standard SAP script form for tax invoices, RVINVOICEPL, call the reason code Z: The SAP script form treats all line items with reason code Z as tax-exempt.

Example

A company in Poland uses two tax codes for tax-exempt transactions, A9 and B9.

IMG Activity	What to Do
--------------	------------

Define Reasons	Create a new entry, Z.
----------------	------------------------

Assign Reasons to Tax Codes

Assign the reason Z to the tax codes A9 and B9.

See also

SAP Library -> SAP ERP Central Component -> Financials -> Country Versions -> Europe and Africa -> Poland -> Sales and Distribution (SD) -> Sales and Billing -> Tax Invoice

15.1.4.2.6.2 Assign Reasons to Tax Codes

Use

In this IMG activity, you assign tax exemption reasons to tax codes for tax-exempt or zero-rated transactions.

For more information, see the IMG activity Define Reasons.

15.1.4.2.7 Settings for Tax Calculation in Brazil

15.1.4.2.7.1 Access Tax Manager's Workplace

Use

The Tax Manager's Workplace (TMW) is a Customizing tool that enables you to make **all** settings relevant to tax calculation in Brazil, from a single point of access. Most TMW options can also be found as separate activities within the IMG; these are listed below with their IMG menu paths. Two options can only be accessed from the TMW - option to change to a different country within the TMW, and migration of tax rates to condition records - and these are documented below. The other migration function for transferring tax group changes to access sequences is a separate program with its own documentation.

We recommend that you work through the individual IMG activities when you first configure Brazilian taxes in your system, documenting as you need to on a project basis. Then, as you need to make changes (due to a change in tax rate, for instance), you can do so quickly using the TMW. You can also access the TMW by calling the transaction J1BTAX.

You can access the documentation of the individual activities in the standard way (by clicking the document icon to the left of the activity in the IMG), or by choosing the blue **i** icon within each activity.

Activities

The initial screen of the TMW lists all the **Tax Rate Tables** you can maintain. You access the tables individually under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Settings for Tax Calculation in Brazil -> Tax Rates ->*

- Maintain Default Tax Rate Values
- Maintain IPI Values
- Maintain IPI Material-Dependent Exceptions
- Maintain IPI Dynamic Exceptions
- Maintain ICMS Values

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- Maintain ICMS Material-Dependent Exceptions
- Maintain ICMS Dynamic Exceptions
- Maintain ICMS-Complement Exceptions
- Maintain SubTrib Values
- Maintain SubTrib Material-Dependent Exceptions
- Maintain SubTrib Dynamic Exceptions
- Maintain ISS Values
- Maintain PIS Values
- Maintain COFINS Values
- Maintain Withholding Tax Rates and Assign Official Collection Codes

Contain the activities listed below along with their individual menu paths. Only the third menu, *Condition Setup*, contains activities that are relevant only to condition-based tax calculation, which are not visible if you have not activated condition-based tax calculation (*Migration*, *Condition Mapping*, and *Nota-Fiscal Mapping*).

1) Entities

- Tax Regions, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define Brazilian Tax Regions and Assign to Geography. Regions*
- NCM Codes, under *Cross-Application Components -> General Application Functions -> Nota Fiscal -> NCM Codes -> Define NCM Codes*
- SubTrib Groups, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Settings for Tax Calculation in Brazil -> Define Customer Groups for SubTrib Calculation*
- CFOP, all of which are under *Cross-Application Components -> General Application Functions -> Nota Fiscal -> CFOP ->*
- Define CFOP Versions
- Assign Validity Date to CFOP Versions
- Define CFOP Codes and Assign Versions
- Define CFOP Determination for Goods Receipts and Returns (Versioned)
- Define CFOP Determination for Goods Issues and Returns (Versioned)
- Tax Laws IPI, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define IPI Tax Laws*
- Tax Laws ICMS, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define ICMS Tax Laws*
- Tax Laws ISS, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define ISS Tax Laws*
- Tax Laws COFINS, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define COFINS Tax Laws*
- Tax Laws PIS, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define PIS Tax Laws*

2) Tax Calculation

- Maintain Tax Rates

You can maintain any tax rate table by selecting it on the initial screen and choosing this menu option.

- The following Tax Calculation menu options are available as IMG activities under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Settings for Tax Calculation in Brazil ->*

- Maintain Tax Groups; you can also access this activity in the TMW from the second pushbutton.
- Tax Codes MM; also accessible from the MM pushbutton.
- Tax Codes SD; also accessible from the SD pushbutton.
- Alt. Calc. Procedure
- Tax Code Determ. SD
- Tax Law Determ. SD, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Define Sequence for SD Tax Law Determination*
- Other Country

This enables you to specify a different country than the one you entered when you accessed the TMW initially (based on the entries in the Define Countries activity). The last country you have Selected then appears as the default when you enter the TMW again.

3) Condition Setup

- Migration
- Tax Rate Tables to Conditions

You choose this option to carry out the initial conversion of entries in the Brazilian tax tables to condition records. You can select individual tax rate tables one at a time and check whether corresponding condition records exist (by choosing *Condition records -> Check conditions* and the appropriate application, MM or SD). A log appears on the bottom half of the screen, which displays the status of each entry in the particular table, and the tax rate table above receives the overall status of the lowest status of any of its entries:

Traffic light Meaning

Green Condition records exist for all fields in the table entry

Yellow At least one field in the table is missing a condition

Record (but some do exist)

Red No condition records exist for fields in the table entry

(That are supposed to have one; some do not require one)

Once you have checked the tax rate tables, you need to convert the entries of those tables with status red or yellow to condition records by selecting the table, specifying the application (MM or SD), and choosing a conversion option. Condition-based tax calculation can then function once you have condition records for all your tax rates.

- Tax Groups in Access Sequences
You run this program to update access sequences after you create or change a tax group.
- Nota-Fiscal Mapping, all of which are found under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Brazil -> Condition-Based Tax Calculation ->*
- Tax Values MM
- Tax Values SD
- Tax Laws MM
- Condition Mapping (same path as *Nota-Fiscal Mapping* above)
- Internal Codes
- Assign Conditions
- Tax Rate Tables
- Access Sequences

- Access Sequences MM, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Check Calculation Procedure* - Access Sequences.
- Access Sequences SD, under *Sales and Distribution -> Basic Functions -> Pricing -> Pricing Control ->* Define Access Sequences
- Condition Types
- Condition Types MM, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Check Calculation Procedure* - Define Condition Types.
- Condition Types SD, under *Sales and Distribution -> Basic Functions -> Pricing -> Pricing Control ->* Define Condition Types
- Calc. Procedures
- Calc. Procedures MM, under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Basic Settings -> Check Calculation Procedure* - Define Procedures.
- Calc. Procedures SD, under *Sales and Distribution -> Basic Functions -> Pricing -> Pricing Control ->* Define And Assign Pricing Procedures
- Tax Types

4) Nota Fiscal

- Invoice Verification, both of which are under *Cross-Application Components -> General Application Functions -> Nota Fiscal -> Materials Management -> Inventory Management ->*
- IV Line Category
- NF-Relev. PO Conds
- Inventory Management, both of which are under *Cross-Application Components -> General Application Functions -> Nota Fiscal -> Materials Management -> Invoice Verification ->*
- NF Category Deriv.
- IM Posting Strings
- SD Billing, both of which are under *Sales and Distribution -> Billing -> Billing Documents -> Country-Specific Features -> Country-Specific Features for Brazil ->*
- SD Item Category
- NF-Relev. SD Conds

15.1.4.2.7.2 Define SD Tax Codes

Use

In this IMG activity, you maintain special tax codes for Brazilian tax processing in *Sales and Distribution (SD)*. When you enter a sales order, you need to enter the SD tax code per line item, which the system uses to determine which taxes are to be calculated using which calculation rules.

Standard settings

The system comes complete with all SD tax codes required by the delivered pricing procedures.

Recommendation

Do not change existing tax codes once you are working in your production client. If required, you can create new tax codes.

15.1.4.2.7.3 Define Sequence for SD Tax Code Determination

Use

In *Sales and Distribution* (SD), the system derives the tax code from either the item category or the customer-material info record. In this IMG activity, you define the sequence in which the system accesses these sources.

Activities

Define the access sequence for the specified tax code sources.

Example

Assume you have made the following settings:

<u>Sequence in Tax Code Determination</u>	<u>Source for Tax Code Determination</u>
1	Item Category Table
2	Customer Material Information

When you enter a sales order, the system searches for the tax code first in the item category table, and if it does not find one there, then in the customer-material info record.

15.1.4.2.7.4 Define FI/MM Tax Codes

Use

In this IMG activity, you maintain the tax codes used for calculating Brazilian taxes in *Financial Accounting* (FI) and *Materials Management* (MM).

Customizing tax codes so that the taxes are calculated according to Brazilian legal requirements differs from the standard method in the following ways:

- The system needs additional information not included in the standard FI tax codes, such as the material's usage, and IPI and ICMS tax laws. For this reason, you should only maintain FI/MM tax codes for Brazil in this activity, and **not** in the standard one, Define Tax Codes for Sales and Purchases.
- You maintain the tax rates themselves in separate tax tables (under *Financial Accounting* -> *Financial Accounting Global Settings* -> *Tax on Sales/Purchases* -> *Calculation* -> *Settings for Tax Calculation in Brazil* -> *Tax Rates*). In the current activity, you only specify which tax types are due for each tax code, by selecting the tax code and choosing *Goto* -> *Maintain Conditions*. The tax types you set as active here are then active in the tax calculation procedure.

Standard settings

The system comes complete with FI/MM tax codes required for Brazil.

Recommendation

Do not change existing tax codes. If required, you can create new ones.

15.1.4.2.7.5 Define Flexible PIS/COFINS Bases for FI/MM Tax Codes (CBT)

Use

In this Customizing activity, you can configure how the PIS/COFINS base is determined in case the standard rules for PIS/COFINS calculation does not meet the requirements of your company because this belongs to a particular taxation scenario.

If not configured otherwise, the system considers PIS/COFINS base as being the same as ICMS base. An exception to this rule exists for resale scenarios for companies that do not contribute for IPI. In this case, the PIS/COFINS base is calculated based on ICMS base plus IPI amount. The ICMS base itself is without the IPI amount.

If the standard rules described above are not applicable to your company, you can configure how the PIS/COFINS base should be set up for your company. To do this, you must define a primary base and, in certain cases, also a secondary base.

- Primary base: This is the PIS/COFINS base that is used to calculate PIS/COFINS in the incoming nota fiscal.
- Secondary base: This is the PIS/COFINS base that is used to determine the ICMS base, when PIS/COFINS has not been considered in the net price (PO Price). The secondary base only needs to be configured if it differs from the primary base. In general, you would configure the secondary base to be equal to the ICMS base.

IMPORTANT: The secondary base must not be configured if PIS/COFINS has been considered in the net price (PO price).

Activities

To define the components that will be considered to calculate the primary or secondary base, do the following:

1. Select a Tax Code and specify if you want to configure the primary or secondary base for it.
2. Select the internal tax code you want to consider in the base and if this should be added, subtracted or not considered to the base calculation. For one tax code you can configure as many components as necessary to calculate the primary or secondary base.

Note: To include the complete (100%) ICMS base into the primary or secondary base, you need to add the following 3 rows for your tax code:

- ICMS Normal Base Add to Base
- ICMS Other Base Add to Base
- ICMS Excluded Base Add to Base

3. Save your entries.

Example

Example 1:

Configuration for a resale purchase when the IPI amount is not part of PIS/COFINS base.

Use a tax code with usage #industrialization#

In the view define the following entries for the tax code:

Primary Base	ICMS Normal Base	Add
To Base		

Primary Base **ICMS Other Base** **Add**

To Base

Primary Base **ICMS Excluded Base**

Add to Base

Example 2:

Configuration for an asset purchase, when the ICMS amount is not part of PIS/COFINS base

Use a tax code with usage #consumption#.

In the view define the following entries for the tax code:

Primary Base **ICMS Normal Base** **Add**

To Base

Primary Base **ICMS Other Base** **Add**

To Base

Primary Base **ICMS Excluded Base**

Add to Base

Primary Base **ICMS Amount**

Subtract from Base

Secondary Base

ICMS Normal Base **Add**

To Base

Secondary Base **ICMS Other Base** **Add**

To Base

Secondary Base **ICMS Excluded Base**

Add to Base

Note: As there is a difference between primary and secondary base, you need to activate the condition ICOR/PCRE in your tax code.

15.1.4.2.7.6 Define Flexible PIS/COFINS Bases for FI/MM Tax Codes (Class. Tax. Calc.)

Use

In this Customizing activity, you can configure how the PIS/COFINS base is determined in case the standard rules for PIS/COFINS calculation does not meet the requirements of your company because this belongs to a particular taxation scenario.

If not configured otherwise, the system considers PIS/COFINS base as being the same as ICMS base. An exception to this rule exists for resale scenarios for companies that do not contribute for IPI. In this case, the PIS/COFINS base is calculated based on ICMS base plus IPI amount. The ICMS base itself is without the IPI amount.

If the standard rules described above are not applicable to your company, you can configure how the PIS/COFINS base should be set up for your company. To do this, you must define a primary base and, in certain cases, also a secondary base.

- Primary base: This is the PIS/COFINS base that is used to calculate PIS/COFINS in the incoming nota fiscal.
- Secondary base: This is the PIS/COFINS base that is used to determine the ICMS base, when PIS/COFINS has not been considered in the net price (PO Price). The secondary base only needs to be configured if it differs from the primary base. In general, you would configure the secondary base to be equal to the ICMS base.

IMPORTANT: The secondary base must not be configured if PIS/COFINS has been considered in the net price (PO price).

Activities

To define the components that will be considered to calculate the primary or secondary base, do the following:

1. Select a Tax Code and specify if you want to configure the primary or secondary base for it.
2. Select the internal tax code you want to consider in the base and if this should be added, subtracted or not considered to the base calculation. For one tax code you can configure as many components as necessary to calculate the primary or secondary base.

Note: To include the complete (100%) ICMS base into the primary or secondary base, you need to add the following 3 rows for your tax code:

- ICMS Normal Base Add to Base
- ICMS Other Base Add to Base
- ICMS Excluded Base Add to Base

3. Save your entries.

Example

Example 1:

Configuration for a resale purchase when the IPI amount is not part of PIS/COFINS base.

Use a tax code with usage #industrialization# in the view define the following entries for the tax code:

Primary Base ICMS Normal Base Add

To Base

~~Primary Base~~ ICMS Other Base Add

To Base

Primary Base ICMS Excluded Base

Add to Base

Example 2:

Configuration for an asset purchase, when the ICMS amount is not part of PIS/COFINS base

Use a tax code with usage #consumption#.

In the view define the following entries for the tax code:

Primary Base ICMS Normal Base Add

To Base

~~Primary Base~~ ICMS Other Base Add

To Base

Primary Base ICMS Excluded Base

Add to Base

Primary Base ICMS Amount

Subtract from Base

Secondary Base ICMS Normal Base Add

To Base

~~Secondary Base~~ ICMS Other Base Add

To Base

Secondary Base ICMS Excluded Base

Add to Base

Note: As there is a difference between primary and secondary base, you need to activate the condition ICOR/PCRE in your tax code.

15.1.4.2.7.7 Define Customer Groups for SubTrib Calculation

Use

In this IMG activity, you group customers according to what rules they use for calculating substituição tributária. You then specify the customer group in customer master records, on the *Control Data* tab in the *SubTrib Group* field.

15.1.4.2.7.8 Define Tax Groups for Dynamic Exceptions

Use

In this IMG activity, you define tax groups, which you then use to define dynamic exceptions for Brazilian tax calculation (see *Further Notes* below). For each tax group, you can specify up to **three** key fields that are to be used to determine the tax rates for the tax types you activate it for: ICMS, IPI, SubTrib (ST), and/or ISS.

You can choose from the following key fields: material, NCM code, material class/material group, tax code, vendor, customer, industry sector, city code (only in SD), location of service provider, location where service is provided, location of service recipient, company code, plant, and service.

Requirements

If you use **condition-based tax calculation** for Brazil, then for each tax group that you create or change, you must adjust the access sequences that belong to the conditions that store the tax rates (see the corresponding access sequence activities for SD and MM). You need to include a new step in all those access sequences that conditions use to calculate taxes for the tax types marked as active. **Note** that we provide a program, J_1B_EXT_ACC_SEQ, that does this for you automatically, which you can access from the Tax Manager's Workplace by choosing *Condition Setup -> Migration -> Tax Groups in Access Sequences* (refer to the program documentation for details, but be aware that running this report leads to cross-client changes in data). If you change the access sequences manually, the example below illustrates what you need to change.

Suppose you create tax group 50 with two key fields *city code* and *NCM code*, calling application *General*, and marked as active for ICMS only. Then, you need to extend all MM and SD access sequences that are used in the ICMS conditions - by adding step 50. One example from MM is BRIB. You can create step 50 by copying step 5, since they both use the same condition table (the one corresponding to material-dependent exceptions). By copying step 5, you take over the assignment of fields and constant values for the fields - except for the dynamic ones. In the field assignment, you need to assign the city code to dynamic field 1, the NCM code to field 2, and the constant 'X' to field 3. Lastly, assign the constant value '50' to the field *Tax group*, so that the system can uniquely identify the record during rate determination. If you do **not use** condition-based tax calculation, you do not need to adjust the corresponding access sequences. In this case, the system searches through the defined order of key fields of an active group. It uses the first entry it finds in the tax rate tables in order to determine the rate. Assume, for example, that tax group 50 contains the key field *NCM code* and tax group 51 contains the key field *material class*. If, during tax the system finds a record for both tax groups, 50 and 51, it takes the lower number, 50.

Standard settings

Tax groups in the number ranges from 0-9 and 91-99 are reserved for SAP; do **not** delete these groups. If you need to create new tax groups, create them in the range from 10 to 89.

Activities

For each tax group you create, specify:

- Which key fields are to be used (up to three per tax group)

- Calling application used to calculate the tax, which indicates where the data is transferred from in most cases, we recommend that you choose *General*, which makes data available from both *Sales and Distribution (SD)* and *Materials Management (MM)*. If tax rates differ depending on whether the process is a sales or purchasing one, you can also limit the calling application by specifying only SD or MM respectively.
If you use non-condition-based tax calculation (but we recommend that you switch to condition-based), you can additionally choose the MM applications *Inventory Management* and *Invoice Verification*, as well as *SD Purchasing*.
- Which tax types the tax group is to be activated for
Set the corresponding indicators for ICMS, IPI, ISS, and/or ST. Only if the tax group is marked active for a particular tax type does the system consider the rates maintained in the respective tax rate tables during tax calculation. This means that if you deactivate certain tax types for a given tax group, this could, for instance, improve system performance because the system does not take the corresponding tax rates for dynamic exceptions into consideration.

Further notes

You use the tax groups to define dynamic exceptions for the various tax rates in Customizing for *Financial Accounting*, under *Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Tax Rates*:

- Maintain IPI Dynamic Exceptions
- Maintain ICMS Dynamic Exceptions
- Maintain SubTrib Dynamic Exceptions
- Maintain ISS Dynamic Exceptions

When you maintain the dynamic exceptions in these activities, a dialog box appears in which you are prompted to enter the tax group. All the tax groups you create in the current activity are available as possible entries for this field; if you choose F4, you will additionally see which tax types the tax group is activated for.

15.1.4.2.7.9 Tax Rates

15.1.4.2.7.9.1 Maintain Default Tax Rate Values

Use

In this IMG activity, you define default rates for Brazilian tax calculation. The system uses these default Rates for ICMS, IPI, and ISS if it cannot determine a valid rate in the specific tax rate tables (under *Financial Accounting -> Financial Accounting Global Settings -> Tax on Sales/Purchases -> Calculation -> Settings for Tax Calculation in Brazil -> Tax Rates*).

15.1.4.2.7.9.2 Maintain IPI Values

Use

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In this IMG activity, you define IPI tax rates per NCM code.

Activities

For each NCM code, specify:

- Tax rate (as a percentage)
- Tax base (as a percentage; full base = 100%)
- *Other base* indicator if no IPI is to be calculated
- Tax law text that is to be printed on the nota fiscal

Further notes

If the system does not find an entry for a given NCM code, it uses the default rate stored for IPI.

15.1.4.2.7.9.3 Maintain IPI Material-Dependent Exceptions

Use

In this IMG activity, you define IPI tax rates per **material**.

Activities

In contrast to the standard IPI rates that you define per NCM code, here you define the rates per material:

- Tax rate (as a percentage)
- Tax base (as a percentage; full base = 100%)
- *Other base* indicator if no IPI is to be calculated
- Tax law text that is to be printed on the nota fiscal

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values

4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.4 Maintain IPI Dynamic Exceptions

Use

In this IMG activity, you define IPI rates based on the tax groups you have defined for dynamic exceptions.

Requirements

You must already have defined the tax groups in the corresponding activity. If you use condition-based tax calculation, be sure to maintain the access sequences as described in the IMG documentation for the activity.

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values
4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.5 Maintain ICMS Values

Use

In this IMG activity, you define ICMS tax rates based on the **ship-from** and **ship-to** tax region in the sales or purchasing process.

Activities

For each combination of ship-from and ship-to region, specify:

- Tax rate (as a percentage)
- ICMS on freight (as a percentage), for the conhecimento

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Further notes

If the system does not find an entry for a particular ship-from/ship-to combination, it uses the default rate stored for ICMS.

15.1.4.2.7.9.6 Maintain ICMS Material-Dependent Exceptions

Use

In this IMG activity, you define ICMS tax rates based on the *ship-from/ship-to tax regions* and *material* in the sales or purchasing process.

Activities

In contrast to the standard ICMS rates that you define per ship-from/ship-to tax region, here you can additionally define them per material. Enter the following information:

- Tax rate (as a percentage)
- Tax base (as a percentage; full base = 100%)
- *Other base* indicator if no ICMS is to be calculated
- Tax law text that is to be printed on the nota fiscal
- *Convênio 100* indicator if the material is subject to Convênio 100

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values
4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.7 Maintain ICMS Dynamic Exceptions

Use

In this IMG activity, you define ICMS rates based on the tax groups you have defined for dynamic exceptions.

Requirements

You must already have defined the tax groups in the corresponding activity. If you use condition-based tax calculation, be sure to maintain the access sequences as described in the IMG documentation for the activity.

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values
4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.8 Maintain ICMS-Complement Exceptions

Use

In this IMG activity, you define exceptions for the calculation of ICMS complement, dependent on the **material** and **ship-to tax region** in the purchasing process.

Activities

For each combination of material and ship-to tax region, you can define:

- A different tax base other than the full base of 100%
- That it is exempt from ICMS complement

Further notes

If the system does not find an entry for a particular material/ship-to combination, it calculates ICMS complement using the full base (100%).

15.1.4.2.7.9.9 Maintain SubTrib Values

Use

In this IMG activity, you define substituição tributária (SubTrib) tax rates based on the ship-from and ship-to tax region, and which calculation rules are to apply.

Activities

For each combination of ship-from and ship-to region (and optionally the SubTrib customer group, as defined in the corresponding activity), specify one of the following calculation methods:

- SubTrib base is invoice value
The SubTrib amount is calculated based on the value of the invoice, including ICMS. In this case, enter the surcharge rate (as a percentage) that is to be charged on the invoice amount, as well as any other reductions.
- SubTrib base is fixed price per unit
Here, the SubTrib amount is calculated based on a fixed price per unit, so the invoice value is not taken into account. Enter the corresponding information under *Special (fixed price per unit)*.

Further notes

If the system does not find an entry for a particular ship-from/ship-to combination, it does not calculate SubTrib at all (no default rates can be stored for SubTrib).

15.1.4.2.7.9.10 Maintain SubTrib Material-Dependent Exceptions

Use

In this IMG activity, you define substituição tributária (SubTrib) tax rates based on the ship-from/ship-to tax regions **and** the material, as well as which calculation rules are to apply.

Activities

For each combination of ship-from/ship-to tax region and material (and optionally the SubTrib customer group, as defined in the corresponding activity), specify a validity period and how SubTrib is to be calculated:

- No SubTrib calculation
- SubTrib base is invoice value
The SubTrib amount is calculated based on the value of the invoice, including ICMS. In this case, enter the surcharge rate (as a percentage) that is to be charged on the invoice amount, as well as any other reductions.
- SubTrib base is fixed price per unit
Here, the SubTrib amount is calculated based on a fixed price per unit, so the invoice value is not taken into account. Enter the corresponding information under *Special (fixed price per unit)*.

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values
4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.11 Maintain SubTrib Dynamic Exceptions

Use

In this IMG activity, you define substituição tributária (SubTrib) rates based on the tax groups you have defined for dynamic exceptions.

Requirements

You must already have defined the tax groups in the corresponding activity. If you use condition-based tax calculation, be sure to maintain the access sequences as described in the IMG documentation for the activity.

Activities

For each tax group, specify the ship-from and ship-to tax regions, the validity period, and the key fields defined for the particular tax group.

You also need to specify one of the following tax calculation methods:

- No SubTrib calculation
- SubTrib base is invoice value
The SubTrib amount is calculated based on the value of the invoice, including ICMS. In this case, enter the surcharge rate (as a percentage) that is to be charged on the invoice amount, as well as any other reductions.
- SubTrib base is fixed price per unit
Here, the SubTrib amount is calculated based on a fixed price per unit, so the invoice value is not taken into account. Enter the corresponding information under *Special (fixed price per unit)*.
- SubTrib base is IV value or minimum price

Here, the system checks the invoice value against the minimum price entered in corresponding field.

It takes the higher of the two values, and applies the surcharge rate entered.

Further notes

During tax calculation, the system searches for the correct tax rate in the following tables in the specified order, taking the first rate it finds:

1. Material-dependent exceptions
2. Dynamic exceptions
3. Normal values
4. Default values (for ICMS, IPI, and ISS only)

Since dynamic exceptions cover tax groups with up to three key fields, we recommend that you define any rate exceptions using dynamic exceptions.

15.1.4.2.7.9.12 Maintain ISS Values

Use

In this IMG activity, you maintain ISS rates, which the system requires to calculate, levy, and report ISS. You can enter normal rates and dynamic exceptions in this activity, regardless of which type of tax calculation you use (classic or condition-based).

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Requirements

To calculate ISS at municipal level, each tax rate is linked to a tax jurisdiction, so you have defined your relevant tax jurisdiction codes (see activity).

You have defined tax groups (see activity). If you use condition-based tax calculation, be sure to maintain the access sequences as described in the IMG documentation for the activity.

Activities

Enter ISS tax rates as required.

Further notes

Note that prior to January 1, 2004, ISS rates were determined only by the city of the service provider and the type of service (material). Therefore, much less information was required to determine the correct ISS rate. If you still need to access the tables maintained up until this date, you can do so via Transaction SM30: enter view J_1BTXIS1 for the normal ISS rates, and view J_1BTXIS3V for the dynamic exceptions for ISS.

15.1.4.2.7.9.13 Maintain PIS Values

Use

In this IMG activity, you maintain rates for PIS.

15.1.4.2.7.9.14 Maintain COFINS Values

Use

In this IMG activity, you maintain rates for COFINS.

15.1.4.3 Posting

In the following activities, you set the requirements for posting taxes on sales/purchases.

15.1.4.3.1 Define Tax Accounts

In this activity, you specify the accounts to which the different tax types are to be posted. The system determines these accounts for automatic postings.

Activities

Define the tax accounts.

Notes for the transport of tax accounts

When you transport tax codes between different systems or clients, **no** tax accounts are transported.

Adjust the tax accounts in the source and target system (or source and target client) manually.

15.1.4.3.2 Define Account for Exchange Rate Difference Posting

If you use a separate exchange rate for the translation of taxes for postings in foreign currency or want the exchange rate according to posting date and document date to be proposed, an exchange rate difference in local currency might result. You must therefore define an account for the exchange rate difference posting.

Note

Your specifications depend on the chart of account

Activities

Enter the account for the exchange rate difference posting and define posting keys and rules for it.

Further notes

If you translate the tax amounts using the exchange rate predefined by the tax base amounts, you need not make this setting.

15.1.4.3.3 Assign Tax Codes for Non-Taxable Transactions

In this activity you define an incoming and outgoing tax code for each company code, to be used for posting non-taxable transactions to tax-relevant accounts. Transactions posted like this are, for example; goods issue delivery, goods movement, goods receipt purchase order, goods receipt production order, order accounting.

Activities

Define tax codes for non-tax relevant transactions for each company code.

15.1.4.3.4 Transfer Posting of Tax for Cross-Company Code Transactions

In the case of cross-company code transactions, the whole tax amount is posted to and displayed in the first company code only. The tax arising in other company codes is ignored.

However, in certain countries such as Japan and Denmark, the tax amounts have to be displayed separately in each company code. In this activity, the program creates a list of the respective tax amounts for which automatic transfer postings must later be made.

When you start the program, choose the (first) company code for which the tax is to be posted. The number of documents to be included will depend on the fiscal year and the business periods (or posting date) you enter. The tax amounts are calculated according to the tax code or pro rata.

Activities

Create a list of the tax amounts for which transfer postings must be made.

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Further notes

Read the documentation for program RFBUST10.

15.1.5 Withholding Tax

In the following activities you make the settings for withholding tax.

SAP provides you with two procedures for processing withholding tax: "Standard" and extended withholding tax.

"Standard" withholding tax is the procedure that has always been supported by the system. It offers you the following features:

- Withholding tax for accounts payable
- Withholding tax calculation during payment
- Withholding tax code per vendor line item

Extended withholding tax provides the following additional features:

- Multiple withholding taxes per customer or vendor line item
- Withholding tax calculation for partial payments
- Quellensteuerberechnung bei Rechnungserfassung und bei Zahlung
-

Note

If you decided on extended withholding tax and activate this procedure, you must migrate your master data and transaction data. You cannot then return to the original withholding tax procedure afterwards.

15.1.5.1 Withholding Tax

In the following activities, you make the settings for withholding tax.

15.1.5.1.1 Basic Settings

In the following activities, you make the basic settings for withholding tax.

15.1.5.1.1.1 Maintain Countries

In this activity you check the withholding tax countries.

The withholding tax country is needed for printing the withholding tax form. Since the list of country IDs prescribed by law is different from the list in the system, you have to define the withholding tax countries again.

Activities

1. Check the country list delivered with the standard system.
2. Compare it with the official list from the tax authorities and make corrections where necessary.

15.1.5.1.1.2 Maintain Types of Recipient

In this activity, you check the type of recipient for 1042 reporting in the USA and withholding tax reporting in Spain.

The type of recipient categorizes the vendor, which is necessary for printing the withholding tax form.

Activities

Check the standard list of types of recipient and make corrections if necessary.

15.1.5.1.1.3 Define Income Types

In this step, you maintain the income types for the withholding tax return in Spain. The income type is a classification of your (foreign) vendors according to income. You need the income type as a specification for the withholding tax return.

Activities

1. Check the list of the income types delivered with the standard system and make corrections, if necessary.
2. Define the income type in the withholding tax code under "Specifications for the withholding tax return". Read the chapter "Maintain tax codes".

15.1.5.1.1.4 India

15.1.5.1.1.4.1 Maintain Document Type

Use

In this IMG activity, you specify which document type the system uses when it creates remittance challans.

15.1.5.1.1.4.2 TDS Section Maintenance

Use

In this IMG activity, you maintain the different sections of the Income Tax Law under which you can withhold tax.

You also specify the number groups that you want to use when you print the withholding tax certificates.

You define the number ranges below, under *Reporting* -> *India*.

Example

TDS Section	Section Type	Description
194J J	Professional Fees	

15.1.5.1.1.4.3 Assign TDS Sections to Tax Codes**Use**

In this IMG activity, you assign TDS sections to withholding tax codes.

15.1.5.1.1.4.4 Payment due Date Maintenance**Use**

In this IMG activity, you specify how many days you are allowed to remit withholding taxes after you have withheld them. You must make an entry for each section of the Income Tax Act (official withholding tax key).

Activities

For each permutation of official withholding tax key and recipient type, specify when the tax has to be remitted.

15.1.5.1.2 Calculation

In the following activities, you make settings for calculating withholding tax.

15.1.5.1.2.1 Maintain Tax Codes

The system needs a withholding tax code in order to be able to determine the withholding tax. You specify the following for each code:

- **The portion subject to tax**
Here it is possible to calculate the withholding tax with a calculation base of over 100%. This procedure is sometimes used in Spain.

- The **withholding tax minimum amount** for Japanese withholding tax reporting
- The **tax rate**

Percentage rate which is to be used for the withholding tax base amount for calculating the withholding tax amount. You can also enter the reunification tax in percent in this field.

- The **reduced withholding tax rate** in the case of a valid exemption certificate
- The **withholding tax formula**

You only select the *Withholding tax formula* field if you require a special withholding tax calculation. In the USA, for example, different tax rates are used for 1042 reporting depending on the federal state in which the vendor is situated.

- Specifications for the **withholding tax report in Spain** (region, fiskalis provincial code and income type).

Withholding tax codes are dependent on the country.

Standard settings

Withholding tax codes have already been defined in the standard system for countries where withholding Tax is to be posted.

Activities

Check the list of standard withholding tax codes, and make corrections if necessary.

Further notes

Do not change or delete any indicators and the accompanying definition if open items still exist for the indicator, otherwise errors will occur in the payment transaction.

The following settings must be made for 1042 reporting in the USA (withholding tax for foreign companies):

- The official withholding tax code as opposed to the withholding tax code is used for the output in the "Income Code" column.
- The portion subject to tax for determining the base amounts must always be 100% for the withholding tax codes for 1042.
- The tax rate is defined in the formula.

Program RFKQSU40 creates the necessary evaluations and forms for the 1042 procedure as well as a file for transferring to the tax authorities.

You will find further information in the chapter Define special calculation types.

15.1.5.1.2.2 Maintain Formulas

In this activity, you define the formulas for a special calculation of withholding tax.

The formulas are needed for the 1042 procedure in the USA and for a special calculation type in Japan, for which the withholding tax is calculated on a scaled basis with the percentage rates dependent on the amount.

You must note the following points when setting up withholding tax formulas for the 1042 procedure common in the USA:

- The currency in the formula should correspond to the currency of the company code.
- You should enter the highest possible value as the To-base amount.
- You should define an entry in which the country is masked with blanks for all countries which you do not define.

- For grants (Income Code 15) divide the annual tax-exempt amount by the number of payments to be expected. This value calculated is entered in the *Minimum base amount* field.
- In the case of changes to the tax rate, you should create a new code. This way both the percentage rates are displayed separately in reporting.

You can find more information on creating tax codes in the "Define taxes on sales/purchases codes" chapter.

Activities

1. Expand the standard list.
2. Specify the amount and the withholding tax rate for each withholding tax country and withholding tax code with which the withholding tax is calculated.

15.1.5.1.3 Posting

In the following activities, you make settings for posting withholding tax.

15.1.5.1.3.1 Define Accounts for Withholding Tax

In this activity, you define the account numbers of your withholding tax accounts. The system posts the tax amount to these accounts when clearing open items.

Further notes

Your specifications are dependent on the chart of accounts. In addition, you can differentiate your specifications according to the tax code.

Activities

1. Enter the accounts.
2. Make sure that the accounts are created.

15.1.5.1.4 Report

In this section, you make the settings for reporting classic withholding tax.

15.1.5.1.4.1 Define Recipient Codes

In this activity, you define the recipient codes for withholding tax reporting. You define the recipient code depending on the type of recipient.

Recipient codes are necessary for withholding tax reporting in Spain, for example.

Since the recipient codes are not identical for all regions of Spain and differences exist depending on the province, you must make the following default settings for the exception regions: You must enter the region and the provincial tax code.

Otherwise, you only enter the recipient code per type of recipient.

Standard settings

A list with types of recipient is included in the standard system. For more information, see Check Recipient Types.

Activities

1. Check whether recipient codes are necessary in the country for which you are using withholding tax.
2. Define your recipient codes for the standard list of the types of recipient as well as the key of the region and the provincial tax code for every exception region.

15.1.5.1.4.2 Define Forms for Withholding Tax

In this activity you can define forms for the withholding tax return.

Standard settings

Forms have already been defined for withholding tax returns in the SAP standard system.

Recommendation

SAP recommends that you accept the settings defined in the standard system. In this case, no action is required on your part.

If you do want to make changes in the forms, SAP recommends that you do not change the standard forms but that you copy and then change the copied forms.

Activities

If you work with the standard forms you do not need to do anything here.

If you would like to define your own forms, proceed as follows:

1. Enter the standard form which you would like to copy.
2. Select *Form -> Create/change*.
The header data screen of the form appears.
3. Select *Form -> Save as...* and enter the name of the new form.
4. Edit and activate the new form.

15.1.5.1.4.3 Define Form Names for Extended Reporting

In this activity you define the names of the forms for the withholding tax return to your vendors.

You can define them based on a company code and a form ID. You can use the form ID to define country-specific forms. To create a return, each user can access the appropriate country-specific form by entering the form ID in the country variant field.

Activities

1. Determine the names of the standard forms.
2. Check whether you can use these forms. Define your own forms if necessary. To do this, carry out the "Define forms" step.
3. Define the names of the forms.
4. You can display the forms by choosing *Environment -> Display form*.

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15.1.5.1.4.4 Define Header and Footer Texts for Forms

In this activity, you define which letter header, footer, and signature line texts you will use for forms. These definitions are company code- dependent.

Note

Use this procedure if you use one form for multiple company codes. In such a case, the company code-dependent texts need to be stored separately.

Activities

1. Create your standard texts.
2. Specify which texts should be used for each company code.

15.1.5.1.4.5 Define Settings for Modello 770 (Italy)

Use

In this IMG activity, you maintain the settings for withholding tax declaration modello 770. It is relevant for Italy only.

Activities

For each vendor, you need to maintain payment, INAIL (National Institute of Insurance Against Accidents at Work), and foreign representative information.

Reasons for payment can be:

- A: Self-employment services
- B: Administration services
- C: Services rendered to newspapers and magazines
- D: Services of auditoris and committee members
- E: Ongoing and coordinated collaborations services other than the above
- F: Termination indemnity
- G: Commissions for door-to-door sale
- T: Other than the above

15.1.5.1.4.6 Define Minimum Amounts for 1099 Report

In this activity you define the minimum amounts for the 1099 report.

Activities

Check the minimum amounts and enter new ones if required.

15.1.5.1.4.7 India

15.1.5.1.4.7.1 Assign Number Ranges to Number Groups

Use

In this IMG activity, you assign a number range to each number group that you have defined in Define TDS Sections.

15.1.5.1.4.7.2 Maintain Number Ranges

Use

In this IMG activity, you maintain the number ranges that you defined in the previous activity.

Activities

To create a number range interval:

1. Choose *Maintain Groups*.
2. Select the group you want.
3. Choose *Group -> Maintain Text*.
4. Enter a group text and choose *Change Text*.
5. Select the group again and choose *Maintain*.

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6. Enter the company code and choose *Continue*.
7. Choose *Insert Interval* and enter the interval details.

15.1.5.1.4.7.3 ITD State Codes

15.1.5.1.4.7.3.1 Maintain ITD State Codes

15.1.5.1.4.7.3.2 Assign ITD State Codes to Regions

Use

In this IMG activity, you assign an ITD state code to each region.

For more information about the context of this IMG activity, see [Maintain ITD State Codes](#).

15.1.5.1.5 Generic Withholding Tax Reporting

15.1.5.1.5.1 Define Recipient Codes

In this activity, you define the recipient codes for withholding tax reporting. You define the recipient code depending on the type of recipient.

Recipient codes are necessary for withholding tax reporting in Spain, for example.

Since the recipient codes are not identical for all regions of Spain and differences exist depending on the province, you must make the following default settings for the exception regions: You must enter the region and the provincial tax code.

Otherwise, you only enter the recipient code per type of recipient.

Standard settings

A list with types of recipient is included in the standard system. For more information, see Check Recipient Types.

Activities

1. Check whether recipient codes are necessary in the country for which you are using withholding tax.
2. Define your recipient codes for the standard list of the types of recipient as well as the key of the region and the provincial tax code for every exception region.

15.1.5.1.5.2 Define Forms for Withholding Tax Reporting

Use

In this IMG activity, you define the Smart Forms for the printouts (such as tax returns and withholding tax certificates) that are created by the Generic Withholding Tax Reporting program.

Standard settings

The standard system comes with a number of Smart Forms for use in different countries. We recommend that you copy the Smart Forms that you need and adapt the copies to your own needs, using the information from the SAP Library documentation to help you (see below).

Activities

Define the required forms and assign the individual forms to an output group.

To be able to use Smart Forms for generic withholding tax reporting, ensure that your form interface is the same as the one in Smart Form IDWTCERT_UK_CIS23I.

See also

SAP Library -> *SAP ERP Central Component -> Financials -> Financial Accounting (FI) -> Financial Accounting - General Topics -> Taxes (FI-AP/AR) -> Withholding Tax -> Classic Withholding Tax or Extended Withholding Tax -> Generic Withholding Tax Reporting*

SAP Library -> *SAP NetWeaver -> Application Platform (SAP Web Application Server) -> Business Services -> SAP Smart Forms*

15.1.5.1.5.3 Define Header and Footer Texts for Forms

In this activity, you define which letter header, footer, and signature line texts you will use for forms. These definitions are company code- dependent.

Note

Use this procedure if you use one form for multiple company codes. In such a case, the company code-dependent texts need to be stored separately.

Activities

1. Create your standard texts.
2. Specify which texts should be used for each company code.

15.1.5.1.5.4 Define File Format for Withholding Tax Reporting

Use

In this IMG activity, you maintain formats for the data medium exchange (DME) files prescribed by the tax authorities.

You use the DME format when you come to create a withholding tax return: When you execute the Generic Withholding Tax Reporting program, it generates a DME file with all the withholding tax data that you have selected, and it formats the data according to the DME format that you define here.

Standard settings

The standard system comes with a number of DME formats for use in different countries. We recommend that you copy the formats that you need and adapt the copies to your own needs, using the information from the SAP Library documentation to help you (see below).

Activities

If you create a new DME format, use the tree type WTRE.

Once you have created it, assign it to the appropriate output group.

See also

For more information about the DME formats, see the SAP Library -> *Financials* -> *Financial Accounting (FI)* -> *Financial Accounting - General Topics* -> *Taxes (FI-AP/AR)* -> *Withholding Tax* -> *Classic or Extended Withholding Tax* -> *Generic Withholding Tax Reporting*.

15.1.5.1.5.5 Define Output Groups

Use

In this IMG activity, you define output groups for the Generic Withholding Tax Reporting program.

For each output group, specify what lists, printouts, and files it covers, and which accounting documents the program is to read the withholding tax items from (accounts payable, accounts receivable, or both).

Requirements

If you want to create printouts, you have created the Smart Forms you need (see Define Smart Forms).

If you want to create a DME file, you have defined the DME format (see Define DME Formats).

Standard settings

The standard SAP System contains several output groups for different purposes in different countries. These output groups use, for example, sample DME trees for preparing withholding tax returns as a DME file, or sample Smart Forms for preparing withholding tax certificates.

The sample content enables you to start working with the withholding tax solution and reports more quickly. We recommend that you copy the content that you need and adapt the copies to your own needs, using the information from the documentation to help you.

Example

Assume that you need to:

- Prepare withholding tax certificates for your vendors
- Create a DME file for the tax authorities with information about the tax that you have withheld
- Prepare a report on the taxes withheld by your customers (for controlling purposes)

You would create two output groups:

- One that reads the accounts payable information and creates the certificates and DME file
- One that reads the accounts receivable information and prepares a report on the taxes withheld on your behalf

15.1.5.1.5.6 Define Minimum Amounts for 1099 Report

In this activity you define the minimum amounts for the 1099 report.

Activities

Check the minimum amounts and enter new ones if required.

15.1.5.1.5.7 Country-Specific Settings

15.1.5.1.5.7.1 Belgium

15.1.5.1.5.7.1.1 Maintain Sender Data for Withholding Tax Reporting

Use

In this IMG activity, you maintain the data of the company that submits the withholding tax return to the tax authorities.

You only need to maintain the data of the sender if it is not the reporting company that sends the form to the tax authorities, but another company submits the return on behalf of the reporting company.

When you generate the form using the Generic Withholding Tax Return program and you specify the enterprise number of the sender company on the selection screen for Belgium, the program automatically retrieves the other data of the sender using the data you maintained in this IMG activity.

15.1.5.2 Extended Withholding Tax

In the following activities you make the basic settings for extended withholding tax.

15.1.5.2.1 Basic Settings

In the following activities you make the basic settings for extended withholding tax.

15.1.5.2.1.1 Check Withholding Tax Countries

In this activity you check the withholding tax countries.

The withholding tax country is needed for printing the withholding tax form. Since the list of country IDs prescribed by law is different from the list in the system, you have to define the withholding tax countries again.

Activities

1. Check the country list delivered with the standard system.
2. Compare it with the official list from the tax authorities and make corrections where necessary.

Example

Japan, USA (1042), Argentina

15.1.5.2.1.2 Define Withholding Tax Keys

Use

If your national tax authorities use withholding tax keys to identify the different withholding tax types, you can define these official names for your tax codes here.

To assign the official withholding tax key to the relevant withholding tax code, choose the IMG activity Define Withholding Tax Codes.

Standard settings

SAP delivers standard settings for official withholding tax keys for the following countries:

- Argentina
The withholding tax keys delivered correspond to the keys used by the AFIP (state department for public revenues). In the DME files with the tax return to the AFIP created by the system, each record contains the relevant withholding tax key. This enables the AFIP to assign the withholding tax items.
- India
The withholding tax keys correspond to the withholding tax laws according to which tax is withheld. The system can therefore assign the withholding tax items to the correct withholding tax return.
- Italy
The withholding tax keys delivered are used in the withholding tax return. When you create a withholding tax return, the system displays the individual withholding tax items with the corresponding official withholding tax keys.
- Colombia
The withholding tax keys delivered are used by the DIAN (state office for taxes and customs) in the withholding tax certificates. Using this key, the system assigns the withholding tax items to the correct fields in the certificates.
To display CIUU codes, use the Define Withholding Tax Keys IMG activity, under *Calculation*.
- Philippines
The withholding tax keys correspond to the ATC codes used by the BIR (office for internal revenues) in the withholding tax return.
- South Korea
The withholding tax keys for South Korea are not used in any report delivered. However, they can be used for internal purposes.

15.1.5.2.1.3 Define Reasons for Exemption

In this activity you define reasons for exemption from withholding tax. You can enter this indicator in the vendor master record or in the company code withholding tax master record information.

Activities

Define the required exemption reasons.

15.1.5.2.1.4 Check Recipient Types

In this activity, you check the type of recipient for 1042 reporting in the USA and withholding tax reporting in Spain.

The type of recipient categorizes the vendor, which is necessary for printing the withholding tax form.

Activities

Check the standard list of types of recipient and make corrections if necessary.

15.1.5.2.1.5 Check Income Types

In this activity you check the revenue types for the withholding tax report in Spain.

You use the revenue type to classify your (foreign) vendors by revenue. You need the revenue types as a specification for the withholding tax report.

Activities

1. Check the list of revenue types in the standard system and make any necessary adjustments.
2. Store the revenue type in the withholding tax code under "Specifications for the withholding tax report". For more information on this, read the Check withholding tax code chapter.

15.1.5.2.1.6 Change Message Control for Withholding Tax

In this activity you can set system messages to appear as you require them.

You can

- determine whether a message is issued as a note in the dialog box or in the footer
- change warnings into error messages
- switch off warnings and error messages

Different specifications are possible for the online mode and for the batch input sessions processed in the background. You can make the corresponding specifications for a client or, if required, also for the individual user.

Activities

1. Select the application area.
2. Select *Edit -> New entries*.
3. Enter the following data:

- Message number

By selecting the F4 key on the *MsgNo* field you can find out which messages are available.

- User name

If you enter a name here then the specifications only apply to this particular user. If you enter "blank", then the settings apply to all users within the client.

- Message type

You can find out the permitted message type by selecting F4 on the **Online** or **BatchI** fields.

- Save your entries. The accompanying message text is inserted automatically.

15.1.5.2.1.7 India

15.1.5.2.1.7.1 Define Business Places

Use

In this IMG activity, you define your business places. The use of business places is mandatory.

Activities

Create a business place for each tax deduction account number (TAN) that your company has. In the address data (which is printed on the vendor withholding tax certificates) maintain the tax office's address as follows:

- *Name* (lines 1 and 2)
Enter the name of the tax office.
- *Name* (lines 3 and 4)
In these fields, enter the TDS range and circle respectively for annual returns.
- *Search term 1*
Enter your TAN at this office.
- *Street 2, Street 3, and Street/House number* enter the business place's postal address.
- *District*
- *Postal code/City*
Enter your PIN code and city.

15.1.5.2.1.7.2 Assign Factory Calendars to Business Places

Use

In this IMG activity, you effectively specify which days the tax offices that you work with are open. The system uses this information when you post a vendor invoice, so that it can allow for public holidays when it determines the tax due date.

This activity is optional. If you do not make any entries, the system still determines the tax due date, but without reference to any factory calendar.

Requirements

You have maintained factory calendars for each of the calendars followed by the tax offices.

15.1.5.2.1.7.3 Assign Factory Calendars to Section Codes

Use

In this IMG activity, you effectively specify which days the tax offices that you work with are open. The system uses this information when you post a vendor invoice, so that it can allow for public holidays when it determines the tax due date.

This activity is optional. If you do not make any entries, the system still determines the tax due date, but without reference to any factory calendar.

Requirements

You have maintained factory calendars for each of the calendars followed by the tax offices.

15.1.5.2.1.7.4 Maintain Tax Due Dates

Use

In this IMG activity, you maintain the various tax due dates. Because due dates can differ, depending on the withholding tax type and recipient type, you can maintain the dates at this level. Make sure that you maintain entries for all the recipient types that you use.

Activities

For each permutation of official withholding tax key and recipient type, specify when the tax has to be remitted.

15.1.5.2.1.7.5 Define Section Codes

Use

In this Customizing activity, you define the section codes that are covered by your enterprise.

In *South Korea*, you create one section code for every permutation of local tax office and the district tax office that you report to.

In *India*, section codes classify income tax and withholding tax payments depending on the location of income tax, and identify under which tax account deduction number (TAN) the item was posted. Withholding taxes (*tax deducted at source* - TDS) are payable to the *Income Tax Department* (local tax office) in India.

Activities

In *South Korea*, enter a name, the district tax office, and the local tax office for each section code. If a section code represents a single business place, enter the business place as well.

In *India*, create one section code for a local income tax office. For each section code, enter the TAN, the name of the section code, and the local tax office.

Example

Example for South Korea

A company has a site in Seoul, where its headquarters and a factory are located, and another factory in Pusan:

- The Seoul site reports to district tax office 300, but the headquarters and the factory report to different local tax offices (150 and 160).
- The Pusan factory reports to another district tax office, 851, and local tax office 700.

This company creates the following entries:

<u>Section Code</u>	<u>Local Tax Office</u>	<u>District Tax Office</u>
SC01	150	300
SC02	160	300
SC03	700	851

Example for India

A company has a site in Bangalore, where its headquarters and a factory are located, and another factory in Mumbai:

- The Bangalore site has a TAN assigned by the Income Tax Officer of the Bangalore jurisdiction of TDS-1, Infantry Road, and a business place of M.G Road Bangalore
- The Mumbai factory has a TAN assigned by the Income Tax Officer of the Mumbai jurisdiction of JCIT, Central Range 10, and a business place of Mumbai South

15.1.5.2.1.8 South Korea

15.1.5.2.1.8.1 Define Tax Offices

Use

In this IMG activity, you define the district tax offices that are covered by your enterprise.

Activities

For each district tax office, enter a code and a name.

15.1.5.2.1.8.2 Define Regional Tax Offices

Use

In this IMG activity, you define the local tax offices that are covered by your enterprise.

Activities

For each local tax office, enter a code and a name.

15.1.5.2.1.8.3 Define Section Codes

Use

In this Customizing activity, you define the section codes that are covered by your enterprise.

In *South Korea*, you create one section code for every permutation of local tax office and the district tax office that you report to.

In *India*, section codes classify income tax and withholding tax payments depending on the location of income tax, and identify under which tax account deduction number (TAN) the item was posted. Withholding taxes (*tax deducted at source* - TDS) are payable to the *Income Tax Department* (local tax office) in India.

Activities

In *South Korea*, enter a name, the district tax office, and the local tax office for each section code. If a section code represents a single business place, enter the business place as well.

In *India*, create one section code for a local income tax office. For each section code, enter the TAN, the name of the section code, and the local tax office.

Example

Example for South Korea

A company has a site in Seoul, where its headquarters and a factory are located, and another factory in Pusan:

- The Seoul site reports to district tax office 300, but the headquarters and the factory report to different local tax offices (150 and 160).
- The Pusan factory reports to another district tax office, 851, and local tax office 700.

This company creates the following entries:

Section Code	Local Tax Office	District Tax Office
SC01	150	300
SC02	160	300
SC03	700	851

Example for India

A company has a site in Bangalore, where its headquarters and a factory are located, and another factory in Mumbai:

- The Bangalore site has a TAN assigned by the Income Tax Officer of the Bangalore jurisdiction of TDS-1, Infantry Road, and a business place of M.G Road Bangalore
- The Mumbai factory has a TAN assigned by the Income Tax Officer of the Mumbai jurisdiction of JCIT, Central Range 10, and a business place of Mumbai South

15.1.5.2.1.8.4 Create Recipient Types

Use

In this IMG activity, you make the settings that ensure that when you prepare a withholding tax return for South Korea, the system prints the correct business type codes on it. The business type code is a six-digit number that identifies the type of business that the vendor runs.

To do so, you assign a business type code to each combination of withholding tax type and recipient type, as shown in the example below.

Example

Consider two vendors A and B.

- Vendor A has a withholding tax type K1 and recipient type 48, with a new recipient type (Biz Type code) 940906 which represents Insurance agent (Biz Type).
- Vendor B also has a withholding tax type k1 but a recipient type 41, with a new recipient type (Biz Type code) 940600 which represents Lawyer (Biz Type).

For these purposes, you make the following entries.

<u>Withholding Tax Type</u>	<u>Recipient Type</u>	<u>New Recipient Type</u>	<u>Text</u>
K1		48 940906	Insurance agent
k1		41 940600	Lawyer

15.1.5.2.2 Calculation

In the following activities, you make the settings for calculating extended withholding tax.

15.1.5.2.2.1 Withholding Tax Type

In the system you use withholding tax types to represent the various withholding taxes in a country. You define withholding tax types in the following activities.

The withholding tax type controls the essential calculation options for extended withholding tax, whilst the withholding tax code only controls the percentage rate of the withholding tax.

You must enter the withholding tax type in the customer/vendor withholding tax master data and in the company code master data.

The system recognizes two categories of withholding tax type depending on when the withholding tax amounts are posted:

- Posting with invoice
- Posting with payment

15.1.5.2.2.1.1 Define Withholding Tax Type for Invoice Posting

In this activity you define the withholding tax type for the posting at the time of entering an invoice. This withholding tax type does not have any effect on the payment.

Further notes

All calculations for extended withholding tax are made in the first local currency of the respective company code. This means that you have to maintain amounts in the company code country currency.

15.1.5.2.2.1.2 Define Withholding Tax Type for Payment Posting

In this activity you define the withholding tax type for posting at the time of paying. You also have to enter the withholding tax information when entering the document for this withholding tax type.

Further notes

All calculations for extended withholding tax are made in the first local currency of the respective company code. This means that you have to maintain amounts in the company code country currency.

15.1.5.2.2.1.3 Define Exchange Rate Type for Withholding Tax Type

In this activity, you define the exchange rate type for individual withholding tax types that is to be used for calculating withholding tax.

When calculating withholding tax for payments, the exchange rate of the payment is usually used, if the withholding tax amount has to be translated from a foreign currency into the local currency. Some countries have legal requirements that specify which exchange rate is to be used. In Japan, for example, the bank selling rate (and not the average rate, for example) must be used for translating withholding tax.

Recommendation

Check whether there are any legal requirements in your country that require you to use an alternative exchange rate type to calculate withholding tax.

Note that an alternative exchange rate type affects the posted exchange rate differences in the payment document.

Further notes

For more information on currencies and exchange rates, see the SAP Library under *Financials -> Financial Accounting -> Accounts Receivable or Accounts Payable -> FI - General Topics -> Organizational Structure of Financial Accounting -> Foreign Currencies*.

15.1.5.2.2.1.4 Define Rounding Rule for Withholding Tax Type

In this activity you define rounding rules for the individual withholding tax types.

The defined rounding rules only apply to the posting of withholding tax amounts in the appropriate company code; they do **not** apply to other amounts posted in that company code.

15.1.5.2.2.1.5 Assign Condition Type to Withholding Tax Type

You only need to carry out the following activity if you are implementing FI together with SD.

Withholding tax in FI is determined from the combination of withholding tax type and withholding tax code per customer/vendor. In contrast, the withholding tax in SD is determined from the combination of withholding tax condition type and withholding tax code per material. It is therefore necessary to assign the withholding tax types from FI to the withholding tax condition types from SD.

You can use the condition types in SD to represent the withholding tax per customer and per material item. When posting from SD to FI, the system then carries out the following conversions:

- The withholding tax condition type is converted into the withholding tax type.
- Material items with different combinations of withholding tax condition type and withholding tax code are converted to different customer items.

Activities

Assign the corresponding withholding tax condition types to all withholding tax types.

15.1.5.2.2 Withholding Tax Code

In the following activities you make the settings for the withholding tax code.

The withholding tax code determines the withholding tax percentage.

15.1.5.2.2.1 Define Withholding Tax Codes

In this activity you define the withholding tax codes.

Activities

Define the required withholding tax codes.

Further notes

All calculations for extended withholding tax are made in the first local currency in the respective company code. This means that you have to maintain amounts in the company code country currency.

15.1.5.2.2.2 Define Formulas for Calculating Withholding Tax

In this activity you define formulas (scales) for calculating withholding tax.

These formulas consist of:

- Currency key
- Withholding tax type
- Withholding tax code
- Withholding tax country key
- Validity date

In order to use a formula for calculating withholding tax, you must enter the national currency in the *Currency key* field of the relevant company code.

Requirements

In the activity *Define Withholding Tax Code*, the *WT formula* field must be selected during calculation.

15.1.5.2.2.3 Withholding Tax Base Amount

In the following activities you make the settings for calculating the withholding tax base amount.

15.1.5.2.2.3.1 Define Processing Key for Modified Net Amount

In this activity you define the transaction keys for calculating the modified net amount. Modified means that an extra amount is added to the net amount. This extra amount is determined using one or more transaction keys which you define here.

Activities

Define the transaction keys.

15.1.5.2.2.3.2 Define Processing Key for Modified Tax Amount

In this activity you maintain the transaction keys for calculating the tax base amount based on the modified tax amount. Modified means that those transaction which you specify here are used as the tax base.

Activities

Maintain the transaction keys.

15.1.5.2.2.3.3 Portray Dependencies between Withholding Tax Types

In this activity you can represent dependencies between withholding tax categories.

Activities

Maintain the dependencies.

15.1.5.2.2.4 Minimum and Maximum Amounts

In the following activities you define the minimum and maximum amounts for the withholding tax or for the withholding tax base amount.

In withholding tax type Customizing you define whether you want to maintain the minimums and maximums at withholding tax type level or at withholding tax code level.

- At *withholding tax type level*, the minimums and maximums are chosen independently of the specific withholding tax code of the relevant line item.
- At *withholding tax code level*, you can adapt the minimums and maximums independently to meet your individual requirements for each combination of withholding tax type and withholding tax code.

15.1.5.2.2.4.1 Define Min/Max Amounts for Withholding Tax Types

In this activity you define minimum and maximum amounts for withholding tax types.

Activities

Define the amounts.

15.1.5.2.2.4.2 Define Min/Max Amounts for Withholding Tax Codes

In this activity you define minimum and maximum amounts for withholding tax codes.

In the withholding tax base exemption amount field you can specify an amount which is deducted when calculating the withholding tax base. The amount of the tax exemption does not have any effect when matching the withholding tax base with the minimum, because the base and the minimum are matched before the tax-exempt amount is deducted.

Activities

Define the amounts.

Further notes

All calculations for extended withholding tax are made in the first local currency of the respective company code. This means that you have to maintain amounts in the company code country currency.

15.1.5.2.2.5 Argentina

15.1.5.2.2.5.1 Define Withholding Tax Keys

Use

In this Customizing activity, you make settings to ensure that the system identifies withholding tax keys used by *Administración Federal de Ingresos Públicos (AFIP)* to classify business types as goods or services.

Requirements

You have maintained the Country Key *AR* in the Customizing activity *Define Countries in my SAP systems*.

Example

Consider two vendors Goods and Service:

- Goods vendor has an accumulation period of 365 and accumulation type as Days, with threshold amount as ARS 144,000 that describes Monotributo supplying Goods.
- Service vendor also has an accumulation period of 365 and accumulation type as Days, with threshold amount as ARS 72,000 that describes Monotributo rendering Service.

For these purposes, you make the following entries:

Withholding Tax Key	Description	Acc. Period	Acc. Type	Threshold Amount	Curr. Key
Unit Price Amount	Curr. Key				
Goods Monotributo supplying Goods	365	Days	144,000 ARS	870	ARS
Service Monotributo rendering Service	365	Days	72,000ARS	0	ARS

15.1.5.2.2.5.2 Assign Withholding Tax Keys

Use

In this Customizing activity, you make settings to assign a business type to a combination of withholding tax code and withholding tax type.

The system classifies the vendor as goods or service vendor based on the settings you have made.

Requirements

You have maintained the following settings:

- Country Key *AR* in the Customizing activity *Define Countries in my SAP systems*.
- Relevant withholding tax key details in the Customizing activity *Define Withholding Tax Keys*.

15.1.5.2.2.5.3 Maintain Distribution Types for Gross Income Perception Tax

Use

In this Customizing activity, you maintain company code and distribution type details with respect to both customers and vendors, to determine whether the customer or vendor is liable for Gross Income Perception Tax (RES 177).

Requirements

You have maintained the distribution types in the Customizing activity Define Distribution Type for Gross Income Tax.

15.1.5.2.2.6 Brazil

15.1.5.2.2.6.1 Define Official Collection Codes

Use

In this IMG activity, you define official collection codes for calculating withholding tax in Brazil.

15.1.5.2.2.6.2 Maintain Withholding Tax Rates and Assign Official Collection Codes

Use

In this IMG activity, you maintain withholding tax rates for Brazil.

15.1.5.2.2.6.3 BAdI: Extension to Brazilian Withholding Tax

Use

In Brazil, withholding taxes must be calculated and posted during down payment postings. To post a down payment or down payment request, you must do so with reference to a purchase order or sales order item, and the system copies the purchase/sales order number and item to the down payment or down payment request. In down payments, normal taxes on sales/purchases are not relevant - only withholding taxes are. The referenced order item might, however, contain a tax code with normal and withholding taxes, in which case it needs to be replaced by a tax code that only calculates withholding taxes.

With this Business Add-In, you can determine the tax code the system should use during withholding tax calculation in down payments. In the simplest case, you only return a fixed tax code that you previously defined, which only has withholding taxes active. See the BAdI's sample code for further details and hints on more complex scenarios in MM.

Standard settings

In the standard system, the BAdI is not activated. If you do **not** implement the BAdI, during withholding tax calculation, the system takes the tax code of the purchase order item referenced in the down payment.

Activities

Implement the BAdI following the instructions.

See also

Method: Determine Tax Code

15.1.5.2.2.7 Colombia**15.1.5.2.2.7.1 Define Withholding Tax Keys****Use**

In this and the following IMG activity, you customize the system so that it assigns the appropriate CIU code to each business transaction that you withhold tax on.

This enables you to state the CIU codes in income tax returns, as required by law.

Note

There is another IMG activity Define Withholding Tax Keys, under *Basic Settings*. However, companies in Colombia use that activity for other purposes. For more information, see the IMG activity documentation there.

Example

The following example illustrates what settings you make to customize withholding taxes for processing milk and coffee. These services are listed in the CIU codes, as follows:

CIU Code	Service
15302	Processing milk beverages
1562	Threshing coffee
1563	Roasting and milling coffee

The cities of Bogotá and Santa Isabel require you to withhold tax on payments to providers of these services. Here is an excerpt of the tax rates, and the withholding tax codes that you have defined in the system for them (in the IMG activity Define Withholding Tax Codes):

City	Service	Tax Rate (%)	Withholding Tax Code
Bogotá	Threshing coffee	5	B1
Bogotá	Roasting coffee	8	B2
Bogotá	Milling coffee	7	B3
Santa Isabel	Milling coffee	6	S1
Santa Isabel	Condensing milk	4	S2

The Customizing settings you make, therefore, are as follows:

IMG Activity What to Do

Define Withholding Tax Keys Define the three CIU codes listed above.

Assign Withholding Tax Keys to Withholding Tax Codes Assign the CIU code 15302 to withholding tax code S2; assign 1562 to B1; and 1563 to B2, B3, and S1.

15.1.5.2.2.7.2 Assign Withholding Tax Keys to Withholding Tax Codes

Use

In this IMG activity, you assign a withholding tax key to each withholding tax code.

Example

To see how this IMG activity fits into the context, see the example in Define Withholding Tax Keys.

15.1.5.2.2.8 India

15.1.5.2.2.8.1 Surcharges

15.1.5.2.2.8.1.1 Maintain Surcharge Calculation Methods

Use

In this IMG activity, you specify which method you want to use to handle surcharge taxes, according to whether you wish your business to show basic withholding tax and surcharges separately, or whether they can be combined. The system offers you two choices:

- You can define tax codes that contain both the basic tax and the surcharge tax.
- You can define separate tax codes for basic tax and surcharge tax respectively.

Some tax offices prefer you to show surcharges separately from basic withholding tax; others prefer the two to be rolled into one. You cannot customize this information at section code (tax office) level, so we recommend that you use the method that is preferred by the majority of your tax offices.

Activities

For each company code, specify which method you want.

After you have done that, carry out either of the two following activities, depending on what method you have selected.

Example

The rate of your base tax of income tax is 2%, and the surcharge tax is 10% of that, giving an overall tax rate of 2.2%. Depending on which method you select in this activity, you would therefore define:

- Two separate tax codes, one at 2 % and one at 10%
- One tax code at 2.2%

15.1.5.2.2.8.1.2 Maintain Surcharge Tax Codes (Separate Tax Codes)

Use

In this IMG activity, you maintain the tax codes that you want to use for surcharges.

Requirements

You must only perform this activity if you have specified that you want to use a separate tax code for surcharges in the previous IMG activity (Maintain Surcharge Calculation Methods). Otherwise, use the next activity (Maintain Surcharge Rates).

15.1.5.2.2.8.1.3 Maintain Surcharge Rates (Surcharges Combined with Basic WH Tax Codes)

Use

In this IMG activity, you maintain the surcharge rates for various permutations of tax codes and recipient types.

You must only perform this activity if you have specified that you want to use a separate tax code for surcharges in the first activity in this section (Maintain Surcharge Calculation Methods). Otherwise, use the IMG activity Maintain Surcharge Tax Codes.

Activities

For each combination of tax code and recipient type, enter the surcharge rate that is to be applied over and above the basic withholding tax.

15.1.5.2.2.8.2 Exemptions and Reductions

15.1.5.2.2.8.2.1 Define Exemption Reasons

Use

In this and the following IMG activities, you define withholding tax codes that you use to post the following invoice items and payment items under Sections 194 A, 197, and 197 A of the Income Tax Act:

- Items subject to a reduced rate of withholding tax
- Items that are exempt from withholding tax

When you come to prepare a TDS return, the return shows how many rupees' worth of business you taxed at a reduced rate and how much was exempt from tax.

For details of how these IMG activities work, see the example below.

Requirements

- You have defined withholding tax types and defined withholding tax codes for calculating tax at the reduced rates and for withholding tax exemptions.

- You have assigned them to your customer masters and vendor masters.

Activities

In **this** IMG activity, you create the following exemption reasons:

Reason	Section	Explanation	Legal status
AC	194 A (3) (iii)	Interest is less than INR 2,500	Legal person
BC	194 A (3) (i)	Financial institutions	Legal person
CC	197 A (1A)	Exemption certificate holders	Legal person
AO	194 A (3) (iii)	Interest is less than INR 2,500	Natural person
BO	194 A (3) (i)	Financial institutions	Natural person
CO	197 (A1)	Exemption certificate holders	Natural person

Example

This example shows how the following IMG activities work together. Assume that you want to record items that are exempt from tax under Section 197 A. You proceed as follows:

IMG Activity What to Do

Define Exemption Reasons Define the exemption reason for legal persons listed under "Activities" above, CC.

Classify Exemption Reasons Assign the exemption reason to Section 197 A.

Assign Exemption Reasons to Withholding Tax Codes assign the exemption reason to the withholding tax code that you use for transactions exempt from Section 197 a taxes.

15.1.5.2.8.2.2 Classify Exemption Reasons

Use

In this IMG activity, you classify the exemption reasons that apply under Section 197 and Section 197 A of the Income Tax Act.

For background information about this IMG activity, see Define Exemption Reasons.

15.1.5.2.8.2.3 Assign Exemption Reasons to Withholding Tax Codes

Use

In this IMG activity, you assign exemption reasons to the withholding tax codes you use for reduced-rate or exempt withholding tax items.

For background information about this IMG activity, see Define Exemption Reasons.

15.1.5.2.2.8.3 Settings for Annual Returns

15.1.5.2.2.8.3.1 Assign Exemption Reasons to Withholding Tax Codes

Use

In this IMG activity, you assign exemption reasons to the withholding tax codes you use for reduced-rate or exempt withholding tax items.

For background information about this IMG activity, see Define Exemption Reasons.

15.1.5.2.2.8.3.2 Assign Types of Companies to Withholding Tax Codes

Use

In this IMG activity, you classify the withholding tax codes that you use to withhold taxes under Section 194 C of the Income Tax Act (tax withheld on payments to contractors or subcontractors).

The annual return for Section 194 C has two sections where you enter the total amount paid to each company and specify what type of company it is (sections 5 and 6 of the form).

When you prepare your annual withholding tax returns, the system automatically fills out the types of company.

Requirements

You have already defined withholding tax types and defined withholding tax codes for payments to contractors, subcontractors, and advertisers (one separate code for each type of company and tax rate), and you have assigned them to your vendor master records.

Activities

Assign each withholding tax code that you use for payments to contractors and subcontractors to a type of company.

15.1.5.2.2.9 Mexico

15.1.5.2.2.9.1 Assign Withholding Tax Keys to Withholding Tax Codes

Use

In this Customizing activity, you assign a withholding tax key to each withholding tax code. The system uses this to assign the appropriate tax code to each business transaction that you withhold tax on.

Requirements

You have maintained the Country key *MX* in the **Define Countries in my SAP Systems** (V_T005) Customizing activity.

15.1.5.2.3 Company Code

In the following activity, you maintain cross-company code specifications for extended withholding tax.

15.1.5.2.3.1 Assign Withholding Tax Types to Company Codes

In this activity you assign withholding tax categories to company codes.

15.1.5.2.3.2 Activate Extended Withholding Tax

In this activity you activate extended withholding tax.

SAP provides you with two procedures for processing withholding tax: "Standard" and extended withholding tax.

"Standard" withholding tax is the procedure that has always been supported by the system. It offers you the following features:

- Withholding tax for accounts payable
- Withholding tax calculation during payment
- Withholding tax code per vendor line item

Extended withholding tax provides the following additional features:

- Multiple withholding taxes per customer or vendor line item
- Withholding tax calculation for partial payments
- Quellensteuerberechnung bei Rechnungserfassung und bei Zahlung

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Activities

1. Migrate your master data and transaction data.
2. Activate extended withholding tax.
3. Carry out Customizing in Financial Accounting Global Settings under *Withholding Tax -> Extended Withholding Tax*.

Further notes

Once you decide to use extended withholding tax and activate it, you have to migrate your master data and transaction data. It is then impossible to revert back to using ordinary withholding tax.

15.1.5.2.4 Posting

In the following activities you carry out the prerequisites for posting the extended withholding tax.

15.1.5.2.4.1 Accounts for Withholding Tax

In the following activities, you define the accounts to which withholding tax is posted.

15.1.5.2.4.1.1 Define Accounts for Withholding Tax to be Paid Over

In this activity you define the accounts for the withholding tax to be paid over.

15.1.5.2.4.1.2 Define Accts for W/hold. Tax for "Gross. Up" Offsetting Entry

In this activity you define the accounts for the withholding tax offsetting entry for the "grossing up" procedure.

15.1.5.2.4.1.3 Define Accounts for Self-Withholding Tax

In this activity you define the accounts to which withholding tax is posted.

15.1.5.2.4.1.4 Define Accounts for Withholding Tax Offsetting Entry

In this activity you define the accounts for the offsetting entry for withholding tax.

15.1.5.2.4.2 Certificate Numbering for Withholding Tax

In the following activities you make the settings for numbering certificates for withholding tax.

The R/3 System provides a three-step concept for numbering the withholding tax certificates as exactly as possible.

You have to assign one of these three concepts to each company code country.

Numbering of the certificates is based on numbering groups and numbering classes which can be assigned to organizational units and to withholding tax categories. Numbering groups are lots of numbers from one or more number ranges. Numbering groups are grouped into numbering classes.

A number is determined sequentially from the corresponding numbering group for each certification.

- Concept 1:

Assigning numbering class to company code(s)

- Concept 2:

Assigning numbering class to combinations of withholding tax category/ company code

- Concept 3:

Assigning numbering class to combinations of withholding tax category/branch/company code

Activities

1. Choose a concept and assign this numbering concept to your company code country.
2. Then define numbering classes.
3. Assign numbering groups to the numbering classes. A numbering group and number range are automatically created in this step.
4. Assign numbering classes based on the concept which you have chosen.

15.1.5.2.4.2.1 Define Numbering Classes

In this activity you maintain the numbering classes.

Activities

Enter the numbering classes required.

15.1.5.2.4.2.2 Define Numbering Groups

In this activity, you can define or change the numbering groups.

Activities

This activity is normally carried out in the activity "Assign numbering groups to numbering classes". You should only carry out this activity if you need to make subsequent changes to the numbering groups.
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15.1.5.2.4.2.3 Define Number Ranges

In this activity you can define number ranges.

Activities

This step is normally carried out automatically when you carry out the "Assign numbering groups to numbering classes" activity. You should only use this activity for making changes.

15.1.5.2.4.2.4 Assign Numbering Group to Numbering Class

In this activity you assign numbering groups to numbering classes.

Activities

Carry out the assignment.

15.1.5.2.4.2.5 Assign Numbering Concept to Company Code Country

In this activity you assign a numbering concept to a company code country.

Activities

Carry out the assignment.

15.1.5.2.4.2.6 Numbering Concept Option 1: Assign Numbering Class

You decided to use the numbering concept 1.

In this activity you assign a numbering class to a company code.

Activities

Assign the numbering class to the company code.

15.1.5.2.4.2.7 Numbering Concept Option 2: Assign Numbering Class

You decided to use the numbering concept 2.

In this activity you assign a numbering class to a combination of company code and withholding tax type.

Activities Carry out the assignment.

15.1.5.2.4.2.8 Numbering Concept Option 3: Assign Numbering Class

You decided to use numbering concept 3.

In this activity you allocate a numbering class to a combination of company code, branch and withholding tax type.

Activities

Carry out the assignment.

15.1.5.2.4.2.9 Numbering Concept 4: Assign Numbering Group

15.1.5.2.4.3 India

15.1.5.2.4.3.1 Journal Vouchers

15.1.5.2.4.3.1.1 Specify Document Type

Use

In this IMG activity, you specify which document type the system uses to create an accounting document when you enter journal vouchers for withholding tax items.

You can specify separate document types for:

- Journal vouchers that you enter to correct tax amounts in withholding tax items
- Journal vouchers that you enter to correct tax codes in withholding tax items

15.1.5.2.4.3.1.2 Specify G/L Accounts for Journal Voucher Losses

Use

In this IMG activity, you specify to which G/L accounts the system posts any losses incurred when you enter a journal voucher.

15.1.5.2.4.3.2 Provisions for Taxes on Services Received

15.1.5.2.4.3.2.1 Specify Document Type

Use

In this IMG activity, you specify which document type the Provisions for Taxes on Services Received program uses to post the provisions.

Activities

Enter the company code, set the process to *Provisions for Taxes on Services Received*, and enter the document type.

15.1.5.2.4.3.2.2 Specify Which Accounts Are Liable to Withholding Tax

Use

In this IMG activity, you specify which G/L accounts the Provisions for Taxes on Services Received program calculates provisions on.

15.1.5.2.4.3.2.3 Specify Which G/L Accounts to Post Withholding Tax To

Use

In this IMG activity, you specify which G/L accounts the Provisions for Taxes on Services Received program posts the provisions to.

15.1.5.2.4.3.3 Remittance Challans

15.1.5.2.4.3.3.1 Document Types

15.1.5.2.4.3.3.1.1 Specify Document Type (Accounts Payable)

Use

In this IMG activity, you specify which document type the system uses when you create a remittance challan for tax that you have withheld from vendors.

This document transfers the tax from the withholding tax payable account to the bank account that you want to transfer the tax from.

15.1.5.2.4.3.3.1.2 Specify Document Type (Accounts Receivable)

Use

In this IMG activity, you specify which document type the system uses when you create a remittance challan for tax that you have withheld from customers.

This document transfers the tax from the withholding tax payable account to the bank account that you want to transfer the tax from.

Activities

Enter the document type in the *TDS Document Type* field.

For more information about the other fields, see *Posting of Withholding Tax Certificates from Customers*.

15.1.5.2.4.3.3.2 Maintain Number Groups

Use

In this and the following IMG activities, you set up the numbering for the remittance challans.

Since you must create one challan for the taxes in each section of the Income Tax Law (official withholding tax keys), and for separate tax offices (section code), you must create different number range objects for each permutation of official withholding tax key and section code.

Activities

The procedure is as follows:

1. For each permutation of tax key and section code, create a number group.
2. For each number group, create a number range.
3. Assign each number group to a number range.

In this activity, you group together the permutations of company code, section code, and official withholding tax key that you want to remit withholding tax for. You can assign the same group number to more than one permutation, if you need to.

15.1.5.2.4.3.3 Assign Number Ranges to Number Groups

Use

In this IMG activity, you assign each number group to a number range.

15.1.5.2.4.3.3.4 Maintain Number Ranges

Use

In this IMG activity, you maintain the number ranges that the system is to use to number the remittance challans.

Activities

Define a number range for each number group that you have defined in the previous activity.

15.1.5.2.4.3.3.5 Choose Selection Fields

Use

Because the Create Remittance Challans program selects open withholding tax items by document number, you have to set the *Document Number* field (BELNR) as one of the first five selection fields for processing open items.

15.1.5.2.4.3.4 Withholding Tax Certificates for Vendors and Customers

15.1.5.2.4.3.4.1 Maintain Number Groups and SAP script Forms

Use

In this IMG activity, you specify which SAP script forms you want to use to print the withholding tax certificates. These forms are used when you:

- Print withholding tax certificates for vendors
- Print withholding tax certificates for customers

Requirements

You have created the SAP script forms already. You may need to use separate forms for each of your tax offices (section codes) and different types of withholding tax (in the system, represented by the official withholding tax keys).

Standard settings

Country Version India comes with a form, J_IIEWTCERT, which you can use as the basis for creating your own forms.

Activities

For each type of withholding tax (official withholding tax key):

- Specify which SAP script form you want to use

If different tax offices require different forms, you can enter different forms for different offices.

- Specify what number group you want for each certificate.

This information determines which number range the system uses to number the certificates. You assign the number range to the number group in the next two activities.

15.1.5.2.4.3.4.2 Assign Number Ranges to Number Groups

Use

In this IMG activity, you assign a number range to each number group that you have defined in the previous activity.

15.1.5.2.4.3.4.3 Maintain Number Ranges

Use

In this IMG activity, you maintain the number ranges that you defined in the previous activity.

Activities

To create a number range interval:

1. Choose *Maintain Groups*.
2. Select the group you want.
3. Choose *Group -> Maintain Text*.
4. Enter a group text and choose *Change Text*.
5. Select the group again and choose *Maintain*.
6. Enter the company code and choose *Continue*.
7. Choose *Insert Interval* and enter the interval details.

15.1.5.2.4.3.5 Withholding Tax Certificates from Customers

15.1.5.2.4.3.5.1 Posting of Withholding Tax Certificates from Customers

Use

In this IMG activity, you make the settings required for when you enter withholding tax certificates from customers.

Activities

Enter data as follows:

- *G/L Account*
Enter the number of the customer tax creditable account, to which the system is to clear the withholding tax when you post a customer withholding tax certificate.
- *Document Type*
Enter the document type that the system uses to transfer the withholding tax from the G/L account for withholding tax deducted by your customers to the customer tax creditable account.
- *TDS Document Type*
This field is used in a different process. For more information, see Specify Document Type (Accounts Receivable).
- *Posting Key*

Enter the posting key that the system uses to debit the tax to the customer tax creditable account.

15.1.5.2.4.3.6 Tax Collected at Source

15.1.5.2.4.3.6.1 Maintain Collection Codes

Use

[WHATSAPP +255738656506](https://www.whatsapp.com/text/255738656506)

In this Customizing activity, you maintain collection codes as required for tax collected at source.

15.1.5.2.4.3.6.2 Assign Tax Types to Collection Codes

Use

In this Customizing activity, you assign collection codes to tax types, which is required for reporting tax collected at source.

Requirements

You have maintained the Country key IN in the Customizing activity Define Countries in my SAP Systems Define Countries in my SAP Countries.

15.1.5.2.4.3.6.3 Assign Business Places to Section Codes

Use

In this Customizing activity, you assign business places to section codes, which is required for reporting tax collected at source.

15.1.5.2.4.4 Public Sector Spain

15.1.5.2.5 Report

You make the settings for withholding tax returns in the following activities.

15.1.5.2.5.1 Define Recipient Code for Extended Withholding Tax

In this activity you define the recipient code for withholding tax reporting. You define the recipient code dependent on the type of recipient.

Recipient codes are necessary for withholding tax reporting in Spain, for example. Since the recipient codes are not the same for all regions of Spain and there are province-specific differences, you must make the following settings for the exception regions: You must enter the region and the provincial tax code.

Otherwise only enter the recipient code for each type of recipient.

Standard settings

A list with types of recipient is delivered in the standard system. For more information on this, see Maintain Types of Recipient.

Activities

1. Check whether recipient codes are necessary for the country in which you are using extended withholding tax.
2. Define your recipient codes for the list of recipient types delivered and also enter the key of the region and the provincial tax code for each exception region.

15.1.5.2.5.2 Define Forms for Withholding Tax

In this activity you can define forms for the withholding tax return.

Standard settings

Forms have already been defined for withholding tax returns in the SAP standard system.

Recommendation

SAP recommends that you accept the settings defined in the standard system. In this case, no action is required on your part.

If you do want to make changes in the forms, SAP recommends that you do not change the standard forms but that you copy and then change the copied forms.

Activities

If you work with the standard forms you do not need to do anything here.

If you would like to define your own forms, proceed as follows:

1. Enter the standard form which you would like to copy.
2. Select *Form -> Create/change*.
The header data screen of the form appears.
3. Select *Form -> Save as...* and enter the name of the new form.
4. Edit and activate the new form.

15.1.5.2.5.3 Define Form Names for Extended Reporting

In this activity you define the names of the forms for the withholding tax return to your vendors.

You can define them based on a company code and a form ID. You can use the form ID to define country-specific forms. To create a return, each user can access the appropriate country-specific form by entering the form ID in the country variant field.

Activities

1. Determine the names of the standard forms.
2. Check whether you can use these forms. Define your own forms if necessary. To do this, carry out the "Define forms" step.
3. Define the names of the forms.
4. You can display the forms by choosing *Environment -> Display form*.

15.1.5.2.5.4 Assign Forms for Withholding Tax Certificates

There is no documentation for this activity in Release 4.0A.

15.1.5.2.5.5 Define Minimum Amounts per Withholding Tax Type

In this activity you define the minimum amounts for withholding tax reporting per withholding tax type.

15.1.5.2.5.6 Define Minimum Amounts per Withholding Tax Code

In this activity you define the minimum amounts for withholding tax reporting per withholding tax code.

15.1.5.2.5.7 Define Settings for Modello 770 (Italy)

Use

In this IMG activity, you maintain the settings for withholding tax declaration modello 770. It is relevant for Italy only.

Activities

For each vendor, you need to maintain payment, INAIL (National Institute of Insurance Against Accidents at Work), and foreign representative information.

Reasons for payment can be:

- A: Self-employment services
- B: Administration services

- C: Services rendered to newspapers and magazines
- D: Services of auditoris and committee members
- E: Ongoing and coordinated collaborations services other than the above
- F: Termination indemnity
- G: Commisions for door-to-door sale
- T: Other than the above

15.1.5.2.5.8 Define Minimum Amounts for 1099 Report

In this activity you define the minimum amounts for the 1099 report.

Activities

Check the minimum amounts and enter new ones if required.

15.1.5.2.5.9 Country-Specific Functions

15.1.5.2.5.9.1 India

15.1.5.2.5.9.1.1 Quarterly Returns

15.1.5.2.5.9.1.1.1 Maintain Deductor Types

Use

In this Customizing activity, you maintain deductor types as required for tax reporting purposes.

15.1.5.2.5.9.1.1.2 Maintain Ministry Names

Use

In this Customizing activity, you maintain names and ministry codes as required for tax reporting purposes.

15.1.5.2.5.9.1.1.3 Maintain Additional Section Codes

Use

In this Customizing activity, you make settings to ensure that when you prepare a TDS return for India, the system prints the necessary details on it.

15.1.5.2.5.9.1.2 Certificates

15.1.5.2.5.9.1.2.1 Maintain Section Code, TAN, and CIT Address

Use

In this Customizing activity, you maintain the company code, section code, and the tax deduction account number (TAN). This setting enables you to print the income tax department address on the tax deducted at source (TDS) certificate.

You use the Print Withholding Tax Certificates for Vendors (J_11EWT_CERT) report to print the TDS certificate.

15.1.5.2.5.9.2 Kingdom of Saudi Arabia

15.1.5.2.5.9.2.1 Define Number Ranges for Withholding Tax Certificates

Use

In this Customizing activity, you define number ranges for withholding tax certificates. The system uses the number range to assign a unique number to each certificate during the generation of withholding tax certificates.

Activities

To create a new number range, proceed as follows:

1. Execute this Customizing activity. You are on the *Range Maintenance: WTax Certificate* screen.
2. Enter the company code.
3. Choose Change Intervals. You are on the *Interval Maintenance: Number Range Object WTax Certificate, Sub object* screen.
4. Choose *Insert Line*.
5. Specify the following values:
 - *Number*
Enter the number of the number range interval.

- *Year*
Enter the year up to which the specified number range is valid.
 - *From Number*
Enter the lower limit of the interval.
 - *To Number*
Enter the upper limit of the interval.
 - *External Assignment*
You can specify if the number assignment is to be made externally. If you do not select the *Ext* checkbox, the number assignment is made internally.
6. Save the number range.

15.1.5.2.5.9.2.2 Assign Document Types and Number Ranges to Company Codes

Use

In this Customizing activity, you can make the following settings:

- Assign the document type and number range defined for monthly clearing to a company code.
- Assign the number range defined for withholding tax certificates to a company code.

The system uses these number range intervals while generating the tax payment codes and withholding tax certificates for a specific company code.

Requirements

- You have defined number ranges for withholding tax certificates in Customizing for *Financial Accounting (New)* under *Financial Accounting Global Settings (New)* -> *Withholding Tax* -> *Extended Withholding Tax* -> *Report* -> *Country-Specific Functions* -> *Kingdom of Saudi Arabia* -> *Define Number Ranges for Withholding Tax Certificates*.

15.1.5.2.6 Generic Withholding Tax Reporting

15.1.5.2.6.1 Define Output Groups

Use

In this IMG activity, you define output groups for the Generic Withholding Tax Reporting program.

For each output group, specify what lists, printouts, and files it covers, and which accounting documents the program is to read the withholding tax items from (accounts payable, accounts receivable, or both).

Requirements

If you want to create printouts, you have created the Smart Forms you need (see Define Smart Forms).

If you want to create a DME file, you have defined the DME format (see Define DME Formats).

Standard settings

The standard SAP System contains several output groups for different purposes in different countries. These output groups use, for example, sample DME trees for preparing withholding tax returns as a DME file, or sample Smart Forms for preparing withholding tax certificates.

The sample content enables you to start working with the withholding tax solution and reports more quickly. We recommend that you copy the content that you need and adapt the copies to your own needs, using the information from the documentation to help you.

Example

Assume that you need to:

- Prepare withholding tax certificates for your vendors
- Create a DME file for the tax authorities with information about the tax that you have withheld
- Prepare a report on the taxes withheld by your customers (for controlling purposes) You would create two output groups:
- One that reads the accounts payable information and creates the certificates and DME file
- One that reads the accounts receivable information and prepares a report on the taxes withheld on your behalf

15.1.5.2.6.2 DME Files

15.1.5.2.6.2.1 Define File Format for Withholding Tax Reporting

Use

In this IMG activity, you maintain formats for the data medium exchange (DME) files prescribed by the tax authorities.

You use the DME format when you come to create a withholding tax return: When you execute the Generic Withholding Tax Reporting program, it generates a DME file with all the withholding tax data that you have selected, and it formats the data according to the DME format that you define here.

Standard settings

The standard system comes with a number of DME formats for use in different countries. We recommend that you copy the formats that you need and adapt the copies to your own needs, using the information from the SAP Library documentation to help you (see below).

Activities

If you create a new DME format, use the tree type WTRE.

Once you have created it, assign it to the appropriate output group.

See also

For more information about the DME formats, see the SAP Library -> *Financials* -> *Financial Accounting (FI)* -> *Financial Accounting - General Topics* -> *Taxes (FI-AP/AR)* -> *Withholding Tax* -> *Classic or Extended Withholding Tax* -> *Generic Withholding Tax Reporting*.

15.1.5.2.6.3 Printouts

15.1.5.2.6.3.1 Define Forms for Withholding Tax Reporting

Use

In this IMG activity, you define the Smart Forms for the printouts (such as tax returns and withholding tax certificates) that are created by the Generic Withholding Tax Reporting program.

Standard settings

The standard system comes with a number of Smart Forms for use in different countries. We recommend that you copy the Smart Forms that you need and adapt the copies to your own needs, using the information from the SAP Library documentation to help you (see below).

Activities

Define the required forms and assign the individual forms to an output group.

To be able to use Smart Forms for generic withholding tax reporting, ensure that your form interface is the same as the one in Smart Form IDWTCERT_UK_CIS23I.

See also

SAP Library -> *SAP ERP Central Component -> Financials -> Financial Accounting (FI) -> Financial Accounting - General Topics -> Taxes (FI-AP/AR) -> Withholding Tax -> Classic Withholding Tax or Extended Withholding Tax -> Generic Withholding Tax Reporting*

SAP Library -> *SAP NetWeaver -> Application Platform (SAP Web Application Server) -> Business Services -> SAP Smart Forms*

15.1.5.2.6.3.2 Define Certificate Numbering for Extended Withholding Tax

In this activity, you define the number ranges for your withholding tax certificates. You define the company code and fiscal year for each number range.

This only applies to the withholding tax certificates you create periodically. For more information about numbering certificates when withholding tax is posted, see Certificate Numbering for Withholding Tax.

Example

In the United Kingdom, withholding tax certificates (also known as "vouchers") are numbered as follows: The first four figures (YYYY) denote the fiscal year, and the fiscal year code is combined with a six-digit number starting from 000001. At the beginning of each fiscal year, the number goes back to 000001.

15.1.5.2.6.3.3 Define Header and Footer Texts for Forms

In this activity, you define which letter header, footer, and signature line texts you will use for forms. These definitions are company code- dependent.

Note

Use this procedure if you use one form for multiple company codes. In such a case, the company code-dependent texts need to be stored separately.

Activities

1. Create your standard texts.
2. Specify which texts should be used for each company code.

15.1.5.2.6.4 Minimum Amounts

15.1.5.2.6.4.1 Define Minimum Amounts per Withholding Tax Code

In this activity you define the minimum amounts for withholding tax reporting per withholding tax code.

15.1.5.2.6.4.2 Define Minimum Amounts per Withholding Tax Type

In this activity you define the minimum amounts for withholding tax reporting per withholding tax type.

15.1.5.2.6.4.3 Define Minimum Amounts for 1099 Report

In this activity you define the minimum amounts for the 1099 report.

Activities

Check the minimum amounts and enter new ones if required.

15.1.5.2.6.5 Define Recipient Code for Extended Withholding Tax

In this activity you define the recipient code for withholding tax reporting. You define the recipient code dependent on the type of recipient.

Recipient codes are necessary for withholding tax reporting in Spain, for example. Since the recipient codes are not the same for all regions of Spain and there are province-specific differences, you must make the following settings for the exception regions: You must enter the region and the provincial tax code.

Otherwise only enter the recipient code for each type of recipient.

Standard settings

A list with types of recipient is delivered in the standard system. For more information on this, see Maintain Types of Recipient.

Activities

1. Check whether recipient codes are necessary for the country in which you are using extended withholding tax.
2. Define your recipient codes for the list of recipient types delivered and also enter the key of the region and the provincial tax code for each exception region.

15.1.5.2.6.6 Add-In: Generic Withholding Tax Reporting

Use

With this Business Add-In, you can enhance the Generic Withholding Tax Reporting program.

You can use the Add-In, for example, to:

- Display a dialog box when users fill out the selection screen, to prompt them to enter extra information
- Make changes to accounting documents and withholding tax items that the program has selected
- Trigger other activities once the program has output the data for more information, see the method documentation.

Standard settings

No standard implementations are provided.

Activities

After calling up the IMG activity, a dialog box appears, in which you can enter a name for the implementation.

If you have already made other implementations for this BAdI, another dialog box appears, in which the existing implementations are displayed. In this case, choose *Create*, and proceed as follows:

1. In the dialog box, enter a name for the BAdI implementation in the *Implementation* field, and choose *Create*.

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The screen for creating BAdI implementations is now displayed.

2. Enter a short text for the implementation in the *Short text for implementation* field.
3. From the tab index, choose *Interface*.
The *Name of implemented class* field is already filled on the tab page, as a class name was automatically assigned to the implementation when you named it.
4. Save your entries, and assign the implementation to a development class.
5. Place the cursor on the method, and double-click to enter method processing.
6. Enter the code for the implementation between the statements `method <Interface name> ~ <Name of method> and end method.`
7. Save and implement your code. Return to the *Edit Implementation* screen.
8. Save the entries on the *Edit Implementation* screen.
Note: You can also create an implementation, and then activate it at a later time. In such a case, end the processing stage at this point.
9. Choose *Activate*

The code you stored in the method will be run when the application program is executed.

15.1.5.2.6.7 Country-Specific Settings

15.1.5.2.6.7.1 Belgium

15.1.5.2.6.7.1.1 Maintain Sender Data for Withholding Tax Reporting

Use

In this IMG activity, you maintain the data of the company that submits the withholding tax return to the tax authorities.

You only need to maintain the data of the sender if it is not the reporting company that sends the form to the tax authorities, but another company submits the return on behalf of the reporting company.

When you generate the form using the Generic Withholding Tax Return program and you specify the enterprise number of the sender company on the selection screen for Belgium, the program automatically retrieves the other data of the sender using the data you maintained in this IMG activity.

15.1.5.2.6.7.2 Venezuela

15.1.5.2.6.7.2.1 Maintain Withholding Tax Payment Details

Use

You use this IMG activity to maintain the data required for the annual income withholding tax certificate for vendors.

This IMG activity allows you to specify the bank details and the date of the withholding tax payment for a given vendor, financial year, and month.

When you generate the annual withholding tax certificate using the Generic Withholding Tax Reporting program, the system includes the data you defined here in the corresponding fields of the annual withholding tax certificate.

15.1.5.3 Withholding Tax Changeover

15.1.5.3.1 Withholding Tax Changeover

In the following activity, you call up the function for the automatic conversion of withholding tax data. The conversion steps to be carried out here are the central steps of the changeover from classic withholding tax to extended withholding tax.

Note however, that the conversion of the withholding tax data is only **one** part of the entire process that you have to go through for the withholding tax changeover.

For more important information about the withholding tax changeover, see the SAP Library under *Accounting --> Financial Accounting (FI) --> FI General Topics --> Taxes (FI-AP/AR) --> Withholding Tax --> Withholding Tax Changeover*.

You must carry out **all** of the activities defined there for the withholding tax changeover in the order specified.

Requirements

- You have previously used classic withholding tax.
- You have carried out all of the activities specified in the SAP Library for the withholding tax changeover **before** the activity *Conversion of Withholding Tax Data and Activation of Extended Withholding Tax*.

15.1.5.3.2 Withholding Tax Changeover India

15.1.5.3.2.1 Map Tax Codes

Use

In this IMG activity, you map the withholding tax codes from Classic Withholding Tax to the withholding tax types and codes from Extended Withholding Tax.

15.1.5.3.2.2 Health Check

Use

In this IMG activity, the system checks the Customizing settings that you have made for done for Extended Withholding Tax and the documents posted using Classic Withholding Tax.

For more information, see the program documentation.

15.1.5.3.2.3 Migration Program

Use

In this IMG activity, you convert the documents that you created using Classic Withholding Tax so that they are suitable for use by the Extended Withholding Tax solution.

For more information, see the program documentation.

15.1.6 Inflation Accounting

15.1.6.1 Maintain Inflation Indexes

Use

In this IMG activity, you maintain the inflation indexes that you use to adjust your accounts for inflation. You must define:

- One index to represent the general inflation index
- One index for each specific inflation index that you use

Standard settings

The system comes complete with sample inflation indexes for a number of country versions.

You can use these indexes themselves, in which case you must change the inflation index values (see below), or you can use them as the basis for creating new inflation indexes.

Activities

For each inflation index:

1. Enter the header information, including the index ID, short text, and format.
2. Create an index version to go with the index and enter the version number in the header data.
3. Whenever the authorities publish the latest inflation index figures, enter them in the values table, specifying the date and index value.
Note that when you first create an index, enter the index value from the first date that you want to adjust your accounts for **and** the value before that. The system needs this information in order to be able to calculate the net inflation rate.
For example, if you create a new monthly index at the beginning of 20X2, enter the values for 31 January 20X2 and for 31 December 20X1.

Once you have defined the indexes, assign the general index to the inflation method and a specific index to each inflation key, if applicable.

Composite Inflation Indexes

To define a composite inflation index:

1. Define the indexes that it is composed of as described above.
2. Create a header for the composite inflation index.

As well as the usual header information, select **Comp. ind.** (Composite index).

3. Select the composite index header and double-click *Composite indexes*.
4. Specify which indexes the composite index is composed of and, in the *Factor* field, how each of these component indexes is weighted.

15.1.6.2 Maintain Time Base and Exposure to Inflation Variants

Use

In this IMG activity, you define the time base and exposure to inflation variants (TBE variants).

Standard settings

The standard system includes TBE variants for inflation adjustment at intervals of one day, one month, six months, and one year. If they match your requirements, you can use them or copies of them.

Activities

If you need to create a TBE variant of your own, proceed as follows:

1. Create the header data, including the TBE variant ID and a short text.
You do not need to enter a posting variant for the purposes of *Financial Accounting* (FI). It is only needed for *Asset Accounting* (FI-AA).
2. Create an entry for each interval.
For example, if you want to create a TBE variant for inflation adjustment at monthly intervals, create one entry for each month (see example below). For each interval, enter two dates:
 - On the left-hand side of the table, enter the last day of the interval.
In the example, an entry has been made for the last day of each month.
 - On the right-hand side of the table, enter the date of the inflation index that is to be applied to this interval.
Typically, you use the index published for the last day of the interval, in which case, enter the same date as on the left-hand side. In some cases, however, you are required to use an inflation index from a previous interval.

Once you have created the TBE variants, enter one in the inflation method. This TBE variant will be used by all FI *Inflation Accounting* programs by default.

You can also assign a TBE variant to an inflation key if you need to adjust a given G/L account at different intervals from those specified in the inflation method TBE.

Example

For the purposes of this example, assume that:

- Your fiscal year runs concurrently to the calendar year
- You are required to adjust your G/L accounts for inflation at the end of every month

In this case, you make twelve entries in this table (see below), one for each interval. Because the intervals are the same each year, you can enter the year as 9999, which denotes a recurring interval.

Year	Month	Day	Post	Month	Day	Prev. year
9999	1	31	1	31		
9999	2	28	2	28		
9999	3	31	3	31		

9999	4	30	4	30
9999	5	31	5	31
9999	6	30	6	30
9999	7	31	7	31
9999	8	31	8	31
9999	9	30	9	30
9999	10	31	10	31
9999	11	30	11	30
9999	12	31	12	31

15.1.6.3 Inflation Keys

15.1.6.3.1 Maintain Inflation Key

Use

In these IMG activities, you maintain the inflation keys that you need and assign them to each account that you want to adjust for inflation.

These accounts are:

- Every G/L account that you want to adjust using the Inflation Adjustment of G/L Accounts program the program only adjusts G/L accounts that you have assigned an inflation key to.
- Every customer reconciliation account and vendor reconciliation account that you want to adjust using the following programs:
- Inflation Adjustment of Open Receivables in Local Currency
- Inflation Adjustment of Open Payables in Local Currency
- Inflation Adjustment of Open Items in Foreign Currency

Activities

In this activity, create one inflation key for each group of G/L accounts that has to be adjusted the same way. For example, if some G/L accounts need to be adjusted using the general index, and others using a specific index, you would have to create two inflation keys.

If you want to adjust open items for inflation, define an inflation key in which the adjustment method is set to *Reconciliation Account*.

15.1.6.3.2 Display Inflation Key Field in G/L Account (Per Activity)

Use

In this IMG activity, you make sure that when you create or change a G/L account master record, the *Inflation key* field is open, and that when you display a G/L account master record, the field is displayed.

The settings in this activity apply to all G/L account master records. However, you must also specify a field status for each account group (in the next activity). In that activity, you can control the *Inflation Key* field at account group level.

When you come to maintain a G/L account master record, the system checks the settings per activity against those per account group. If the settings are different, it takes whichever of the following settings comes first:

- Suppress

- Display
- Required entry
- Optional entry

For example, assume you set the *Inflation Key* field as an optional entry when creating G/L account master records in general, but suppress the field for a given account group. When you create a master record in that account group, the system suppresses the field completely.

Activities

In order to ensure that the field is open or displayed when you create, change, or display a master record:

1. Double-click *Create* (or *Change* or *Display*).
2. Double-click *Account Control*.
3. Set *Inflation Key* to *Opt. Entry* (Optional entry), *Req. Entry* (Required entry), or *Display*.

15.1.6.3.3 Display Inflation Key Field in G/L Account (Per Acct Group)

Use

In this IMG activity, you customize the G/L account groups so that the system displays the *Inflation Key* field in the G/L accounts that need to be adjusted, so that you can assign an inflation key to the G/L accounts as required.

Activities

For every account group that contains G/L accounts that you want to adjust:

1. Select the account group.
2. Choose *Field Status*.
3. Double-click *Account Control*.
4. Change the *Inflation Key* setting to *Opt. Entry* (Optional entry).

15.1.6.3.4 Assign Inflation Keys to G/L Accounts

Use

In this IMG activity, you assign the inflation keys that you have defined in the previous activity to the appropriate G/L accounts.

Activities

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For every account that you want to adjust, enter an inflation key on the *Control Data* tab.

15.1.6.4 Inflation Methods

15.1.6.4.1 Maintain Inflation Methods

Use

In these IMG activities, you

- Maintain the inflation methods
- Assign one to every company code that uses the *Inflation Accounting* solution

Standard settings

The system comes complete with sample inflation methods for each country version, which you can use as the basis for your own inflation methods.

Activities

The inflation method consists of three parts, one each for the different components affected by inflation. Activate the *Inflation Accounting* solution for *Financial Accounting* (FI) and enter other data as required.

15.1.6.4.2 Assign Inflation Methods to Company Codes

Use

In this IMG activity, you assign an inflation method to each company code that works with the *Inflation Accounting* solution.

By doing so, you specify in effect the default settings for the *Inflation Accounting* programs for the company code.

15.1.6.5 Assignment of Inflation Indexes to Line Items

15.1.6.5.1 Maintain Posting Keys

Use

In these IMG activities, you make the settings that will allow inflation indexes to be assigned to individual line items in a given accounting document. For these purposes, you have to open the *Inflation Index* field for each permutation of:

- G/L account that such line items are to be posted to
- Posting key that is to be used to create such line items

You only need to use this function in the following cases:

- If you want accounting clerks to manually assign inflation indexes to specific G/L line items
You may require some G/L line items to be adjusted using a specific inflation index. In that case, maintain the appropriate combination of posting key and G/L account accordingly. When you come to run the Inflation Adjustment of G/L Accounts program, it adjusts these items using the index that you have entered.

- If you want to adjust open receivables and payables that are denominated in your local currency
The two programs that you use for these purposes, Inflation Adjustment of Open Receivables in Local Currency and Inflation Adjustment of Open Payables in Local Currency, work on the assumption that your accounting clerks assign a specific inflation index to every customer or vendor item that is to be adjusted.

In order for your clerks to be able to enter a specific index, open the inflation index field in the customer and vendor line items.

In addition, you must also open the *Inflation Index* field for the inflation adjustment documents that these two reports create. In the inflation adjustment documents, the new customer or vendor line item is assigned the same inflation index that was used to create it.

If you do not use these functions, you can skip these activities.

Activities

In this IMG activity:

1. Double-click the posting key.
2. Choose *Field status*.
3. Double-click *General data*.
4. Set the *Inflation index* entry to *Opt. entry* (Optional entry)

15.1.6.5.2 Maintain Field Status Variants

Use

In this IMG activity, you change the field status groups of the G/L accounts for which you want to allow users to enter inflation indexes at line item level.

Activities

1. Select the field status variant you want.
2. Double-click *Field Status Groups*.
3. Double-click the field status group.
4. Double-click *General Data*.

5. Set the *Inflation Index* entry to *Opt. Entry* (Optional entry)

15.1.6.6 Account Determination

15.1.6.6.1 Maintain Inflation Adjustment Accounts

Use

In these IMG activities, you make the settings to ensure that when the system adjusts a G/L account for inflation, it posts the inflation adjustment amounts to the correct G/L accounts. This involves the following activities:

1. Create the inflation adjustment accounts
2. Specify, for each G/L account to be adjusted, which inflation adjustment accounts are to be used

Types of Accounts

When you adjust a G/L account, you typically post the inflation adjustment amount to the same account, and record the offsetting entry to an inflation gain or loss account. But there are more possibilities, as follows.

- Inflation gain and loss accounts
You can post the inflation gain or loss to different accounts depending on whether you made the adjustment using a general inflation index or a specific index. You can also use separate accounts for adjustments made using provisional inflation indexes, again, with different accounts for general and specific inflation adjustments.
- Contra accounts
By default, the system posts the inflation adjustment amounts to the G/L account that has been adjusted. However, if you need to, you can record them separately, on a contra account. Again, you can define separate accounts for adjustments made using general and specific indexes respectively.

Activities

In this activity, create a G/L account for each inflation adjustment account you need.

When you set up inflation adjustment accounts for accounts receivable and accounts payable **in local currency**, you must ensure that they allow postings with tax codes.

When you set up the accounts for open accounts receivable and accounts payable **in foreign currency**, ensure that they allow postings without tax codes, since taxes are not supported by the Inflation Adjustment of Open Items in Foreign Currency program.

If you want to assign inflation adjustment amounts to cost centers, you must assign the inflation adjustment accounts a field status that allows cost centers.

15.1.6.6.2 Maintain G/L Accounts for Inflation Postings

Use

In this IMG activity, you specify for each G/L account that you want to adjust which inflation adjustment accounts you want to use.

15.1.7 Correspondence

In the following activities, you make the settings for correspondence with your business partners and for internal purposes.

The correspondence function in the standard system is set up for mailing letters. To fax or e-mail correspondence, see the activity Develop enhancements for correspondence.

Correspondence includes:

- Payment notifications
- Account statements
- Bill of exchange charges statements
- Internal documents
- Individual letters
- Document extracts
- Balance confirmations

First you make the fundamental specifications for the aforementioned correspondence types in the following activities. Specific definitions for each correspondence type are made at other points in the IMG.

15.1.7.1 Define Correspondence Types

In this activity, you create your own correspondence types or change the specifications for the standard correspondence types. A correspondence type represents the type of letters in the system. You must create a correspondence type for the possible correspondences for each type of letter which you need.

Example

In the standard system there are the correspondence types "Payment notice with line items", "Payment notice without line items", "Document extract" or "Account statement". You can define further correspondence types for payment notices, such as payment notices especially for payments which are made for invoices already cleared, or for credit memos cleared twice.

The correspondence types are

- Offered to the user by the system for selection when processing business transactions or
- Created automatically according to rules defined by the user or
- Always created automatically by the system

Example

You can select the correspondence type "Payment notice" when entering incoming payments. Bill of exchange charges statements are created automatically for your customers' payments by bill of exchange if charges to be passed on were posted.

You determine which data is necessary for creating the letters for the correspondence types. The following data is necessary for the correspondences:

<u>Correspondence</u>	<u>Necessary data</u>
Payment notices	Document number
Account statements	Account number and date specifications
Bill/exch.charges statements	Document number
Internal documents	Document number
Individual letters	Account number
Document extracts	Document number

This data is either entered manually by the user or is determined automatically by the system after he/she has selected the relevant correspondence type.

Example

If you select the correspondence type "Payment notice without line items" in the account display, then you must specify a document number since the correspondence type requires this. If you have specified in the customer master record that the payment notices are to be created automatically, then the system determines the necessary data when posting an incoming payment.

Standard settings

Correspondence types are delivered with the standard system. Their keys begin with **SAP**.

Note

You can use the standard correspondence types. If you want to make changes to them, copy the required correspondence type and change the new correspondence type accordingly. This is necessary since the standard correspondence types could be overwritten during the next change of release.

Activities

1. Find out which letters were sent to your customers/vendors previously.
2. Find out whether a correspondence type is already defined for these in the standard system.
3. Define your own correspondence types if necessary.

15.1.7.2 Assign Company Codes to Correspondence Company Codes

In this activity you assign those company codes to correspondence company codes that you wish to include when creating cross-company code correspondence.

Example

It is then possible to send a customer, for example, data from different company codes together in one communication.

Requirements

You must define the correspondence types used as being for cross-company code use in order to use the function.

Make the appropriate settings in the activity Define correspondence types.

Activities

Assign the required company codes to one or more correspondence company code.

15.1.7.3 Create Report Variants for Correspondence

In this activity you can define the selection variants for the correspondence that you require.

You define the selection variants independently of the company code and the type of correspondence.

Example

Correspondence type **internal document**, program **RFKORD30**, variant **SAP09**

Recommendation

Usually only the fields in the output control and print control areas, as well as the field *correspondence* in the test run area, are of interest for a selection variant.

The remaining fields in the test run area are used if the documents are to be output directly with the print program.

Activities

1. Find out the name of the appropriate print program. You can get an overview of the existing programs using the function *Tools -> Program search*. To search for standard programs, enter RFKORD*, or to search for customer-defined programs ZFKORD*, for example. An up-to-date list of programs is displayed.
2. Select the required program from the list and run it. The system takes you to the selection screen. Here you can either change an existing variant or create one of your own. To change a standard variant, you can display the variant using the function *fetch variant*. You can then change these variants and then save them under your own name (customer name range). To create your own variant, enter the selection criteria directly and then save this variant under your own name (customer name range).
3. In Customizing, specify the report name and the variant for the report assignment for the correspondence type. You can do this in the activity Assign Programs for Correspondence Types.

Additional information

There are report variants for the different correspondence types in client 000. For more information about the system settings, see the corresponding program documentation.

15.1.7.4 Assign Programs for Correspondence Types

In this activity, you define the print program and the selection variant corresponding to each correspondence type. The selection variant is used when printing the requested correspondence.

<u>Correspondence</u>	<u>Print program</u>
Payment notices	RFKORD00
Account statements	RFKORD10
Bill/exch.charges statements	RFKORD20
Internal documents	RFKORD30
Individual letters	RFKORD40
Document extracts	RFKORD50
Customer statement	RFKORD11

You can distinguish your specifications by company code. This is usually necessary for companies with several company codes, since you also enter the printer on which you want your correspondence to be issued in the selection variant.

Activities

Specify the name of the print program and the required variant for each correspondence type.

You can create the variant using the configuration function. Select *Goto -> Maintain variant*.

Additional information

You can find further information on the selection variants in the sections for the individual types of correspondence.

15.1.7.5 Define Sender Details for Correspondence Form

In this activity, you define which texts are to be used in the letter window and the signature line for each company code. This applies to the following:

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- letter header
- letter footer
- sender address

Note

This procedure is useful if you use a form for several company codes, since you do not need to define these details in the form or use pre-printed writing paper. In this case, the company code-specific texts must be stored separately.

Activities

1. Create your standard texts. The text ID is **ADRS**.
2. Specify which texts are to be used for the individual company codes.

To transport the texts from the Customizing system to the productive system, include them in a transport request.

1. Choose *Tools -> ABAP Workbench -> ABAP Editor*.
2. Enter the program name RSTXTRAN.
3. Enter the name of the correction and the text ID, and then execute the transport.

15.1.7.6 Determine Call-Up Functions

In this activity, you specify which correspondence types can be selected online within which functions.

The following functions are included:

- document entry
- functions for payment settlement
- document display and document change
- Account editing (balance display and line item processing).

Example

Payment notices can only be selected for payment transactions, whilst account statements can be selected in all of the above functions.

Note

You do not make a specification for the bill of exchange charges statement. You cannot select the statement of bill of exchange charges - it is created automatically for your customers if bill of exchange charges were posted.

Make your specifications dependent on company code. If no entry exists for a company code, the correspondence types specified without company code are offered.

Activities

1. Check the standard specifications.
2. Change them if necessary.
If you defined your own correspondence types, you must include them here and make your specification.

15.1.7.7 Develop Enhancements for Correspondence

The following SAP enhancements are available for the "Correspondence" area:

- RFKORIEX for automatic correspondence

Activities

1. Create your enhancement. To do this, either create a new project or use an existing one. Modify the source code for a transaction delivered by SAP by adding the elements you need. SAP provides you with the necessary function modules with short text, interface, and documentation to be able to do this. A sample source code created by SAP may exist for user exits which can be copied (and changed) if required.
2. Activate the project.
This allows the ABAP source code to run. Enhancements will not have any effect beforehand.

Further notes

In contrast to modifications, enhancements can generally be transferred between Releases since they are carried out within a name range reserved for the customer rather than in the SAP original.

For more information about creating enhancements, see the SAP Library BC - Changing the SAP Standard.

Every enhancement is documented. To call up the documentation, choose *Utilities -> Display req.docu* from the project management screen for SAP enhancements.

15.1.7.8 Define Sort Variants for Correspondence

In this activity, you define sort variants for printing letters for all of the various correspondence types.

Activities

1. Check to what extent you can use the standard settings. Change or enhance the settings, if necessary.
2. Enter the sort variants in the printing program for correspondence.

15.1.7.9 Define Sort Variants for Line Items

In this activity, you define correspondence sort variants for the line item output sequence in letters.

Activities

1. Check to what extent you can use the standard settings. Change or enhance the settings, if necessary.
2. You specify sort variants in the payment method layout set data for the company code, so that the print program carries out the sorting for that payment method as you require. Select customizing for the print program to make these settings.

15.1.7.10 SAP script-Based Forms

15.1.7.10.1 Define Forms for Correspondence

In this activity you can define the forms (layout sets) for your business correspondence.

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Standard settings

Forms for correspondence are already defined in the standard system.

Recommendation

SAP recommends that you accept the settings defined in the standard system. In this case, no action is required on your part.

If you want to make changes to the forms, SAP recommends NOT to change the standard forms, but to first copy them and then make changes to the copied version.

Activities

If you are using the standard forms, you do not need to make any settings here.

Proceed as follows to define your own forms:

1. Enter the standard form you want to copy.
2. Choose *Layout set -> Create/Change*.
You will then see the header data screen for the layout set.
3. Choose *Layout set -> Save as...* and enter a new name.
The name of the new layout set should start with the letter "Z" or "Y" in order to ensure that it is not overwritten during upgrades. Assign the layout set to the layout set class FKOR.
4. Edit and activate the new form.

15.1.7.10.2 Define Form Names for Correspondence Print

In this activity, you define the names of the forms which are to be used for printing the correspondence.

The system attempts to create the letters for your customers/vendors in the language specified in the customer/vendor master record. Internal documents are issued in the company code or logon language. To do this, the corresponding form must be available in the required language in the system. You should therefore translate the forms into the required languages if they are not already available in the standard system.

You define the form names depending on the company code, print program and a form ID. With the help of the form ID, it is possible to store different forms for one print report.

Example

You want to create account statements with and without displaying the days in arrears. For this, you defined a correspondence type. For every account statement type you also create your own form and store the names of the forms for the print program "RFKORD10" under your own form ID.

If you want to use the form IDs, you should note that you must enter them in the selection variants for the print reports. You need the corresponding number of variants.

Example

You are to be able to create payment notices with and without an individual text. To do this, you store a form without form ID for the program RFKORD00. This form does not have any individual texts defined for it. You store another form under a form ID. This form does have an individual text defined for it. You create two selection variants for the print program and store these variants for the relevant correspondence types in the system.

Text elements are contained in the standard forms. Text elements offer the option of storing different, alternative texts in a form which are then printed depending on the posting procedure.

Example

In the standard form for payment notices, a text element is stored for the case that a credit memo was to be posted and another text element for the case that a partial payment was to be posted for an incoming payment.

For your information, the individual text elements are commented on in the standard forms.

Note

In the letter, you can display the segment text (posting text) of an item. An asterisk (*) must be at the beginning of the text field.

To define your own forms, copy the standard ones and change them. Delete the print texts you do not need. Make sure the numbers of the available text elements and the commentary lines remain for each text element. The commentary lines contain the character */** in the form column.

Activities

1. Find out the names of the standard forms.
2. Check whether you can use these forms.
3. Define and activate your own forms and translate them, if necessary.
4. Store the names of the forms.

15.1.7.11 PDF-Based Forms

15.1.7.11.1 Define Forms for Correspondence

In this activity you can define the forms (layout sets) for your business correspondence.

Standard settings

Forms for correspondence are already defined in the standard system.

Recommendation

SAP recommends that you accept the settings defined in the standard system. In this case, no action is required on your part.

If you want to make changes to the forms, SAP recommends NOT to change the standard forms, but to first copy them and then make changes to the copied version.

9Activities

If you are using the standard forms, you do not need to make any settings here.

Proceed as follows to define your own forms:

1. Enter the standard form you want to copy.
2. Choose *Layout set -> Create/Change*.
You will then see the header data screen for the layout set.
3. Choose *Layout set -> Save as...* and enter a new name.
The name of the new layout set should start with the letter "Z" or "Y" in order to ensure that it is not overwritten during upgrades. Assign the layout set to the layout set class FKOR.
4. Edit and activate the new form.

15.1.7.11.2 Define Form Names for Correspondence Printing

Use

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In this IMG activity you define the form names for PDF-based correspondence printing.

15.1.7.12 Attached Payment Media

In this section, you make the settings for attached payment media. Attached payment media might, for example, be bank transfers that you send to your business partner together with their account statement or dunning notice.

Check the payment program configuration. The payment methods and house bank determination must be configured accordingly. You do this in the Set up payment program activity.

15.1.7.12.1 Enter Long Texts for Attached Payment Media

In this activity you defined the texts that are to be printed as note to payee on the attached payment medium.

Activities

Enter the texts you require.

15.1.7.12.2 Country-Dependent Data for Attached Payment Media

In this activity, you define a function module per country and payment method. This function module determines the data to be printed on an attached payment medium.

Activities

Enter the function module.

15.1.7.12.3 Company Code-Dependent Data for Attached Payment Media

In this step you define the form for the appended payment medium. You do this, for example, if you want to send a bank transfer separately in addition to the dunning notice rather than printing a bank transfer directly in the dunning notice.

Activities

Enter the name of the required form.

15.1.7.12.4 Define House Banks/Bank Account

In this activity you define the payee's house bank or bank account details on the attached payment medium.

Where payment methods require a bank account to be specified, you must define the payee's house bank and account short key (account ID) as part of the company code data.

Activities

Create the payee's house bank and account ID.

15.1.7.12.5 Define Control Data for Payment Authorization/POR

In this activity you make your specifications for the OSR/ISR procedure for the attached payment medium.

Enter the subscriber number for the outgoing payment medium, the company code, and the number of the OSR/ISR procedure. For ISR procedures 04 and 08 you also need to enter the customer identification number and the bank number.

Recommendation

Ensure that you **do not** have an indicator set for the OSR /ISR printout.

Activities

Enter the necessary details as described above.

15.1.8 Check in SAP GTS for FI

15.1.8.1 Activate Check in SAP GTS for FI

Use

With this IMG activity, you can activate the check in SAP GTS (*SAP Global Trade Services*) if you want to carry out sanctioned party list screening or an embargo check for FI payments. If you have set this activation indicator, then the check is made for the following transactions:

- Payment creation in automatic processes (payment program for customer/vendor items or payment program for payment requests).
The check result is displayed in the payment run log. If the check in SAP GTS is unsuccessful, the system does **not** make the payments. The invoice items concerned are displayed in proposal processing as an exception. Only once you have made any corrections in SAP GTS and successfully run the check in SAP GTS can you assign the items concerned in proposal processing and release them for payment.
- Payment creation in manual processes (proposal processing and creation of a payment with check printing)
If, when creating a payment with check printing, the check in SAP GTS is **not** successful, the end user is informed that the check cannot be created due to the check result in SAP GTS. If, in proposal processing, the check in SAP GTS is **not** successful on account of a change, the end user is informed that the change cannot be made due to the check result in SAP GTS.

The check result is fully documented in SAP GTS, and can be analysed there if problems occur.

The following information is used at the time of payment for the sanctioned party list screening in SAP GTS for FI:

- Customer master data
- Vendor master data
- Partner bank master data
- Differing payee/payer
- Individual payment recipient in the document
- Note to payee

- Account holder

Individual payment recipient, note to payee and account holder are checked in SAP GTS as an address.

A complete embargo check in SAP GTS for FI is made of the country of the payment recipient or payer, and if available, of the country of the partner bank. A partial embargo check is always made in the direction of the cash flow, meaning

1. For incoming payments:

- From the country of the payer to the country of the company code involved
- From the country of the payer to the country of the house bank
- From the country of the partner bank (if available) to the country of the company code involved
- From the country of the partner bank (if available) to the country of the house bank

2. For outgoing payments:

- From the country of the company code involved to the country of the payment recipient
- From the country company code involved to the country of the of the partner bank (if available)
- From the country of the house bank to the country of the payment recipient
- From the country of the house bank to the country of the partner bank (if available)

Requirements

You can use the check in SAP GTS for FI only as of SAP GTS 7.1.

You have made the required settings in customizing the SAP GTS system and connected the FI system to SAP GTS.

Activating the SAP GTS for FI check presupposes a check on the sizing of your SAP GTS system. For more detailed information, see the relevant SAP GTS documentation.

Moreover, SAP advises you to carry out appropriate tests so that when you activate the check in SAP GTS for FI, you can ensure that your automatic payment processes continue to be performed on time.

Standard settings

Note that this function is **not** active in the standard system.

If the connection to SAP GTS is not available when you create a payment, or the check cannot be made due to problems in SAP GTS, the system terminates the automatic or manual processes in the standard system.

You can adapt this standard response if required. To do this, in Customizing choose *Financial Accounting (New) -> Financial Accounting Global Settings (New) -> Tools -> Change Message Control*.

Change the settings for the following message numbers in work area FIPAY_GTS

- 001 (Automatic process)
- 002 (Manual creation of a payment with check printing)
- 003 (Payment proposal processing)

If, unlike in the standard system, you allow the payment process to continue, even though there is no connection to the SAP GTS system or the check cannot be made due to technical problems, you have to execute program RFBREAKDOWNGTS. Using this program, you can make a subsequent check in SAP GTS, and document the check result. You can find this program in the function *Automatic Payment Transactions: Status*.

Choose *Edit -> Payment -> Check in SAP GTS -> Payment -> Carry out Subsequently*.

You can find additional information in the program documentation: Subsequent Check in SAP GTS for FI.

- *Payment transactions* (FI-AR-AR-PT)
- *Automatic payment* (FI-BL-PT-AP)

You can use this BAdI to prepare the account holder data for the check in SAP GTS.

The BAdI is called before the check in the following processes: -Automatic payment program (transaction F 110):

- Payment program for payment requests (transaction F111)
- Proposal processing of the payment programs
- Online creation of payment media (such as transactions FBZ4, FBZ5 and FCH7)

The check in SAP GTS is made on the basis of addresses. Therefore, the account holder must first be converted to an address. To do this, the method GET_ADDRESS_FOR_ACCOUNTHOLDER is available.

Standard settings

In the standard system, there is an activated BAdI implementation. The default code is executed automatically. In this implementation, the system separates the content of the account holder after each empty space, and writes the parts received this way to the name fields of the address.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

Example See also:

This BAdI uses the interface IF_PAYMENT_ACCOUNTHOLDER_GTS. For more information, display the interface in the *Class Builder*.

15.1.9 Integration with Shared Services Framework

15.1.9.1 How Shared Services Framework Integration Works

Use

The Shared Services Framework improves the communication between clerks working with activities in application FINANCIALS and agents in a Shared Services Center (SSC). The most important communication medium is the service request, which is tightly integrated into transactions and programs of application FINANCIALS. Activate this integration as follows:

- **Activate Manual Service Request Creation for Activities**
Here, you can decide in which transactions of the application FINANCIALS manual creation of service requests is enabled.
- **Define Service Request Creation on Message Level**
In this step, you can list all error messages that actively offer the creation of a service request. Furthermore, you can activate the automatic creation in selected application areas.
- **Determine Service Request Attributes from Application Context**
Here, you define how the attributes of the service request are defaulted from the application context. Therewith target fields of the service request (like description, category, and priority) can be prefilled from the context of the current transaction (like error message).

After these settings are made, the accounting clerk can create a service request that contains all information necessary for support from the SSC agent, for example:

- Attributes for prioritization and determination of the SSC team responsible for the issue
- Linked objects for launching business transactions in the ERP backend out of the service request
- Notes and screen shot for further explanations of the issue

Example

In application FINANCIALS, you can activate the automatic creation of service requests for exceptions in the automatic payment run (activity F110, application area PAY_AUTOM). If so desired, you can aggregate exceptions on business partner and company code level. For the actual creation of service requests, you can use the related program FIN_FSSC_SR_AUTO_F110.

15.1.9.2 BAdI: Enhance Source Fields

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component.

You can use BAdI method GET_SRCFLD_LIST to enhance the list of source fields, and method GET_SRCFLD_F4_VALUES to return their values. The source fields are used for target value determination in customizing activity Determine Service Request Attributes from Application Context.

By default, SAP delivers the following source fields:

- *Message Class*
- *Message Number*
- *Activity*

Requirements

If you implement this BAdI to enhance the list of source fields, you also have to implement the BAdIs of those activities that you want to use in the Shared Services Framework. In these BAdIs, you have to provide the content of the source field in the respective parameter (additional information). For more details, refer to the corresponding Customizing activities, as follows: BAdIs Specific to Financial Accounting Transactions

Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

15.1.9.3 BAdIs Specific to Financial Accounting Transactions

15.1.9.3.1 BAdI: Application Context for Customer Master Data

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use this BAdI to assign or change values in the application context for Customer Master Data (transactions from program SAPMF02D) before determining target field values and transferring them to the CRM Service Request UI.

When you launch the Service Request UI from an ERP backend transaction, some of the fields in the UI can have settings based on the application context information in that ERP backend. In certain circumstances, you may need to change this context information by setting values expected in the CRM UI.

You may also want to add your own source fields when determining CRM target field values in view cluster SSC Group Settings. In this case, you can also implement the BAdI to set the runtime value of your enhanced source field list.

This BAdI gives you a way to impact the determination of field values in the CRM Service Request UI when this UI is launched from the ERP backend.

You can use BAdI method `RETRIEVE_APPLICATION_CONTEXT` to assign or change values in the application context for customer master data.

The current content of the line item display is imported to the BAdI with the following parameters:

- `IV_TCODE`: Current Transaction Code
- `IS_KNA1`: General Data in Customer Master
- `IS_KNA1_OLD`: The Old Value for General Data in Customer Master
- `IS_KNB1`: Customer Master (Company Code)
- `IS_KNB1_OLD`: The Old Value for Customer Master (Company Code)
- `IS_KNVV`: Customer Master Sales Data
- `IS_KNVV_OLD`: The Old Value for Customer Master Sales Data

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter `CS_APPLICATION_CONTEXT`) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
- For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

See Also

This BAdI uses interface IF_FSSC_SAPMF02D_RETRIEVE. For more information, display the interface in the Class Builder.

15.1.9.3.2 BAdI: Application Context for Vendor Master Data

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use this BAdI to assign or change values in the application context for vendor master data (transactions from program SAPMF02K) before determining target field values and transferring them to the CRM Service Request UI.

When you launch the Service Request UI from an ERP backend transaction, some of the fields in the UI can have settings based on the application context information in that ERP backend. In certain circumstances, you may need to change this context information by setting values expected in the CRM UI.

You may also want to add your own source fields when determining CRM target field values in view cluster SSC Group Settings. In this case, you can also implement the BAdI to set the runtime value of your enhanced source field list.

This BAdI gives you a way to impact the determination of field values in the CRM Service Request UI when this UI is launched from the ERP backend.

You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for vendor master data.

The current content of the line item display is imported to the BAdI with the following parameters:

- IV_TCODE: Current Transaction Code
- IS_LFA1: Vendor Master (General Section)
- IS_LFA1_OLD: The Old Value for Vendor Master (General Section)
- IS_LFB1: Vendor Master (Company Code)
- IS_LFB1_OLD: The Old Value for Vendor Master (Company Code)
- IS_LFM1: Vendor master record purchasing organization data
- IS_LFM1_OLD: The Old Value for Vendor master record purchasing organization data

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter CS_APPLICATION_CONTEXT) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
 - For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

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Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

See Also

This BAdI uses interface IF_FSSC_SAPMF02K_RETRIEVE. For more information, display the interface in the Class Builder.

15.1.9.3.3 BAdI: Application Context for Posting Transactions

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use this BAdI to assign or change values in the application context for Posting Transactions (transactions from program SAPMF05A) before determining target field values and transferring them to the CRM Service Request UI.

When you launch the Service Request UI from an ERP backend transaction, some of the fields in the UI can have settings based on the application context information in that ERP backend. In certain circumstances, you may need to change this context information by setting values expected in the CRM UI.

You may also want to add your own source fields when determining CRM target field values in view cluster SSC Group Settings. In this case, you can also implement the BAdI to set the runtime value of your enhanced source field list.

This BAdI gives you a way to impact the determination of field values in the CRM Service Request UI when this UI is launched from the ERP backend.

You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for posting transactions.

The current content of the line item display is imported to the BAdI with the following parameters:

- IV_TCODE: Current Transaction Code - IT_BKPF: Table for Accounting Document Header Info
- IT_BSEG: Table for Accounting Document Segment.

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter CS_APPLICATION_CONTEXT) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
- For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

See Also

This BAdI uses interface IF_FSSC_SAPMF05A_RETRIEVE. For more information, display the interface in the Class Builder.

15.1.9.3.4 BAdI: Application Context for Intercompany Reconciliation

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for intercompany reconciliation processes (transactions FBICR1, FBICR2, FBICR3, and FBICR3L).

The current content of the transaction call is imported to the BAdI with the following parameters:

- IV_TCODE: *Current Transaction Code*
- IT_ORGUNIT: *Org Unit Data*
- IT_PARTNER: *Partner Data*
- IT_ASSIGNED: *Assigned Data*

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter CS_APPLICATION_CONTEXT) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
- For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

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In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

15.1.9.3.5 BAdI: Application Context for Automatic Payments

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use this BAdI to assign or change values in the application context for Automatic Payment Transactions (transaction F110) before determining target field values and transferring them to the CRM Service Request UI.

When you launch the Service Request UI from an ERP backend transaction, some of the fields in the UI can have settings based on the application context information in that ERP backend. In certain circumstances, you may need to change this context information by setting values expected in the CRM UI.

You may also want to add your own source fields when determining CRM target field values in view cluster SSC Group Settings. In this case, you can also implement the BAdI to set the runtime value of your enhanced source field list.

This BAdI gives you a way to impact the determination of field values in the CRM Service Request UI when this UI is launched from the ERP backend.

You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for automatic payments (transaction F110).

The current content of the line item display is imported to the BAdI with the following parameters:

- IV_TCODE: Current Transaction Code
- IS_REGUH: Settlement data from payment program
- IS_REGUP: Processed item from payment program

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter CS_APPLICATION_CONTEXT) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
 - For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

15.1.9.3.6 BAdI: Application Context for Account/Balance Items

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use it to assign or change values in the application context for Account/Balance items (transactions FBL1N, FBL3N, FBL5N) before determining target field values and transferring them to the CRM Service Request UI.

When you launch the Service Request UI from an ERP back-end transaction, some of the fields in the UI can have settings based on the application context information in that ERP backend. In certain circumstances, you may need to change this context information by setting values expected in the CRM UI.

You may also want to add your own source fields when determining CRM target field values in view cluster SSC Group Settings. In this case, you can also implement the BAdI to set the runtime value of your enhanced source field list.

This BAdI gives you a way to impact the determination of field values in the CRM Service Request UI when this UI is launched from the ERP backend.

You can use BAdI method `RETRIEVE_APPLICATION_CONTEXT` to assign or change values in the application context for account/balance items.

The current content of the line item display is imported to the BAdI with the following parameters:

- `IV_TCODE`: Current Transaction Code
- `IS_SELFIELD`: Info for Selected Item
- `IT_ITEMS`: Line Item Table

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter `CS_APPLICATION_CONTEXT`) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
- For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

In the standard system, there is no active BAdI implementation.

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Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

Example

See Also

This BAdI uses interface IF_FSSC_FBLXN_RETRIEVE. For more information, display the interface in the Class Builder.

15.1.9.3.7 BAdI: Application Context for New G/L Account Line Items

Use

This Business Add-In (BAdI) is used in the *Financial Accounting* (FI) component. You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for *New G/L Account Line Items* (transaction FAGLL03).

You can use BAdI method RETRIEVE_APPLICATION_CONTEXT to assign or change values in the application context for new G/L account line items.

The current content of the line item display is imported to the BAdI with the following parameters:

- IV_TCODE: *Current Transaction Code*
- IS_SELFIELD: *Info for Selected Item*
- IT_ITEMS: *Line Item Table*

The application context is used to fill the service request. Based on the current content of the transaction, the system prefills the application context before the BAdI is called. In your BAdI implementation, you can enhance the application context (changing parameter CS_APPLICATION_CONTEXT) based on the import parameters, as follows:

- You can assign additional business partners.
- You can change the assigned company code.
- You can change the description of the service request. Alternatively, you can assign the service request description in the Determination of Service Request Attributes from Application Context. - You can add notes or assign additional linked objects, which enhance the service request directly.
- You can add additional information, in the form of field values, that can be used as one of the following:
 - Additional source fields in Determination of Service Request Attributes from Application Context
- For information on input fields for an implementation to enhance the service request, see the documentation for BAdI: Set Service Request Values

Requirements

If you want to determine additional source fields, you must also do the following:

- Define them in BAdI: Enhance Source Fields
- Use them in Determine Service Request Attributes from Application Context

Standard settings

In the standard system, there is no active BAdI implementation.

Activities

For information about implementing BAdIs as part of the Enhancement Concept, see SAP Library for SAP NetWeaver under BAdIs - Embedding in the Enhancement Framework.

15.1.10 Authorizations

15.1.10.1 Maintain Authorizations

Further notes

If you wish to continue maintaining authorizations and profiles manually, see the documentation *Maintain Authorizations Manually* and *Maintain Profiles Manually*.

A detailed knowledge of all SAP authorization components is required for manual maintenance, however. Such a detailed knowledge is not required for using the Profile Generator. For this reason, we recommend using the Profile Generator.

15.1.10.2 Check Display Authorization for Document Type

In this activity you can set the option to have the system check a user's display authorization for the document type.

The system checks authorization for the following functions:

- Document display
- Line item display
- Balance display

It also checks display authorization in reporting. Accounting clerks can retrieve only information for which they have display authorization.

Activities

Activate display authorization for the document type.

Further notes

To maintain authorizations, choose *Maintain authorizations*.

15.1.10.3 Check Display Authorization for Business Area

In this activity you can set the option to have the system check an accounting clerk's display authorization per business area.

The system checks authorization for the following functions:

- Document display
- Line item display

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- Balance display (only for G/L accounts)

An accounting clerk can only display the balances of G/L accounts in those business areas for which he or she has display authorization. For customer and vendor accounts, you can only display the balances at company code level, not at business area level.

The system also checks display authorization in reporting. Accounting clerks can retrieve only information for which they have display authorization.

Activities

Activate display authorization for the business area.

Further notes

You maintain authorizations in the Implementation Guide under **Financial Accounting Global Settings**
-> **Maintain Authorizations**.

15.1.11 Tools

15.1.11.1 Validation/Substitution

15.1.11.1.1 Validation in Accounting Documents

In this activity, you define additional checks for accounting documents in the form of validations for each of your company codes. You can assign a validation for the document header and one for the line items to each company code. The assigned validations are valid both for manual entry of documents as well as for the automatic creation of documents (for example, payment program).

For every company code to which you want to assign a validation, you store the following information:

- Validation call-up point

Here you enter key "1" for "Check document header" and key "2" for "Check line item".

- Validation

Here there are the names of validations which already exist which you can display or change. A new validation must firstly be created by you. Afterwards the name appears in the overview.

- Description of the validation

- Activation level

Here you enter key "0" for inactive, key "1" for active and key "2" for active except for batch input.

Example

For example, you can use the validation for the following situation: You want to make sure that postings to the expense account "Telephone costs" can only be posted to the services cost center "Telephone". You can carry out the checks needed for this by using the validation.

Activities

If you want to define new validations, go through the following activities:

1. Place the cursor on a line in which company code and call-up point are entered (you can enter company code and validation call-up point via *Edit* -> *New entries*).
2. Afterwards select *Environment* -> *Validation*. You reach the first screen for maintaining a validation.

3. Select *Validation -> Create*. Enter the required name. After pressing ENTER, you come to an overview screen of the validation activities belonging to the validation.
4. Select *Insert entry*. On the next screen you can describe a new validation activity. You describe the Check requirements and the actual check for this. The syntax to be used for this is described in the online help (F1 help) for the input fields for *Requirements* and *Check*. You can also define a message (warning or error message) which is sent if the check is not successful.

If you want to change validations which already exist, proceed as follows:

1. Place the cursor on an already existing entry and select *Goto -> Validation*.
2. On the next screen select *Validation -> Display* or *Validation -> Change*. After pressing ENTER, you get to the overview screen of the validation activities belonging to the validation. If you select *Insert entry*, you can carry out changes if necessary.

15.1.11.1.2 Substitution in Accounting Documents

In this activity, you define possible changes regarding your accounting documents in the form of substitutions of individual fields for your company codes. You can make changes both in the document header and in the line item. The substitutions are valid for both the manual entry of documents and for the automatic creation of documents (for example, payment program).

For each company code to which you want to assign a substitution, define the following information:

- **Time of substitution**
Here you enter the key "1" for substitution within the document header, the key "2" for substitution within the line item and the key "3" for the whole document.
- **Substitution**
Here you can change or display the names of substitutions which already exist. You have to create a new substitution. The name then appears in the overview afterwards.
- **Name for the substitution**
- **Activation level**
Here you enter the key "0" for inactive, the key "1" for active and the key "2" for active (except for in batch).

Activities

If you want to define new substitutions, proceed as follows:

1. Position the cursor on a line in which the company code and the time have been entered (you can enter the company code and the time via *Edit -> New entries*).
2. Then select *Environment -> Substitution*. You reach the first screen for maintaining a substitution.
3. Select *Substitution -> Create*. Enter the required name. After pressing ENTER, you reach the overview screen with the substitution activities belonging to substitution.
4. Select *Insert entry*. You can describe a new substitution activity on the next screen. You describe the substitution requirements and the actual substitution for this. The syntax to be used for this is explained in the F1 help for the input fields *Requirements* and *Substitution*.

If you want to change substitutions which already exist, proceed as follows:

1. Position the cursor on an existing entry and select *Goto -> Substitution*.
2. On the next screen, select *Substitution -> Display* or *Substitution -> Change*. After pressing ENTER, you reach the overview screen with the substitution activities belonging to substitution. If you select *Insert entry*, you can make the required changes.

15.1.11.1.3 Define and Activate Substitution for Cost-of-Sales Accounting

Use

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In this IMG activity, you define and activate a substitution for cost-of-sales accounting.

Activities

1. Enter the *company code* in which you want the substitution to be executed.
2. Select the *time* at which you want the substitution to be executed.
3. To create a new substitution, double-click on the *Substitution* field. This takes you to the function for defining a substitution.
4. Select an *activation level* for the substitution.

15.1.11.2 Customer Enhancements

15.1.11.2.1 Business Transaction Events

Use

This activity describes how you can connect additional components (such as in the form of function modules developed yourself or a product from an external software provider) to the standard SAP system.

There are two types of interface available in the General Ledger Accounting (FI-GL), Accounts Receivable and Accounts Payable (FI-AR/FI-AP), and Sales and Distribution (SD) components for this:

1. Publish & Subscribe interfaces (also called "informing interfaces" in the following) these should inform you about particular events (such as a document being entered) in the SAP standard application and make the data generated as a result available to the external software. The external software does not return any data to the standard SAP system. Examples of such events in the SAP system are:

- Master record was created, changed, or blocked
- Document was entered, parked, changed, or reversed
- Items were cleared or reset

Additional processing can be caused in the additional component on the basis of these events and data:

- Starting a workflow
- Generating or changing additional data
- Requesting correspondence

2. Process interfaces (also referred to as "process" in the following)

Process interfaces are used to submit business processes to a different control which cannot be realized with the standard system, that is process interfaces replace standard processes. Here you can structure determination of individual field contents or of specific reactions to process flows individually. It is possible to connect different external developments to the standard SAP system. The additional developments are generally carried out using the ABAP/4 Development Workbench.

This way you can, for example, influence the control of payment transactions. Selection of payment method, house bank and partner bank can be made using the payment data (currency, amount, and payee) according to a selection logic which you have defined.

Standard settings

Sample modules are delivered in the standard SAP system which you can copy into your name range and fill them with statements there.

Activities

1. Enter a product using "Settings -> Customer's products". There are generally a large number of function modules belonging to a product which can be called by different program events from within the standard SAP system. A product can also be an external software component. If the product is in an external system, enter an RFC destination here. If the product is in the same system, you do not have to enter anything.

Important: Do not forget to activate the product after making the following settings.

2. Establish the interfaces with which the SAP system provides you.
To do this, choose Environment -> Info system (P/S) or Environment -> Info system (Processes). Execute the program. You should enter "A" as the attribute type. You see the respective interfaces with which the SAP system provides you. Note the key of the interface which you require. You can also select:
 - By particular SAP application components
 - By particular events by entering intervals
 - Which interfaces are used in activated products
 - Which interfaces are used within a particular country version or within a particular industry
 - Which interfaces are used within a particular customer product
3. Enter the function module which you have developed yourself. To do this, choose either Goto -> Edit modules within the info system or Settings -> P/S modules or Process modules -> Customer's in the "SAP Business Framework" menu. Make the following entries:
 - Key for the interface
 - The product that you want to use
 - Function module which belongs to this product.

You can also enter several function modules for a product.

Caution: The function module must be within your name range, that is must begin with the letter Z.

You leave the *Ctr* and *Appl.* fields blank unless you want a particular country version or a particular SAP industry-specific component to be enhanced or replaced instead of the standard process flow.

4. Fill the source text of your function module and activate it.
To do this, go again via Environment -> Info system (P/S) or Environment -> Info system (Processes) into the information system and execute the program. Then proceed as follows:
 - Click twice on the interface you have chosen. If you want, you can look at the interface at this point by choosing Goto -> Interface. Then choose the *Back* function again afterwards.
 - Place the cursor on the relevant line and choose Goto -> Function library. You see the sample function module delivered by SAP.
 - Copy the sample module delivered by SAP and call it the same as the function module entered in step 3.
 - Fill the source text of the empty function module.
 - Activate the function module.
 - Activate the product as described in step 1.
5. Run the R/3 program affected and test whether calling your function module works.

Further notes

The other menu paths are only used for information about additional components delivered by SAP or about software already installed by external software providers.

15.1.11.2.2 Develop Enhancements for Parking Documents

The following SAP enhancements are available for the "Document release workflow" area:

- SAPLF040 for the "Document release" workflow

Activities

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1. Create your enhancement. To do this, either create a new project or use an existing one. Modify the source code for a transaction delivered by SAP by adding the elements you need. SAP provides you with the necessary function modules with short text, interface, and documentation to be able to do this. A sample source code created by SAP may exist for user exits which can be copied (and changed) if required.
2. Activate the project.
This allows the ABAP source code to run. Enhancements will not have any effect beforehand.

Further notes

In contrast to modifications, enhancements can generally be transferred between Releases since they are carried out within a name range reserved for the customer rather than in the SAP original.

For more information about creating enhancements, see the SAP Library BC - Changing the SAP Standard.

Every enhancement is documented. To call up the documentation, choose *Utilities -> Display req.docu* from the project management screen for SAP enhancements.

15.1.11.2.3 Enhance Determination of Functional Area

Use

In this IMG activity, you extend the determination of the functional area during posting.

15.1.11.2.4 Business Add-Ins (BAdIs)

15.1.11.2.4.1 Checks

15.1.11.2.4.1.1 Extend Authorization Check for Posting to Ledger

Use

This Business-Add-In (BAdI) enables you to define your own authorization check for postings to the ledgers in the General Ledger.

The fields for the authorization object (such as activity) can be used as input for the authorization check. The possible activities are defined in authorization object *F_FAGL_LDR*.

If the user is not authorized to perform the specified activity, you trigger the exception *NO_AUTHORITY*.

Standard settings

With the standard settings, the authorization check is performed using the authorization object *F_FAGL_LDR*. If you create your own authorization check here, then it is performed in place of the standard authorization check.

Activities

Create your implementation and then activate it.

15.1.11.2.4.1.2 Extend Check of Open Posting Period

Use

This Business Add-In (BAdI) enables you to extend the existing check of open posting periods.

The result of the period check is provided to you as a parameter (*CH_SUBRC*). In your implementation, you can derive this parameter again (for example, if a posting is rejected under a certain condition).

The following values are allowed for parameter *CH_SUBRC*:

0 Posting allowed

4 Period & is not open for account type & and general ledger & 6 No authorization for posting period & &

Parameter *IM_RLDNR* contains the representative ledger of the ledger group specified in the document...

Standard settings

The system runs a check of the open posting periods. The check is based on your settings in IMG activity Open and Close Posting Periods.

Activities

Create an implementation for the BAdI and activate it.

15.1.11.2.4.1.3 Enhance Authorization Check for Document Display

Use

This Business Add-In (BAdI) is used in *Financial Accounting (FI)*.

Using this BAdI, you can add authorization checks to existing ones at the item level in the FI document display and change functions.

Up to and including SAP enhancement package 6 for SAP ERP 6.0 (SAP_APPL 606), this BAdI has only one method:

FI_AUTHORITY_ITEM

Example 1:

AUTHORITY-CHECK OBJECT 'XYZ'

 ID 'ACTVT' FIELD i_beract ID 'FISTL' FIELD i_bseg-fistl.

IF sy-subrc NE 0.

 IF i_beract = '02'.

 AUTHORITY-CHECK OBJECT 'XYZ'

 ID 'ACTVT' FIELD '03' ID 'FISTL' FIELD i_bseg-fistl.

 IF sy-subrc NE 0. c_rcode = 4.

 ELSE.

 c_bmodz = 'A'.

 ENDIF.

```
ELSE.  
  c_rcode = 4.  
ENDIF.  
ENDIF.
```

As of SAP enhancement package 6 for SAP ERP 6.0, version for SAP HANA 1.0 (SAP_APPL 616), this BAdI offers two additional methods: GET_FIELDLIST and GET_WHERE_CLAUSE

You can use both of these methods to adapt the implementation of the BAdI to in-memory databases. These methods are only used in this case and only if you have implemented the previous BAdI method.

Example 2:

You want to optimize the above example for in-memory databases. For this, you need to implement one of the two new BAdI methods.

Method ET_FIELDLIST:

DATA: ls_field TYPE LINE OF ET_FIELDS.

ls_field = 'FISTL'.

APPEND ls_field TO ET_FIELDS.

EV_SUPPLIED = 'X'.

Method GET_RANGE:

DATA: lt_fistl TYPE TABLE OF FISTL.

FIELD-SYMBOLS: <fistl> type fistl.

SELECT fistl FROM FMFCTR INTO TABLE lt_fistl.

LOOP AT lt_fistl ASSIGNING <fistl>.

AUTHORITY-CHECK OBJECT 'XYZ'

ID 'ACTVT' FIELD '03' "at least authority to display

ID 'FISTL' FIELD <fistl>-fistl.

IF sy-subrc EQ 0. ls_range-SIGN = 'I'. Ls_range-OPTION = 'EQ'. Ls_range-LOW = <fistl>-fistl.

APPEND ls_range to et_range.

ENDIF.

ENDLOOP.

Depending on the type of authorization check, it may be preferable to use method GET_FIELDLIST or method GET_WHERE_CLAUSE; the number of entities dictates essentially which method is preferable. For example, if there are very few possible values, it is preferable to use method GET_WHERE_CLAUSE. If you want to use different authorizations for different authorization activities, you still have to implement GET_FIELDLIST in any case.

- When you implement GET_FIELDLIST for an authorization check, the implementation of the previous method remains untouched.

- When you implement GET_WHERE_CLAUSE, you can generally delete the implementation of the previous method in method FI_AUTHORITY_ITEM.

Requirements

The corresponding authorization objects exist, and the authorizations have been defined.

Activities

After you call the IMG activity, the system displays a dialog box where you enter a name for the implementation.

If implementations of this Business Add-In have already been created, the system displays them in a dialog box. You then choose one of them by choosing *Create*, and continue as follows:

1. In the dialog box, enter a name for the implementation of the Add-In and choose *Create*. The system displays the initial screen for creating Business Add-In implementations.
2. On this screen, enter a short description for your implementation in the *Implementation Short Text* field.
3. If you choose the *Interface* tab, you will notice that the system has populated the *Name of the Implementing Class* field automatically, by assigning a class name based on the name of your implementation.
4. Save your entries and assign the Add-In to a package.
5. To edit a method, double-click its name.
6. Enter your implementation code between the methods `<Interface Name>~<Name of Method>. And end method. Statements.`
7. Save and activate your code. Navigate back to the *Change Implementation* screen. Note: You can also create an implementation for an Add-In and not activate it until later. If you want to do this, do not perform the following step:
8. Choose *Activate*.
When the application program is executed, the code you created is run through.

See also

Methods:

FI_AUTHORITY_ITEM

GET_FIELDLIST

GET_WHERE_CLAUSE

15.1.11.2.4.2 Segment Derivation

15.1.11.2.4.2.1 Derive Segment

Use

In this activity, you create an implementation for the Business-Add In (BAI)

FAGL_DERIVE_SEGMENT. In this way, you enhance the derivation of the segment during posting as follows:

- If **no** segment is entered during manual posting, the system determines the segment from this substitution.
- If the system **cannot** determine the segment from the substitution, the segment is derived from the profit center.

In the implementation of the BAI, you can choose whether you want to implement a user exit or create a formula.

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Activities

Create your implementation and then activate it.

15.1.11.2.4.2.2 Derive Partner Segment

Use

In this activity, you create an implementation for the Business-Add In (BAdI) *FAGL_DERIVE_PSEGMENT*. You use it to derive the partner segment.

In the implementation of the BAdI, you can choose whether you want to implement a user exit or create a formula.

Activities

Create your implementation and then activate it.

15.1.11.2.4.3 Real-Time Integration of Controlling with Financial Accounting

15.1.11.2.4.3.1 Select CO Line Items

Use

This Business-Add-In (BAdI) enables you to specify whether or not a specific CO line item (parameter *IS_COEP*) should be transferred to financial accounting with the real-time integration of Controlling with Financial Accounting.

15.1.11.2.4.3.2 Change FI/CO Document Line Item before Summarization

Use

With the real-time integration of Controlling with Financial Accounting, an accounting document is created and summarized from the CO document:

- In the first step, an accounting line item (parameter *CS_ACCIT*) is created from each individual CO line item (parameter *IS_COEP*).
- In the second step, the system summarizes the accounting line items.

How summarization is applied depends on whether the new General Ledger Accounting is activated:

- New General Ledger Accounting is active
In this case, only those account assignments (= characteristics) that are contained in the new General Ledger Accounting are transferred to Financial Accounting.
- New General Ledger Accounting is **not** active

In this case, the account assignments contained in the reconciliation ledger are transferred to

Financial Accounting. The transfer concerns the characteristics Company Code, Business Area, Functional Area, Fund, Grant, and the related partner fields, such as Partner Company Code.

This BAdI enables you to fill other fields in the accounting line items **before** the system performs the summarization. These fields are then **not** summarized to zero.

You can also change the amounts and/or the currency keys that are transferred to Financial Accounting (parameters *CS_CURR_KEYS* and *CS_CURR_VALUES*).

15.1.11.2.4.3.3 Change FI/CO Document after Summarization

Use

With the real-time integration of Controlling with Financial Accounting, an accounting document is created from the CO document. Before the accounting document is posted, it is first summarized.

This Business-Add-In (BAdI) enables you to change the summarized accounting document before it is posted. You can, for example, change the document header text or include additional account assignment fields and customer-specific fields in the document.

15.1.11.2.4.4 FI/CO document

15.1.11.2.4.4.1 Check FI/CO Document

Use

You can implement the Business Add-In (BAdI) *AC_DOCUMENT* for postings using the AC interface. This BAdI allows the field contents of the general accounting document (AC document) to be enriched or changed. In this way, the AC document contains complete posting information for all accounting components (such as FI, CO, and SL).

To change field contents (substitution), there are currently two call-up points available during processing in the AC interface:

- **Before** calling the AC interface call-up point: CHECK (CHANGE_INITIAL).
The AC document is available at the BAdI call-up point CHANGE_INITIAL, even before an AC component is called. Here, you can substitute selected fields in the AC document (structure ACC_DOCUMENT_SUBST).
- **After** calling the AC interface call-up point CHECK (CHANGE_AFTER_CHECK). In the BAdI call-up point CHANGE_AFTER_CHECK, you can substitute the same fields of the AC document after the AC interface event CHECK in which the enrichments and initial checks occurred has been called

The ACC_DOCUMENT_SUBST structure that contains the modifiable fields of the AC documents was first built from the superset of substitutable fields in the FI and CO components at the line item level (table GB01 contains the substitutable fields for the VSR application).

15.1.11.2.4.5 Tax on Sales/Purchases

15.1.11.2.4.5.1 Define and Check Tax Reporting Date

Use

You use this Business Add-In (BAI) in the *Financial Accounting (FI) component to have the system propose a value for the tax reporting date field during document entry.*

The method `VATDATE_DETERMINE` determines the default value proposed on the screen, for example, during document entry in the dialog box for taxes. The method `VATDATE_DETERMINE` proposes the posting date, the document date, or another value according to customer-defined rules.

You can change this date in the transaction for changing documents (FB02). But first you need to allow for the date to be changed in Customizing for Document Change Rules under Document Change Rules, Document Header. You can use the method `VATDATE_CHECK` of this BAI to verify the changes to the tax reporting date in the document.

Standard settings

The BAI is activated in the standard delivery. The default implementation takes effect only after you activate the function for the tax reporting date in Customizing for the global parameters of the company code. To do this, go to Enter Global Parameters and set *Tax Reporting Date Active*.

The standard programs of Financial Accounting only call up the method `VATDATE_CHECK`.

In Financial Accounting, the BAI is implemented in the following places:

- Function group TAX1 (taxes)
- Program SAPMF05A (entry of accounting documents)
- Program SAPMF05L (display and change of financial accounting documents)
- Function group RWCL (general interface to accounting)
- Function group SAPLFCJ_PROCESS_MANAGER (cash journal)

The default implementation for Releases starting at SAP ERP 6.0 is called `VATDATE_VALUES_DEFAULT_SAP`.

Within the default implementation, the system always calls the method `VATDATE_DETERMINE` when the document requires a tax reporting date (`VATDATE`) but no value is available or a value could not yet be entered. By default, the system proposes either the posting date or the document date. Which date the system proposes depends on your Customizing settings for the company code, which you make under Assign Company Code to Document Date for Tax Determination?

Method `VATDATE_CHECK` checks whether a provided value, a proposed value, or an entered value fulfills certain conditions or rules.

You also can create your own implementation in which these special rules are defined. The standard rule states that the tax reporting date (`VATDATE`) must not be prior to the posting date and the document date. If it is earlier, the system issues the message `FF785`; you can change this message in Message Control.

The BAI is **not** filter-dependent. And it is **not** usable more than once.

Activities

After calling up the IMG activity, a dialog box appears, in which you can enter a name for the implementation.

If you have already made other implementations for this BAI, another dialog box appears, in which the existing implementations are displayed. In this case, choose *Create*, and proceed as follows:

1. In the dialog box, enter a name for the BAI implementation in the *Implementation* field, and choose *Create*.
The screen for creating BAI implementations is now displayed.
2. Enter a short text for the implementation in the *Short text for implementation* field.

3. From the tab index, choose *Interface*.
The *Name of implemented class* field is already filled on the tab page, as a class name was automatically assigned to the implementation when you named it.
4. Save your entries, and assign the implementation to a development class.
5. Place the cursor on the method, and double-click to enter method processing.
6. Enter the code for the implementation between the statements `method <Interface name> ~ <Name of method>` and `end method`.
7. Save and implement your code. Return to the *Edit Implementation* screen.
8. Save the entries on the *Edit Implementation* screen.
Note: You can also create an implementation, and then activate it at a later time. In such a case, end the processing stage at this point.
9. Choose *Activate*.
The code you stored in the method will be run when the application program is executed.

See also

Methods:

Determine Tax Reporting Date (VATDATE_DETERMINE)

Check Tax Reporting Date (VATDATE_CHECK)

SAP Note: 1232484

15.1.11.2.4.5.2 Determine Exchange Rate for Tax Items

Use

This Business Add-In (BAdI) is used in *Financial Accounting (FI)*. You can use this BAdI to determine the exchange rate that is relevant for tax items in documents.

The BAdI is implemented exclusively in the general interface to accounting (function group RWCL).

Standard settings

The BAdI is activated in the standard delivery. The default implementation takes effect only after you activate the function for the tax reporting date in Customizing for the global parameters of the company code. To do this, go to Enter Global Parameters and set *Tax Reporting Date Active*.

The enhancement spot `ESPOT_TAX_EXCHANGE_RATE` has the BAdI definition `BADI_TAX_EXCHANGE_RATE`.

The default implementation is called `TXKRS_SET_DEFAULT_VATDATE`. It determines an exchange rate only for billing documents and cash journal documents.

The BAdI is **not** filter-dependent. And it is **not** usable more than once.

Activities

After calling up the IMG activity, a dialog box appears, in which you can enter a name for the implementation.

If you have already made other implementations for this BAdI, another dialog box appears, in which the existing implementations are displayed. In this case, choose *Create*, and proceed as follows:

1. In the dialog box, enter a name for the BAdI implementation in the *Implementation* field, and choose *Create*.

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The screen for creating BAdI implementations is now displayed.

2. Enter a short text for the implementation in the *Short text for implementation* field.
3. From the tab index, choose *Interface*.
The *Name of implemented class* field is already filled on the tab page, as a class name was automatically assigned to the implementation when you named it.
4. Save your entries, and assign the implementation to a development class.
5. Place the cursor on the method, and double-click to enter method processing.
6. Enter the code for the implementation between the statements `method <Interface name> ~ <Name of method> and end method.`
7. Save and implement your code. Return to the *Edit Implementation* screen.
8. Save the entries on the *Edit Implementation* screen.
Note: You can also create an implementation, and then activate it at a later time. In such a case, end the processing stage at this point.
9. Choose *Activate*

The code you stored in the method will be run when the application program is executed.

See also

Method: Determine Tax Rate (TXKRS_SET)

15.1.11.3 Archiving

15.1.11.3.1 Accounting Document Archiving

You can delete and archive documents from the system which you no longer require in the online system. In the following activities, you specify the minimum number of days that an accounting document and the respective secondary indexes must be in the system before they can be archived. You can make this specification dependent on document type and account type.

Note

To be able to delete and archive the account master data from the system, you must set the deletion indicator in the master record. Otherwise it is not necessary to make a Customizing setting for this.

15.1.11.3.1.1 Archiving, Account Type Life

In this activity you specify a minimum life for accounts in days. When archiving documents, the system checks whether this minimum life is adhered to.

You can also define index lives. The system contains the following indexes for Financial Accounting: secondary indexes and archiving indexes.

Information on the document is held in parallel to the actual document data in the secondary indexes of G/L accounts, customer accounts, and vendor accounts. By means of the secondary index life, you can now determine how many days a secondary index for a document is to remain in the system related to the clearing date and archiving key date. This means that the secondary indexes are no longer deleted immediately after archiving but not until after the period which you have specified.

You can start the deletion program automatically after the archiving run or else separately as a post-processing program or index reduction program.

The archiving indexes are reduced in the same way as the secondary indexes but contain much less information. You can find the essential information for an account-oriented direct access to the document in the archive.

Example

The archiving key date is 04/01/1996 and the secondary index life is 60 days. The posting date is 03/15/1996 for document A and 01/15/1997 for document B. The secondary index for document A is not deleted at the time of archiving while it is deleted for B.

Note

To define the account life, you specify account number intervals. In this case, these are G/L accounts. For the account types D (customer) and K (vendor), you must therefore enter the numbers of the reconciliation accounts.

The system always uses the most exact entry for an account. This means that entries with an "*" are not exact and specialization decreases with the length of the respective G/L account interval.

A special role takes into consideration the situation where, for one account, an entry exists with company code "*" and a particular account type (such as D for customer account) as well as an entry with account type "*" and a particular company code (such as 0001). Since it is not possible to say which of the two options is more exact in this situation, the system takes the entry with the maximum number of days. Before this, the system searches for the shortest relevant G/L account interval in both company code/account type combinations.

The index lives must always be after or the same as the account life.

Activities

Determine the account lives and the index lives which you require.

15.1.11.3.1.2 Archiving, Document Type Life

In this activity you specify a minimum life in days depending on the document type. When archiving documents, the system checks whether this minimum life is adhered to.

You can also determine the archiving index life for document types. The archiving indexes represent the link between the Financial Accounting data and the archives. As long as the system knows these document-oriented archiving indexes it is possible, for example, to display documents from the archive. This function also applies to displaying line items from the document archive.

The system always uses the most exact entry for a document type. The system sees entries with an "*" as not being exact or specific.

A special role takes into consideration the situation where, for one document type, an entry exists with company code "*" and a particular document type (such as SA) as well as an entry with document type "*" and a particular company code (such as 0001). In this case the system takes the entry with the maximum number of days.

Activities

Determine the minimum life per document type.

Note

If you use the subsequent settlement function, the residence time specified there works as logically "and-linked" with the residence time of the document type maintained here.

15.1.11.3.1.3 Develop Enhancements for Archiving

The following SAP enhancements are available for the "Archiving" area:

- FARC0001 for FI Archiving programs

Activities

1. Create your enhancement. To do this, either create a new project or use an existing one. Modify the source code for a transaction delivered by SAP by adding the elements you need. SAP provides you with the necessary function modules with short text, interface, and documentation to be able to do this. A sample source code created by SAP may exist for user exits which can be copied (and changed) if required.

2. Activate the project.
This allows the ABAP source code to run. Enhancements will not have any effect beforehand.

Further notes

In contrast to modifications, enhancements can generally be transferred between Releases since they are carried out within a name range reserved for the customer rather than in the SAP original.

For more information about creating enhancements, see the SAP Library BC - Changing the SAP Standard.

Every enhancement is documented. To call up the documentation, choose *Utilities -> Display req.docu* from the project management screen for SAP enhancements.

15.1.11.4 Workflow

15.1.11.4.1 Workflow for Document Parking

15.1.11.4.1.1 Create Workflow Variant for Parking Documents

Create a workflow variant. You allocate a workflow template for the account assignment approval to this variant. You also specify whether the document release is active and from which amount this is necessary. You can read about how to copy workflow templates within the workflow settings for posting documents and release.

Activities

Define your workflow variant.

Further notes

You can find out which workflow templates are delivered with the standard system by reading the documentation under Financial Accounting in the *Accounts Payable* document. You can find more information on workflow under cross-application functions in the *SAP Business Workflow* document.

15.1.11.4.1.2 Define Entry Screens for Parking Documents

In the following activity, you define fast entry screen templates for parked documents.

You can define several entry screens from a list of possible fields for this.

Activities

1. Check to what extent you can use the standard templates. Define your own screen templates if necessary.

15.1.11.4.1.3 Assign Company Code to a Workflow Variant for Parking Documents

Company codes can be assigned to the workflow variants. If a company code is not assigned to a workflow variant, then a document release is not carried out.

The currency of the workflow variant and of the corresponding company codes must be the same.

Activities

Assign workflow variants to the company codes for which you want to release parked documents.

15.1.11.4.1.4 Define Release Approval Groups for Parking Documents

In this activity, you define release approval groups. You then enter these in the master records of your customers and vendors.

You require release approval groups in the later activities Assign release approval paths and Assign release approval procedures. On the basis of the release approval path and a certain amount, the system determines which sub workflow is triggered by the payment release and who is to release the payment. If a release approval group is not defined, the system subsequently accesses the data with the initial release approval group.

Activities

1. Define your release approval groups.
2. Then enter the groups in the customer or vendor master record.

15.1.11.4.1.5 Define Release Approval Paths for Parking Documents

In this activity you define your release approval paths. You need these for the steps "Allocating release approval paths" and "Allocating release approval procedures".

Activities

Define your release approval paths.

15.1.11.4.1.6 Assign Release Approval Paths for Parking Documents

In this activity you assign a release approval path to a combination of workflow variants, document types and release approval groups. You need to make this assignment before you can carry out the activity "Assign release approval procedures".

Requirements

Prior to this activity you must have defined release approval groups and release approval paths. For information on this, refer to Define release approval groups and Define release approval paths.

Activities

Make the necessary assignments.

15.1.11.4.1.7 Assign Release Approval Procedure for Parking Documents

For each workflow variant and release approval path, you determine as from which amount which release approval procedure is triggered and carried out. These procedures are referred to as "sub workflows" in workflow terms. They control how the release is to proceed in detail, for example, how many release levels are to be run.

Standard settings

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The standard system comes with sub workflows predefined as workflow templates for use as a reference for your own sub workflows. The first of these (WS1000052) contains a single-level release, the second, (WS1000053), a two-level release and the third, (WS1000054), a three-level release. The single-level requires just one person to release the document. The two-level version supports dual control, whilst the three-level procedure allows for triple control of payment releases. Each sub workflow is triggered the first time parked documents are entered.

Activities

Assign the release approval procedure (sub workflow) that you require dependent on the workflow variant, release approval path, and amount.

You can also enter your own sub workflows here. However, they must receive the same data from the workflow (WS1000051) as the predefined workflow example (WS1000052, and so on).

You can also specify the release levels to be executed. You set this specification in the parked document and it should correspond with the number of release levels of the sub workflow. However, this specification is not evaluated by the predefined workflow examples and in this case, has only an explanatory nature.

Since the number of release levels is stored in the parked document, (and this number is accessible within the workflow as Attribute for object type FIPP), this number could be used in customer sub workflows.

15.1.11.4.1.8 Define Users with Release Authorization for Parking Documents

In this activity, you assign the persons authorized to release to the amount release in the form of an organizational unit (position, organizational unit, and job). You assign the organizational object dependent on the workflow variant, the release approval path, the release approval level reached, and the amount entered. In turn, these parameters are dependent on the document data entered.

To assign organizational objects to an entry, select the entry and choose *Goto -> Detail OrgObject*. The organizational objects defined for the amount release in Customizing for Financial Accounting are automatically assigned to the standard task amount release in the background.

Activities

Define the persons authorized to release using organizational objects and assign these to an appropriate combination of

- Workflow variant
- Release approval path
- Release approval level
- Amount

15.1.11.4.1.9 Reset Release Approval (Customers)

If changes are made within certain fields of the "Customer" account type, the document release is cancelled and restarted. In this activity, you include the fields to be checked in case of changes to the document. If you included, for example, the amount field here and the amount is then changed in the customer item, the document release is cancelled and must be restarted.

Activities

Include the fields for which the release is to be cancelled if they are changed. All fields that can be entered in the document are displayed for entry.

If the settings have been transported from another system, you have to start report RFBIPPG2 in the current system. This generates a function module that evaluates the Customizing settings.

15.1.11.4.1.10 Reset Release Approval (Vendors)

If changes are made within certain fields of the "Vendor" account type, the document release is cancelled and restarted. In this activity, you include the fields to be checked in case of changes to the document. If you included, for example, the amount field here and the amount is then changed in the vendor item, the document release is cancelled and must be restarted.

Activities

Include the fields for which the release is to be cancelled if they are changed. All fields that can be entered in the document are displayed for entry.

If the settings have been transported from another system, you have to start report RFBIPPG2 in the current system. This generates a function module that evaluates the Customizing settings.

15.1.11.4.1.11 Reset Release Approval (G/L Accounts)

If changes are made within certain fields of the "G/L account" account type, the document release is cancelled and restarted. In this activity, you include the fields to be checked in case of changes to the document. If you included, for example, the amount field here and the amount is then changed in the G/L account item, the release is cancelled and the document release must be restarted.

Activities

Include the fields for which the release is to be cancelled if they are changed. All fields that can be entered in the document are displayed for entry.

If the settings have been transported from another system, you have to start report RFBIPPG2 in the current system. This generates a function module that evaluates the Customizing settings.

15.1.11.4.1.12 Reset Release Approval (Asset Accounts)

If changes are made within certain fields of the "Fixed asset" account type, the document release is cancelled and restarted. In this activity, you include the fields to be checked in case of changes to the document. If you included, for example, the amount field here and the amount is then changed in the fixed asset item, the release is cancelled and the document release must be restarted.

Activities

Include the fields for which the release is to be cancelled if they are changed. All fields that can be entered in the document are displayed for entry.

If the settings have been transported from another system, you have to start report RFBIPPG2 in the current system. This generates a function module that evaluates the Customizing settings.

15.1.11.5 Change Message Control

With this IMG activity, you can set the appearance of selected system messages in accordance with your own requirements.

You can

- Determine the message type (error, warning, note in the bar at the foot of the screen)
- Switch a message off completely

In the <LSialog column, you can set the message type for the following processing types:

- Dialog

- Background processing
- Batch input processed in the dialog (open)

You can determine the message type for batch inputs processed in the background in the *BatchI* column.

You can make the corresponding settings for all users or for individual users.

Recommendation

To begin with, use the standard system messages. If a changeable message appears, it is possible for you to go from the message long text to the change mode of message control.

Activities

1. Specify the application area from which the message comes. Close the dialog box by choosing *Exit*.
2. Choose *Edit -> New entries*. 3. Now enter the following data:
 - Message number
Note that only certain messages in an application area are changeable.
 - User name
If you enter a name here, the settings apply only for this user. IF you make no entries here, the settings apply for all users in the client.
 - Message type
Enter the required message type.
 - Save your entries. The corresponding message text is set automatically.

Notes on transporting

You can transport message control settings manually. To do so, choose *Table view -> Transport*.

15.1.11.6 Customizing and Performance Monitor

Use

You can use the monitor to display the Customizing settings for General Ledger Accounting. It offers a range of functions that you can use to analyse different sections of Customizing. These sections can be grouped into the following main areas:

1. **Customizing Organizational Structure:** In this area, the organizational structure in the system is read and displayed hierarchically. You find detailed information on the organizational unit's ledger, company code, controlling area, and operating concern.
2. **Document Splitting:** In this area, you find options for the detailed analysis of the document splitting settings.

In the *Data Analysis* area, the monitor offers functions for the quantitative analysis of the transaction data updated in the line item tables, totals record tables, and document splitting tables of General Ledger Accounting. First start the *Run Data Analysis* function as a background job. The analysis data is stored automatically in a data file. You can then use various criteria to analyse it.

15.1.11.7 Compare Ledgers

Use

In this IMG activity, you compare the summary records of two different ledgers. The comparison is made at company code and G/L account levels. You can also include additional fields (such as cost center) in the comparison.

Use this report if, during the implementation phase of new General Ledger Accounting, you still update the tables of classic General Ledger Accounting (GLT0) in parallel. This report allows you to compare the totals records in the tables for new General Ledger Accounting against the totals records in the tables for classic General Ledger Accounting (GLT0).

15.1.11.8 Deactivate Update of Classic General Ledger (GLT0)

Use

In this IMG activity, you deactivate the update of tables of classic General Ledger Accounting. When you activate new General Ledger Accounting, not only are the tables of new General Ledger Accounting updated in the standard system, but also the balances in the tables of classic General Ledger Accounting (table GLT 0).

This default setting is there to enable you to use comparison reports during the implementation phase of new General Ledger Accounting to ensure that new General Ledger Accounting delivers correct results. To compare the data, you use the IMG activity Compare Ledgers. Once you have established that new General Ledger Accounting is set up correctly and is operating correctly, you can deactivate the updates from classic General Ledger Accounting. To do this, deselect the indicator *Write Classic General Ledger (GLT0)*.

Standard settings

In the standard system, reading data from the tables of classic General Ledger Accounting is deactivated.

This means that the programs of classic General Ledger Accounting (such as classic financial statement) read the balances from the tables of new General Ledger Accounting. If you want the programs of classic General Ledger Accounting to read the tables of classic General Ledger Accounting, select the indicator *Read Classic General Ledger (GLT0)*. You should only select this indicator if the indicator *Write Classic General Ledger (GLT0)* is also selected.

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