THE UNIVERSITY
OF QUEENSLAND

VAT Functionality Enhancements- All Affected Modules

Background

The assignment of VAT (GST) when processing financial information is difficult and time consuming for most users. In most circumstances, errors in selecting the VAT correctly then flow through to the BAS. These errors require the Tax Specialists within Finance & Business Services to make manual corrections to the BAS each month.
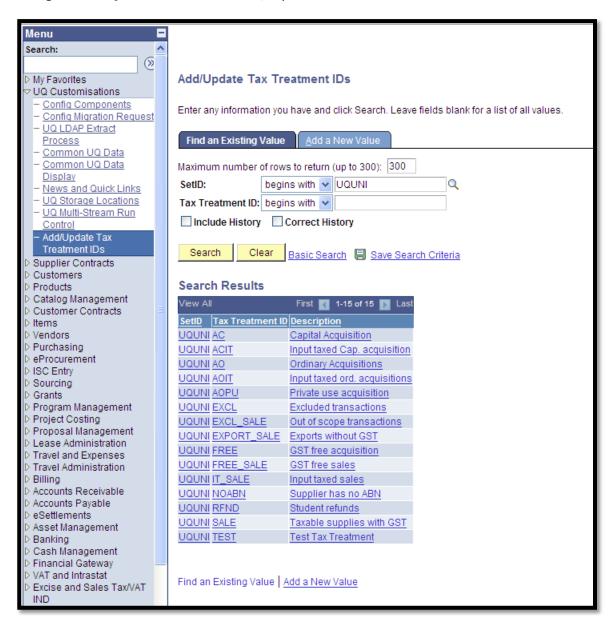
Currently, when assigning a VAT Type, the user must select the Use Type, Applicability, VAT Code and Transaction Type when changing the VAT Defaults.

VAT Functionality Enhancement

A custom table has been developed to maintain the valid VAT combinations. This table will be maintained by Financial Systems dependent on the advice from the Tax Specialists within FBS. This table has effective dated rows which enable Financial Systems to maintain the information over time. Legislative changes may require the values to be changed.

Navigation: UQ Customisations- Add/ Update Tax Treatment IDs

A Tax Treatment ID will be selected and used by 'novice' users as the primary driver of VAT defaults for certain business transactions. By selecting a particular Tax Treatment ID, this will automatically populate the following VAT related variables:
- VAT Transaction Type
- VAT Code
- VAT Applicability; and
- VAT Use Type

As not all Tax Treatment IDs would be applicable to all business transactions, a customised view (prompt table) of allowable Tax Treatment IDs will be provided in each module.

The new Tax Treatment ID will be used in 3 business processes:
- Procurement Card reconciliation
- AP Voucher Entry
- Billing Entry

The allowable Tax Treatment IDs within each module have been assessed and approved by the Tax Specialists within Finance & Business Services.

VAT Functionality Enhancement in Purchasing

The Add/Update PO function has been customised so users will no longer be able to change the VAT on a purchase order. The VAT amount will be derived from the VAT defaults defined on the category and vendor record. In the event that exceptions occur and the VAT defaults are incorrect, the user may contact the Purchasing Administrator within Account Payable to make the necessary VAT changes online **if** the user needs to view the corrected VAT on the purchase order (should only happen in exceptional circumstances). Alternatively, Accounts Payable staff can correct the VAT upon voucher processing.

The Schedule VAT has been removed.

The Distribution VAT has been removed.

Only users with the UQ C PO Administrator role may access the Schedule VAT and Distribution VAT. This will prevent novice users from accessing the VAT pages and modifying the VAT information.

VAT Functionality Enhancement in Procurement Cards

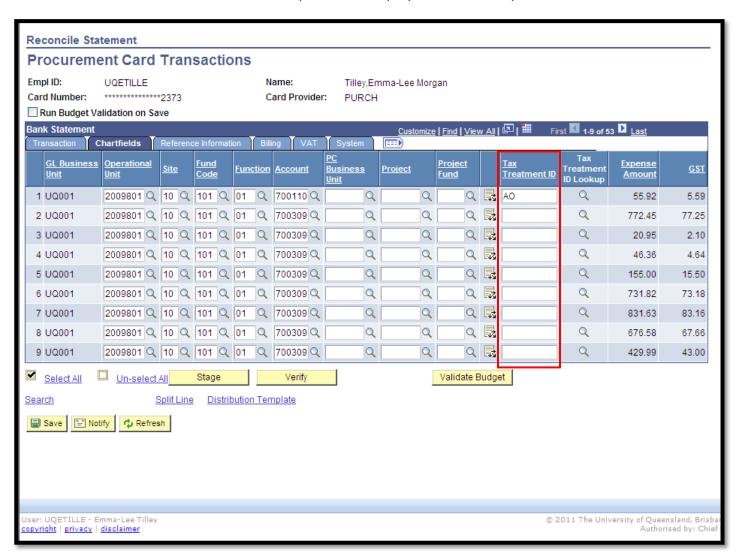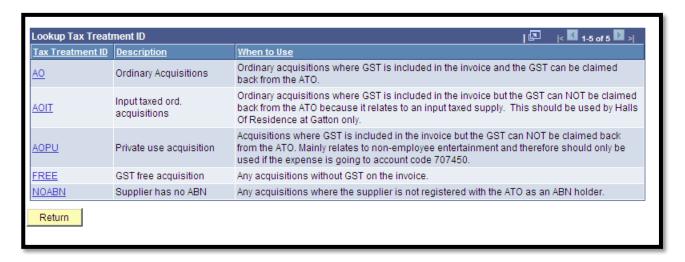When reconciling procurement card transactions, users will be required to select a Tax Treatment ID instead of changing the VAT values on the Credit Card Transaction Line VAT page. VAT may also be changed on the Credit Card Distribution VAT page.

Reconcilers will now only be required to select a Tax Treatment ID for each transaction line. The Line VAT icon will be still visible on the VAT table for exceptions although this should not be communicated/ promoted for use to users.

The Tax Treatment ID is on the Chartfields tab. A user may customise their view to move the Tax Treatment ID column to the first tab to improve the display and data entry.

Reconcile Statement

Procurement Card Transactions

| Empl ID: | UQETILLE | Name: | Tilley,Emma-Lee Morgan |
| Card Number: | ***************2373 | Card Provider: | PURCH |

☐ Run Budget Validation on Save

Bank Statement   Customize | Find | View All | 🖾 | 🏢   First ◀ 1-9 of 53 ▶ Last

Tabs: Transaction | **Chartfields** | Reference Information | Billing | VAT | System

	GL Business Unit	Operational Unit	Site	Fund Code	Function	Account	PC Business Unit	Project	Project Fund		Tax Treatment ID	Tax Treatment ID Lookup	Expense Amount	GST
1	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700110 🔍	🔍	🔍	🔍	📑	AO	🔍	55.92	5.59
2	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	772.45	77.25
3	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	20.95	2.10
4	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	46.36	4.64
5	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	155.00	15.50
6	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	731.82	73.18
7	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	831.63	83.16
8	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	676.58	67.66
9	UQ001	2009801 🔍	10 🔍	101 🔍	01 🔍	700309 🔍	🔍	🔍	🔍	📑		🔍	429.99	43.00

☑ Select All   ☐ Un-select All   [Stage]   [Verify]   [Validate Budget]

Search   Split Line   Distribution Template

[💾 Save] [📧 Notify] [🔄 Refresh]

User: UQETILLE - Emma-Lee Tilley
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Authorised by: Chief

The prompt table of Tax Treatment IDs available to the user in reconciling procurement card transactions are:

Tax Treatment ID	Description	When to Use
AO	Ordinary Acquisitions	Ordinary acquisitions where GST is included in the invoice and the GST can be claimed back from the ATO.
AOIT	Input taxed ord. acquisitions	Ordinary acquisitions where GST is included in the invoice but the GST can NOT be claimed back from the ATO because it relates to an input taxed supply. This should be used by Halls Of Residence at Gatton only.
AOPU	Private use acquisition	Acquisitions where GST is included in the invoice but the GST can NOT be claimed back from the ATO. Mainly relates to non-employee entertainment and therefore should only be used if the expense is going to account code 707450.
FREE	GST free acquisition	Any acquisitions without GST on the invoice.
NOABN	Supplier has no ABN	Any acquisitions where the supplier is not registered with the ATO as an ABN holder.

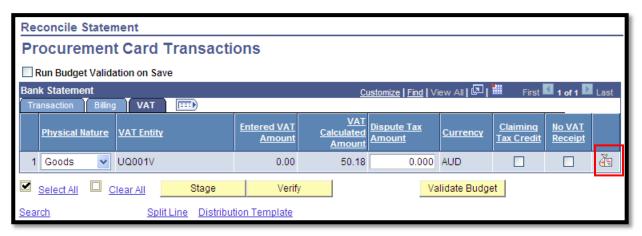Lookup Tax Treatment ID — 1-5 of 5

Return

If a user attempts to update a transaction status to indicate it has been reconciled without specifying a Tax Treatment ID, an error message will be displayed.

Message

Tax Treatment ID is required for row 2 to set and calculate the GST. (22160,4)

Tax Treatment ID is required for a modified row to set the VAT defaults and calculate the GST. The VAT Defaults may be reviewed on the VAT tab.

OK

By selecting a particular Tax Treatment ID, this will automatically populate the following VAT related variables on the Credit Card Transaction Line VAT.
- VAT Transaction Type
- VAT Code
- VAT Applicability; and
- VAT Use Type

The existing Line VAT icon has been hidden and only those users with the Procurement Card Administrator role can access this page to make changes.

Reconcile Statement
Procurement Card Transactions

☐ Run Budget Validation on Save

Bank Statement — Customize | Find | View All | First 1 of 1 Last

Transaction | Billing | VAT

	Physical Nature	VAT Entity	Entered VAT Amount	VAT Calculated Amount	Dispute Tax Amount	Currency	Claiming Tax Credit	No VAT Receipt	
1	Goods	UQ001V	0.00	50.18	0.000	AUD	☐	☐	

☑ Select All   ☐ Clear All   Stage   Verify   Validate Budget

Search   Split Line   Distribution Template

VAT Functionality Enhancement in Accounts Payable

Vouchers may be generated by copying a PO (or PO Receipt), using the Voucher Excel to CI Load or via Online Entry.

With all methods, the VAT defaults applied may differ from the actual GST amounts on the supplier invoice.

The current method of entering a voucher is:

1. Enter invoice number, invoice date and copy from PO/ PO Receipt
2. Check totals and enter GST Amount if specified on invoice
3. Save voucher
4. If an error message relating to VAT is displayed; correct the VAT on the invoice line VAT page
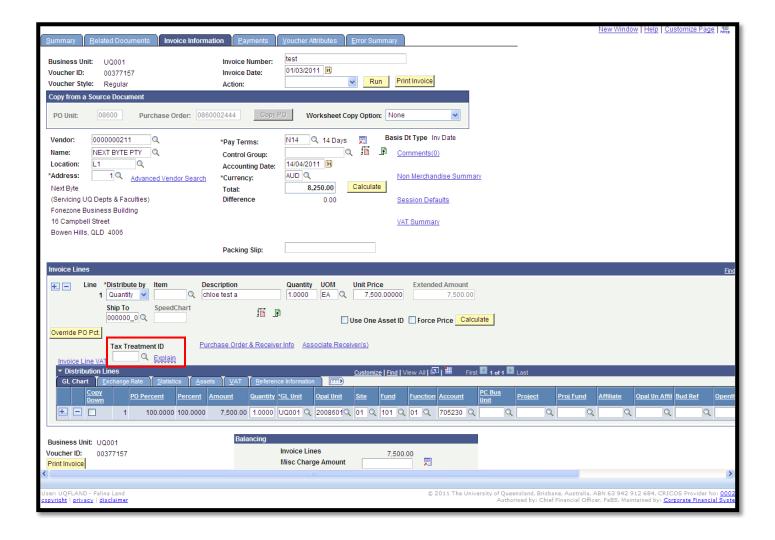5. Save the voucher again

The new enhancement provides for a Tax Treatment ID on the voucher entry page. This enables the Data Entry Clerk to quickly enter/ select a Tax Treatment ID instead of manually updating all the required VAT fields on invoice Line VAT page should the specified VAT be different to the invoice. By selecting a Tax Treatment ID, the relating VAT values are populated on the Invoice Line VAT and the Voucher Distribution Line VAT.
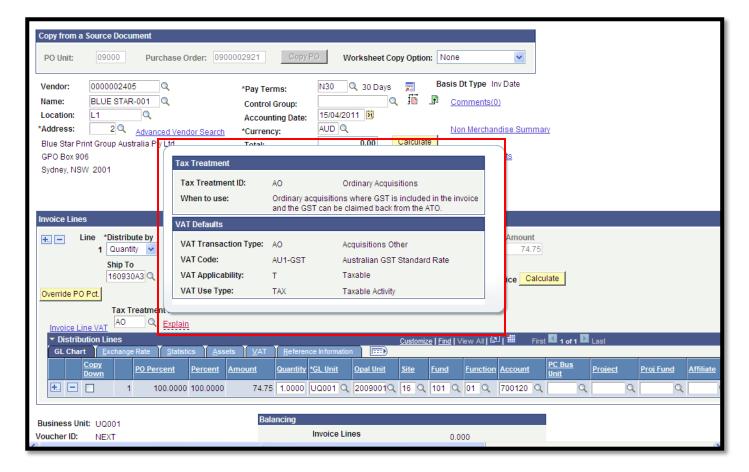
To assist the AP clerk in assessing whether the VAT defaults are appropriate for the voucher line, a popup page will show the VAT elements:

- VAT Trans Type;

- VAT Code;

- VAT Applicability, and

- VAT Use Type.

The popup page will be displayed when the mouse hovers over the 'Explain' hyperlink.

The Tax Treatment ID field is optional and the AP Clerk may still access the VAT Defaults directly and change any or all of the VAT elements if required.

Summary | Related Documents | **Invoice Information** | Payments | Voucher Attributes | Error Summary

Business Unit: UQ001	Invoice Number: test
Voucher ID: 00377157	Invoice Date: 01/03/2011
Voucher Style: Regular	Action: [_____] Run Print Invoice

Copy from a Source Document

PO Unit: 08600 Purchase Order: 0860002444 Copy PO Worksheet Copy Option: None

Vendor: 0000000211	*Pay Terms: N14 14 Days	Basis Dt Type Inv Date	
Name: NEXT BYTE PTY	Control Group: [_____]	Comments(0)	
Location: L1	Accounting Date: 14/04/2011		
*Address: 1 Advanced Vendor Search	*Currency: AUD	Non Merchandise Summary	
Next Byte	Total: 8,250.00 Calculate		
(Servicing UQ Depts & Faculties)	Difference 0.00	Session Defaults	
Fonezone Business Building			
16 Campbell Street		VAT Summary	
Bowen Hills, QLD 4006			

Packing Slip: [_____]

Invoice Lines   Find

Line	*Distribute by	Item	Description	Quantity	UOM	Unit Price	Extended Amount
1	Quantity		chloe test a	1.0000	EA	7,500.00000	7,500.00

Ship To SpeedChart
000000_0 [_____]   Use One Asset ID Force Price Calculate

Override PO Pct.

Tax Treatment ID   Purchase Order & Receiver Info   Associate Receiver(s)
[____] Explain

Invoice Line VAT

Distribution Lines   Customize | Find | View All | First 1 of 1 Last

GL Chart | Exchange Rate | Statistics | Assets | VAT | Reference Information

	Copy Down	PO Percent	Percent	Amount	Quantity	*GL Unit	Opal Unit	Site	Fund	Function	Account	PC Bus Unit	Project	Proj Fund	Affiliate	Opal Un Affil	Bud Ref	Openit
1	☐	100.0000	100.0000	7,500.00	1.0000	UQ001	2008601	01	101	01	705230							

Business Unit: UQ001	**Balancing**
Voucher ID: 00377157	Invoice Lines 7,500.00
Print Invoice	Misc Charge Amount [_____]

The Tax Treatment IDs available to be used in the Accounts Payable module are:

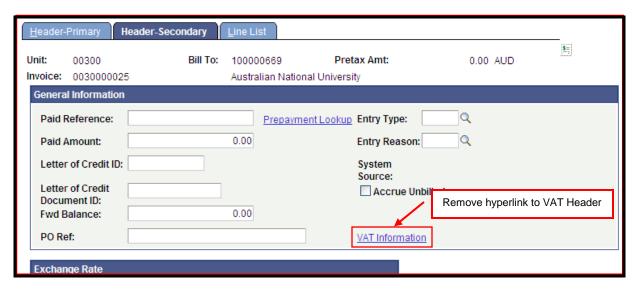| Tax Treatment ID	Description	When to Use
AC	Capital Acquisition	Capital acquisitions where GST is included in the invoice and the GST can be claimed back from the ATO. Capital items include buildings, equipment etc. These VAT codes should only be used for account codes between 705100 and 705399.
ACIT	Input taxed Cap. acquisition	Capital acquisitions where GST is included in the invoice but the GST can NOT be claimed back from the ATO because it relates to an input taxed supply. This should be used by Halls Of Residence at Gatton only.
AO	Ordinary Acquisitions	Ordinary acquisitions where GST is included in the invoice and the GST can be claimed back from the ATO.
AOIT	Input taxed ord. acquisitions	Ordinary acquisitions where GST is included in the invoice but the GST can NOT be claimed back from the ATO because it relates to an input taxed supply. This should be used by Halls Of Residence at Gatton only.
AOPU	Private use acquisition	Acquisitions where GST is included in the invoice but the GST can NOT be claimed back from the ATO. Mainly relates to non-employee entertainment and therefore should only be used if the expense is going to account code 707450.
EXCL	Excluded transactions	Payments which do not relate to a supply for GST purposes (e.g. internal transactions, donations).
FREE	GST free acquisition	Any acquisitions without GST on the invoice.
NOABN	Supplier has no ABN	Any acquisitions where the supplier is not registered with the ATO as an ABN holder.
RFND	Student refunds	Student refunds through the AP system.

VAT Functionality Enhancement & Billing

When entering an online bill the VAT treatment is derived from the Customer record and Bill Identifier. In some cases the VAT treatment applied from the billing defaults will differ from the actual GST amounts required on the invoice. In these cases the user needs to adjust the VAT elements.

The new enhancement assists billing users in selecting the correct VAT treatment for bills. A Tax Treatment lookup table is available on the Line List page to enable the user to quickly select a VAT combination to override the VAT defaults that may have been applied by the Customer or Bill Identifier.
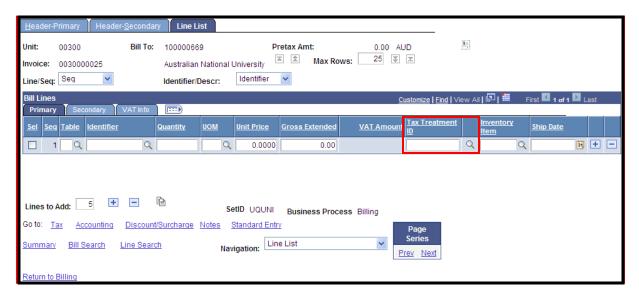
VAT Line Information icon removed

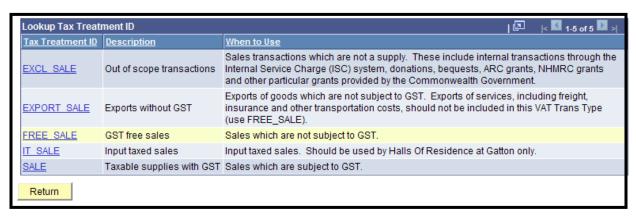VAT Information (Header) hyperlink removed

The removal of the *Go to VAT info* icon and the *VAT Information* hyperlink will prevent 'novice' users from accessing the VAT pages and modifying the VAT information.

Only users with the UQ C BI Officer Advanced role may access the *Go to VAT info* icon (VAT Line) and *VAT Information* hyperlink (VAT Header) to modify VAT information.

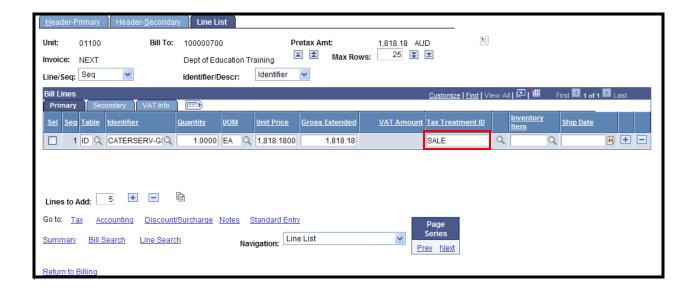The Tax Treatment ID field is on the Line List – *Primary tab*.

The Tax Treatment ID's available in the Billing Module are:

Selecting a Tax Treatment ID will override the default values that have been applied to the 3 Line VAT elements from the Bill Identifier:

- VAT Trans Type;
- VAT Code, and
- VAT Applicability.

Selecting a Tax Treatment ID is optional. If no Tax Treatment ID is selected the Tax Treatment will default from the Bill Identifier or the Customer Location if an identifier is not selected. The existing VAT defaults will be displayed on the VAT info tab explained in more detail below.

Vat details on *VAT Info* tab

The biller can now check the VAT defaults (VAT Tran Type, VAT Code, VAT Applicability and Tax Rate) on the *VAT Info* tab. This will assist the biller in deciding if they need to amend the VAT element and also see what they have changed it to.

The biller can customise their view to move the Tax Treatment ID and related VAT Defaults to the *Primary* tab.

Customised view on *Primary* tab

											VAT Transaction Type	

Header-Primary | Header-Secondary | **Line List**

Unit: 01100   Bill To: 100000700   Pretax Amt: 1,818.18 AUD
Invoice: NEXT   Dept of Education Training   Max Rows: 25
Line/Seq: Seq   Identifier/Descr: Identifier

Bill Lines

Primary | Secondary

Sel	Seq	Table	Identifier	Quantity	UOM	Unit Price	Gross Extended	VAT Amount	Tax Treatment ID	Tax Treatment		VAT Transaction Type	
☐	1	ID	CATERSERV-G!	1.0000	EA	1,818.1800	1,818.18		SALE	SALE	Taxable supplies with GST	SALE	Standard Taxable Sales

Lines to Add: 5

Go to: Tax   Accounting   Discount/Surcharge   Notes   Standard Entry

Summary   Bill Search   Line Search   Navigation: Line List

Page Series Prev Next

Return to Billing

New Window | Help | Customize Page |

Customize | Find | View All | ⊞   First ◄ 1 of 1 ► Last

ax Treatment		VAT Transaction Type		VAT Code		VAT Applicability	Tax Rate	nventory tem	Ship Date		
ALE	Taxable supplies with GST	SALE	Standard Taxable Sales	AU1-GST	Australian GST Standard Rate	Taxable	10.0000			+	−