

Odoo v7 AvaTax Module User Guide

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Initial Setup & AvaTax Configuration

Overview

The purchase of AvaTaxERP connector software provides your organization with access to the AvaTax Calc service, including sales tax calculation for all US states and territories and all Canadian provinces and territories (including GST, PST and HST).

This guide includes instructions for the following elements:

- Activating your organization's AvaTax account and downloading the product
- Entering your AvaTax credentials into your ERP
- Configuring your ERP to use the AvaTax Calc service
- Using AvaTax features within your ERP

- * **Note:** It is recommended that you test the module before deploying in a production environment.
- * **Note:** All changes to AvaTax settings must be done by a user with administrative privileges.

Installation

Download the AvaTax Module: <http://kranbery.com/avatax>

Extract the downloaded file

Upload the extracted directory your configured Odoo modules directory

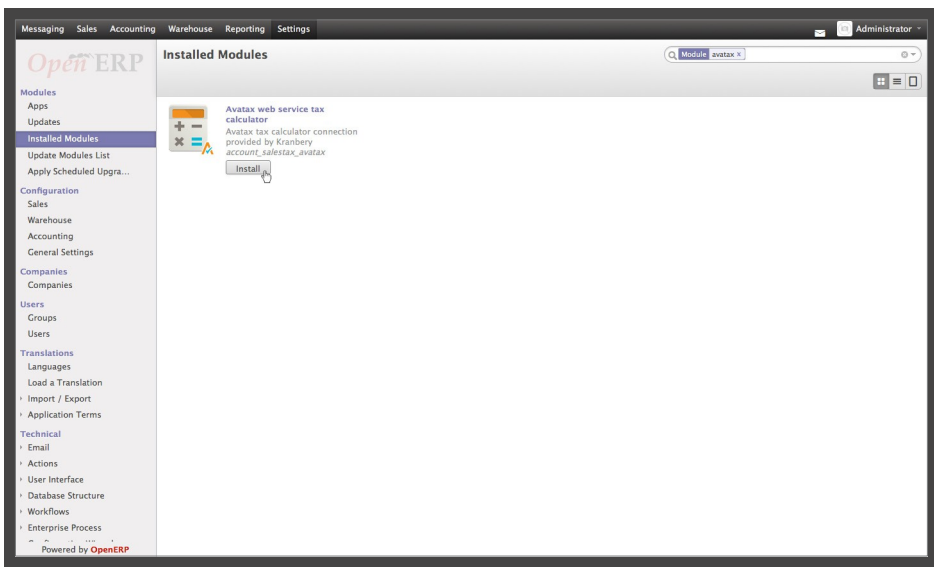
- * **Uninstall any previous instances of the module before installing a new version of the module**

Restart Odoo service

Login as Administrator

Navigate to: *Setup > Installed Modules > Search for AvaTax*

Click "Install" button



Configure AvaTax API

Navigate to: *Accounting > Configuration > AvaTax > AvaTax API*

Click “Create” button

Fill out the form with Company Code, Account Number and License Key provided to you by Avalara

Fill out the proper service URL provided to you by Avalara

* You may have two service URLs: One for development/testing server and another for production transactions.

Click “Test Connection” button

Click “Save” button

You can further configure the module on this screen.

Other configuration options are:

Adapter

- » Request Timeout - *Default is 300ms*
- » Enable Logging

Address Validation

- » Attempt automatic address validation – *Will perform automatic validation when performing tax computation. The other validation options (below) are not required and will be deselected but available.*
- » Validate on save for customer profile – *Automatically attempts to validate on creation of customer profile update and creation. Last validation date will be visible and stored.*
- » Force Address validation on customer profile save – *In the case validation for customer is required but not valid, the validation will be forced.*
- » Return validation results in upper case – *validation results will return in upper case form.*

System Calls

- » Order-level - All items on order are calculated as one transaction
- » Line-level - Each item in an order is calculated, displayed and transacted separately

Countries

- » Add or remove applicable countries

Tax Calculation

- » Disable Tax Calculation

The screenshot shows the 'AvaTax API / New' configuration window in the Open ERP system. The window has a sidebar with navigation links and a main content area with various configuration sections.

Configuration

Company Code: [Text Field]

Connection

Account Number: [Text Field] License Key: [Text Field]

Service URL: [Text Field]

Service Expiration Date: [Text Field]

Adapter

Request Timeout: [300] Enable Logging: ☐

Address Validation

Attempt automatic address validation! ☐ System Calls

Validate on save for customer profile ☐ Order-level ☒

Force Address validation on customer profile save ☐ Line-level ☐

Return validation results in upper case ☐

Countries

(Countries where Avalara address validation is enabled)

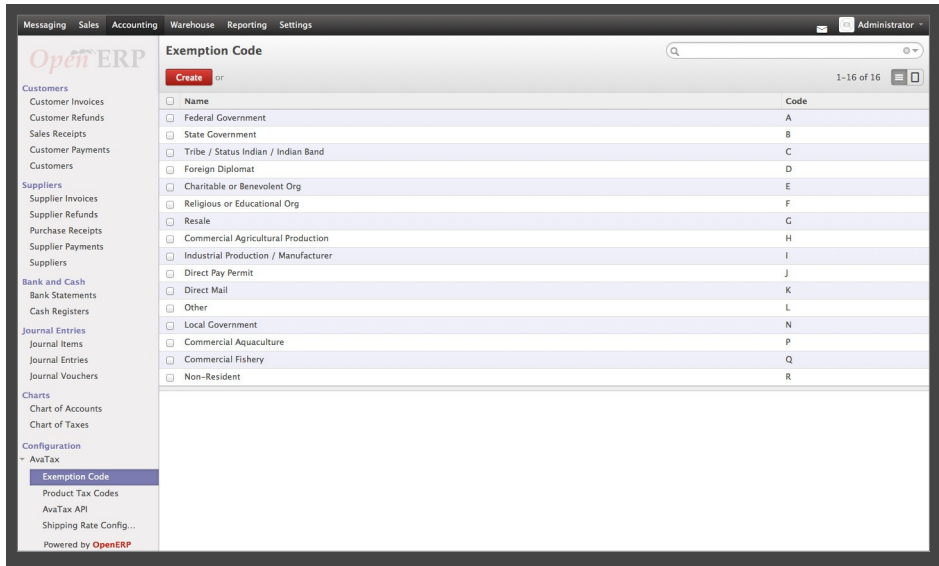
| Country Name | Country Code |
|---------------|--------------|
| Canada | CA |
| United States | US |

Configure Exemption Codes

Exemption codes are allowed for users where they may apply, e.g., Government entity.

Navigate to: **Accounting > Configuration > AvaTax > Exemption Code**

The module is installed with sixteen (16) predefined exemption codes **Add, remove and modify** exemption codes

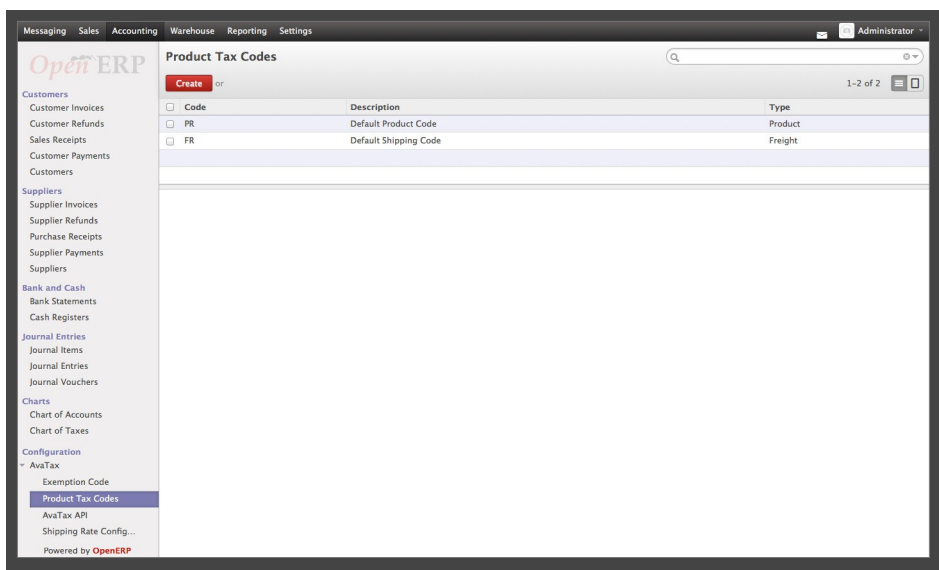


Product Tax Codes

Create product tax codes to assign to each product and/or product category.

Navigate to: **Accounting > Configuration > AvaTax > Product Tax Codes**

Add, remove and modify product tax codes

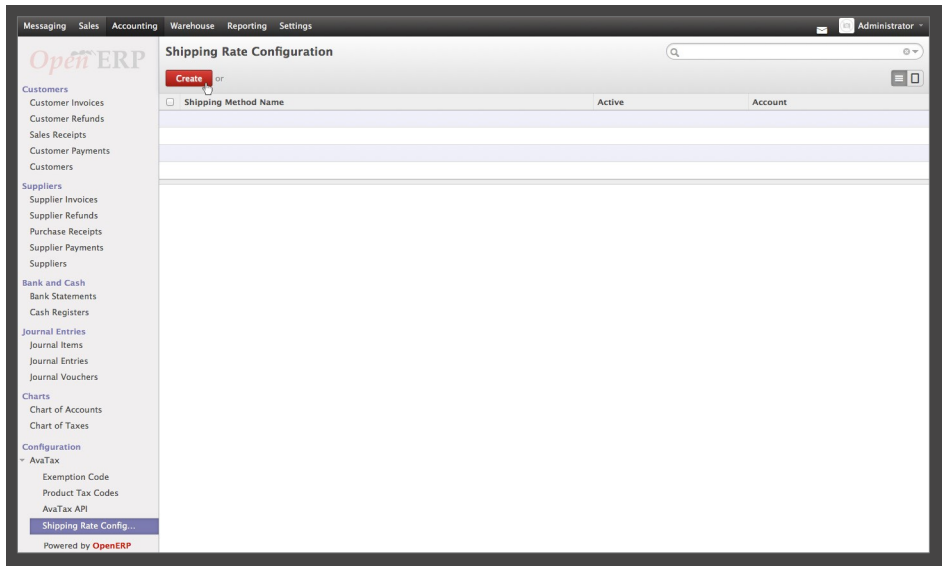


Shipping Rate Configuration:

Configure shipping rates to apply to each transaction/product.

Navigate to: **Accounting > Configuration > AvaTax > Shipping Rate Configuration**

Add, remove and modify shipping methods and rates



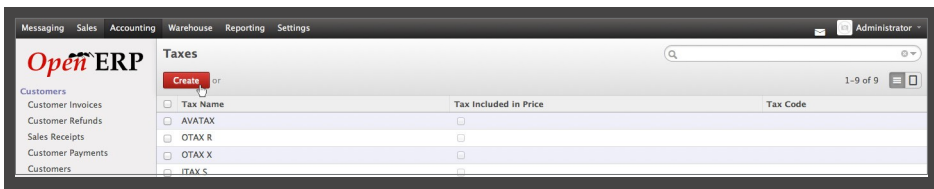
Configure Taxes

The AvaTax module is integrated into the Taxes of Odoo. "AVATAX" is automatically added as a type of Taxes to be applied. You can configure how "AVATAX" integrates into the Odoo system.

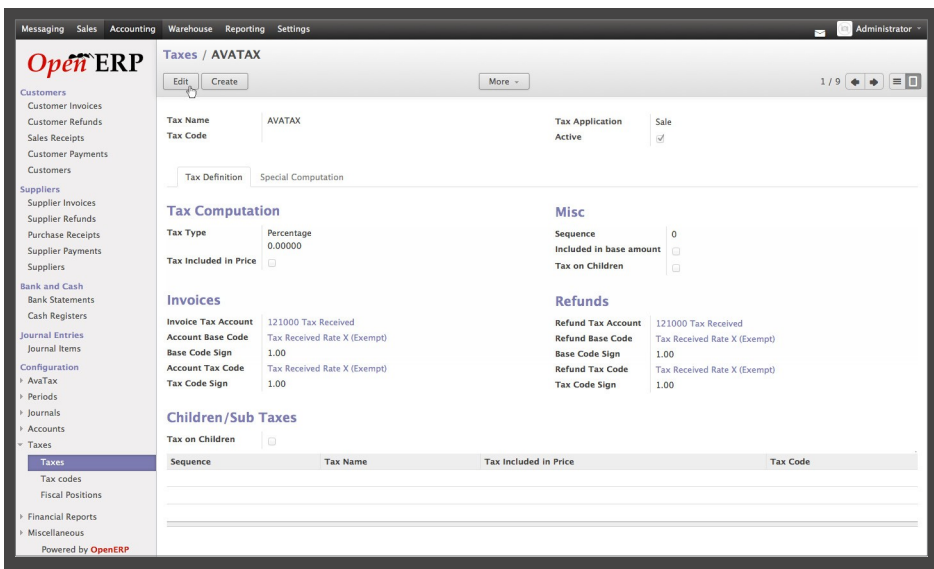
Configure AVATAX Tax Type

Navigate to: **Accounting > Taxes > Taxes**

Select AVATAX from the list view



Click the **"Edit"** button



Configure the AVATAX Tax Type

Click the **"Save"** button

* Upon initial install the settings will be blank. The above image shows an example configuration.

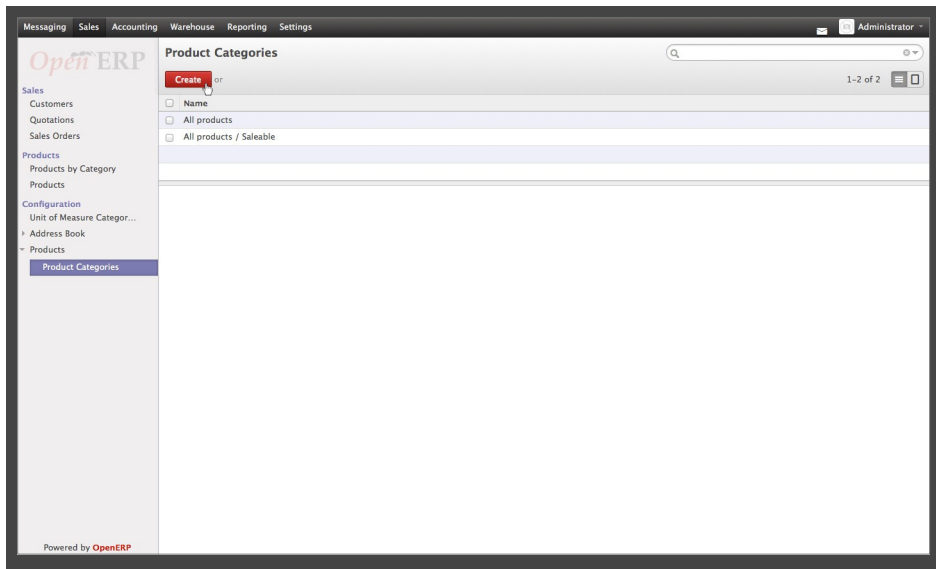
Product Category Configuration

Odoo products are typically assigned to product categories. AvaTax settings can be assigned to the product category. The category default tax code will auto-populate when a product category is created

Create New Product Category

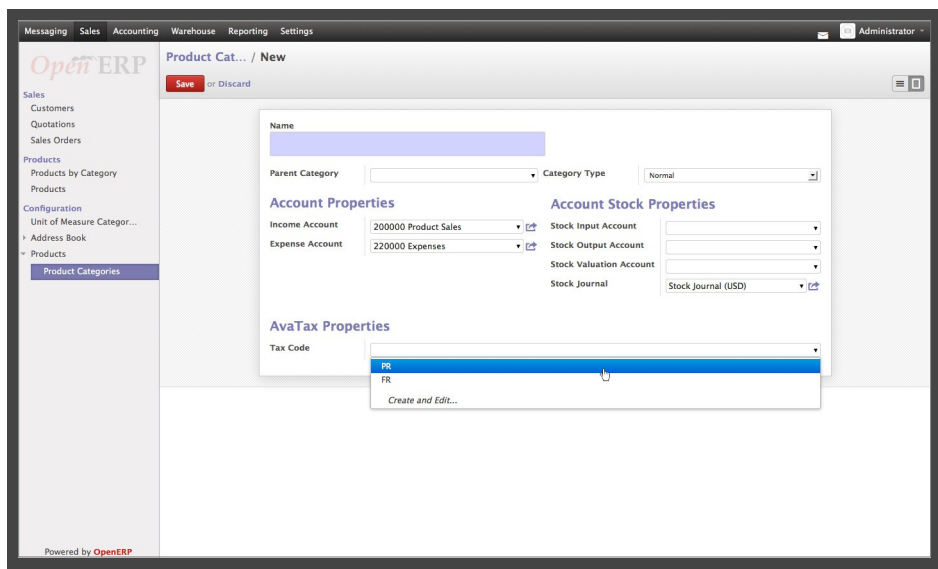
Navigate to: **Sales > Configuration > Products > Product Categories**

Click “**Create**” button



Configure Product Category Tax Code

Under **AvaTax Properties > Tax Code**, Select the desired Tax Code



Click “**Save**” button

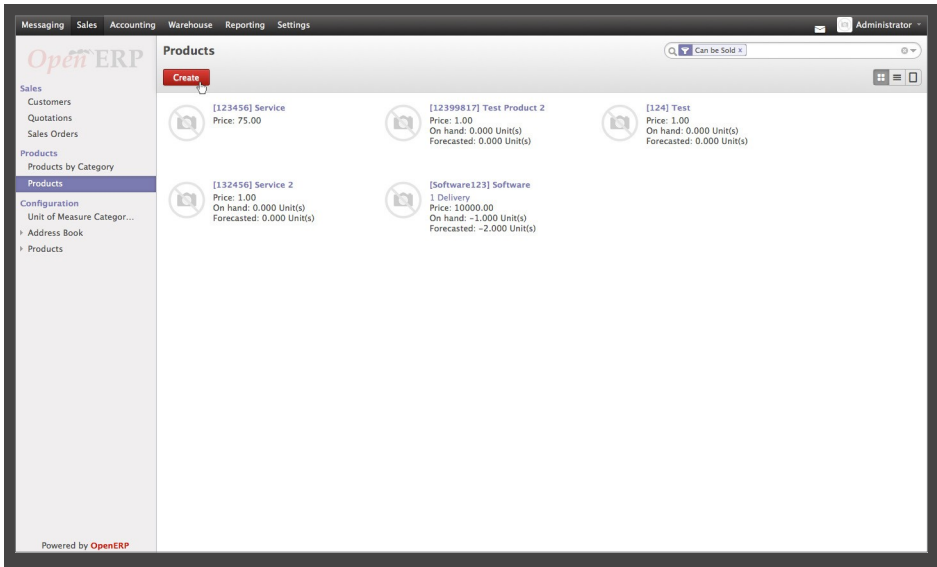
Product Configuration

Individual products default to the tax code assigned to its product category, however you can change the tax codes if necessary. Tax calculations for a specific product can be disabled as need.

Create New Product

Navigate to: **Sales > Products > Products**

Click “**Create**” button



Configure Product Tax Code

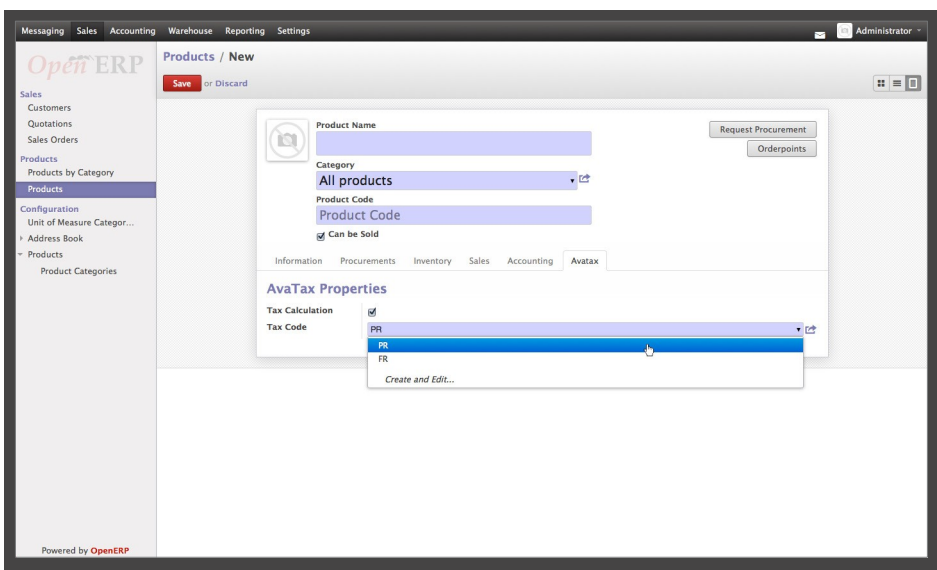
Under Category, select a Product Category

Under AvaTax Properties, the Tax Calculation check box is checked by default

If you wish to change the Tax Code defined by the Product Category, do so under

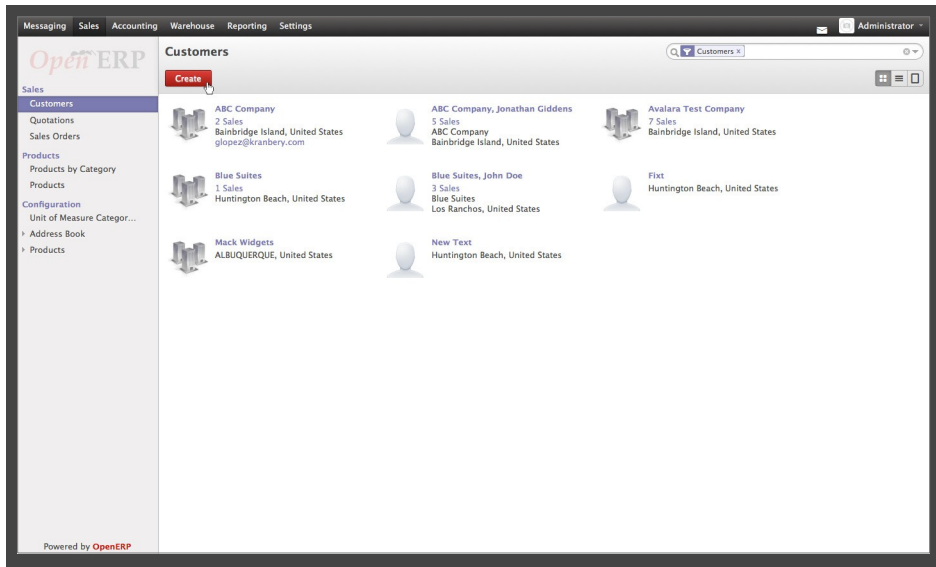
AvaTax Properties > Tax Code

Click “**Save**” button



Customer Configuration

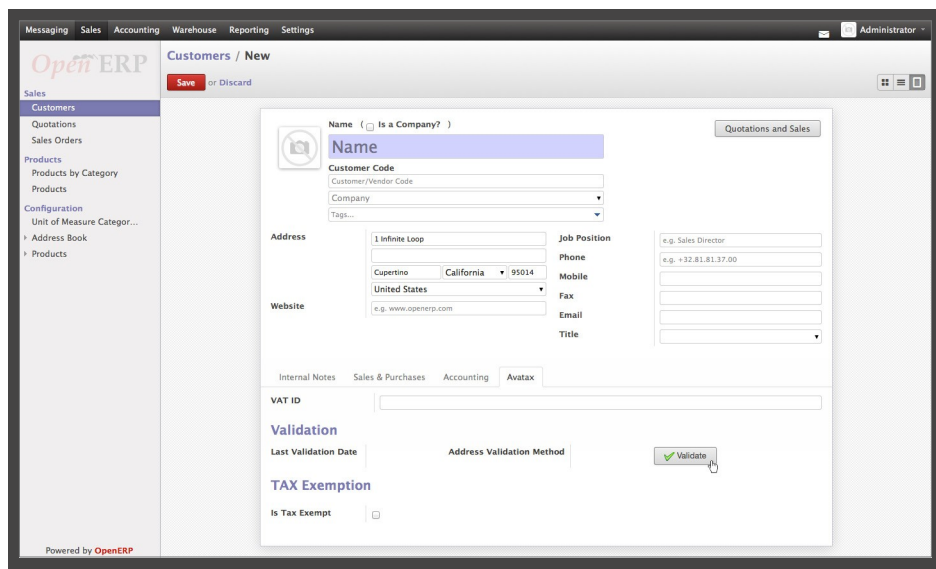
Properly configuring each customer ensures the correct tax is calculated and applied for all transactions.



Create New Customer

Navigate to: **Sales > Customers**

Click “**Create**” button



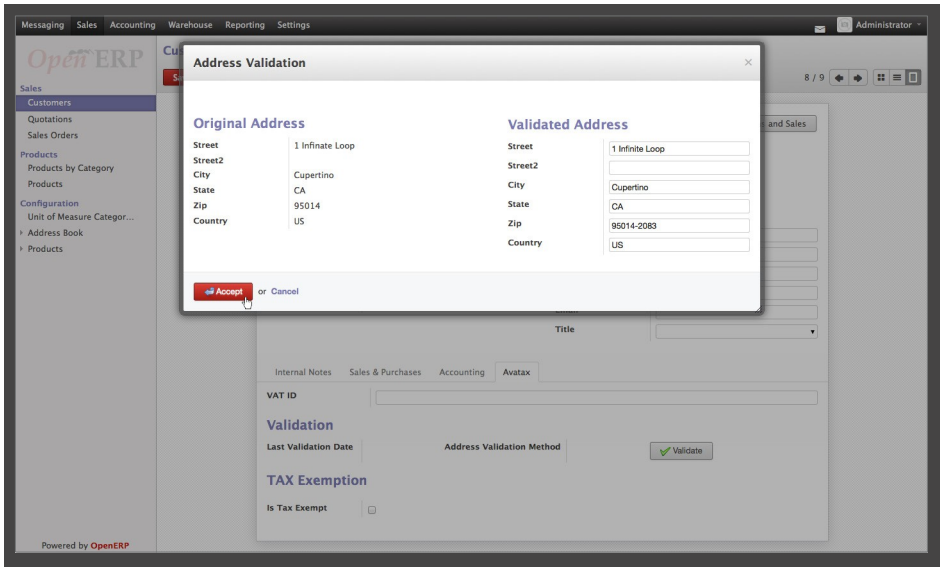
Configure Customer Address

Enter Customer Address Select the AvaTax tab

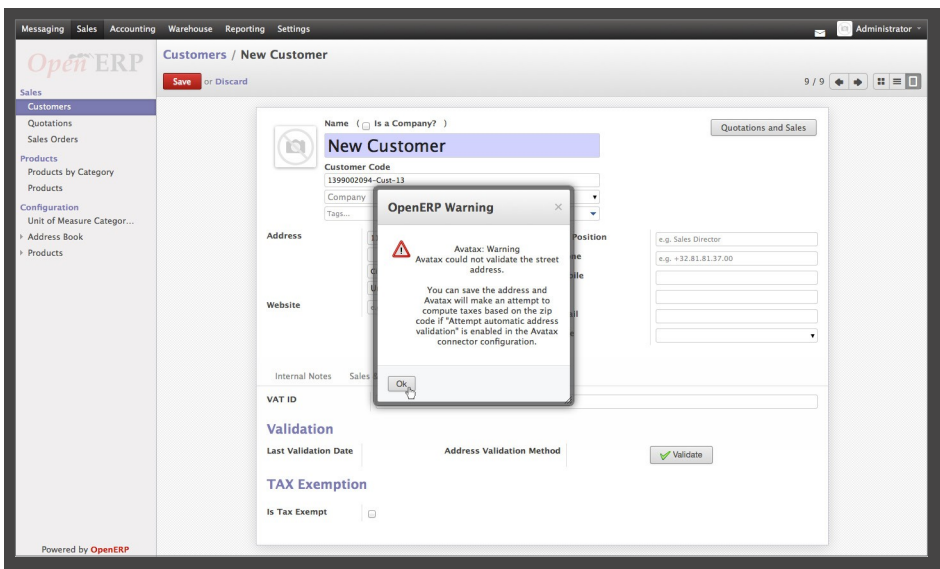
Click “**Validate**” button

Address Validation

AvaTax Module will attempt to match the address you entered with a valid address in its database. Click the **“Accept”** button if the address is valid



If the address is not found in the AvaTax database you can still continue and use the address you entered by clicking **“OK”** on the warning dialog box



Tax Exemption Status

If the customer is Tax Exempt, uncheck the box Under **Tax Exemption > Is Tax Exempt**
Select the desired **Tax Exempt Code** from the dropdown menu

Customer Invoices

The AvaTax module is integrated into Customer Invoices and is applied to each transaction. The Transaction log in the AvaTax interface shows the invoice details and displays whether the transaction is an uncommitted or committed status. A validated invoice will show an “Uncommitted” and a paid Invoice will show a “Committed” status.

Create New Customer Invoice

Navigate to: **Accounting > Customers > Customer Invoices**

Click “**Create**” button

Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see

“**AVATAX**” Click “**Compute Taxes**”

- * **Note:** There is a “Compute” button at the top of the window as well as the “Compute Taxes” button under the subtotal section of the invoice window. Both button and link return a tax calculation.

The screenshot displays the OpenERP Customer Invoice creation interface. The top navigation bar includes Messaging, Sales, Accounting, Warehouse, Reporting, and Settings. The left sidebar lists various modules under Customers, Suppliers, Bank and Cash, Journal Entries, Charts, Periodic Processing, Reporting, Configuration, and Taxes. The main window is titled 'Customer I... / New' and contains a 'Draft Invoice' form. The form includes fields for Customer (New Customer), Invoice Date (04/29/2014), Fiscal Position, Journal (Sales Journal (USD)), Account (110200 Debtors), Exemption Number, Exemption Code, and Location code. There are checkboxes for Default Address, Invoice Address, and Delivery Address. A 'Compute' button is located at the top right of the form. Below the form, there is a table for 'Invoice Lines' with columns for Product, Description, Account, Quantity, Unit Price, Taxes, and Amount. The table contains one line item: [132456] Service 2, 200000 Product Sales, 1.000, 135.00, AVATAX, 0.00. Below the table, there is a section for 'Avatara Tax on...' with checkboxes for Default Address, Invoice Address, and Delivery Address. At the bottom right, there is a summary table with columns for Net Total, Shipping Cost, Tax, Total, and Balance. The summary table shows: Net Total: 0.00, Shipping Cost: 0.00, Tax: Compute Taxes, Total: \$ 0.00, Balance: \$ 0.00. The bottom left of the form has a 'Payment Terms' dropdown and an 'Additional Information' text area.

| Product | Description | Account | Quantity | Unit Price | Taxes | Amount |
|--------------------|--------------------|----------------------|----------|------------|--------|--------|
| [132456] Service 2 | [132456] Service 2 | 200000 Product Sales | 1.000 | 135.00 | AVATAX | 0.00 |

| Net Total : | 0.00 |
|---------------------|---------|
| Shipping Cost : | 0.00 |
| Tax : Compute Taxes | \$ 0.00 |
| Total : | \$ 0.00 |
| Balance : | \$ 0.00 |

Validate Invoice

After the taxes have been computed click **“Validate”** button

The screenshot shows the OpenERP Customer Invoice form. The 'Validate' button is highlighted with a mouse cursor. The form is in 'Draft' status. The 'Compute' button is visible at the bottom right.

Register Payment

To complete the invoice click **“Register Payment”** button

The screenshot shows the OpenERP Customer Invoice form. The 'Register Payment' button is highlighted with a mouse cursor. The form is in 'Draft' status. The 'Compute' button is visible at the bottom right.

Complete the Pay Invoice window

Click **“Pay”** button to finalize the Customer Invoice

The screenshot shows the OpenERP Pay Invoice window. The 'Pay' button is highlighted with a mouse cursor. The window displays the following information:

- Customer: New Customer
- Date: 05/02/2014
- Period: 05/2014
- Paid Amount: \$ 145.13
- Payment Method: Bank (USD)
- Payment Ref: e.g. 003/10
- Memo: e.g. Invoice SAJ/0042
- Difference Amount: \$ 0.00

The window also displays the following information:

- Avalara Tax on...
- Default Address: []
- Tax Address: New Customer, 1 Infinite Loop, Cupertino, California 95014-2083, United States
- Invoice Address: [x]
- Delivery Address: []
- Invoice Lines: [132456] Service 2, [132456] Service 2, 200000 Product Sales, 1.000, 135.00, AVATAX, 135.00
- Avatax Shipping Lines: []
- Net Total: 135.00
- Shipping Cost: 0.00
- Tax: \$ 10.13
- Total: \$ 145.13
- Balance: \$ 145.13

Customer Refunds

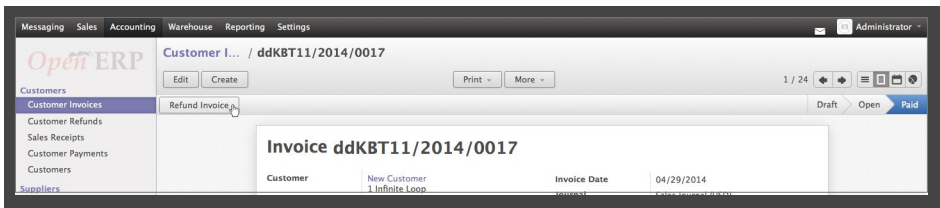
Odoo applies refunds as opposed to voids in its accounting module. As with customer Invoices, the AvaTax module is integrated into Customer Refunds and is applied to each transaction. Refund Invoice transactions will be indicated with a negative total in the AvaTax interface.

Initiate Customer Refund

Navigate to: **Accounting > Customers > Customer Invoices**

Select the invoice you wish to refund

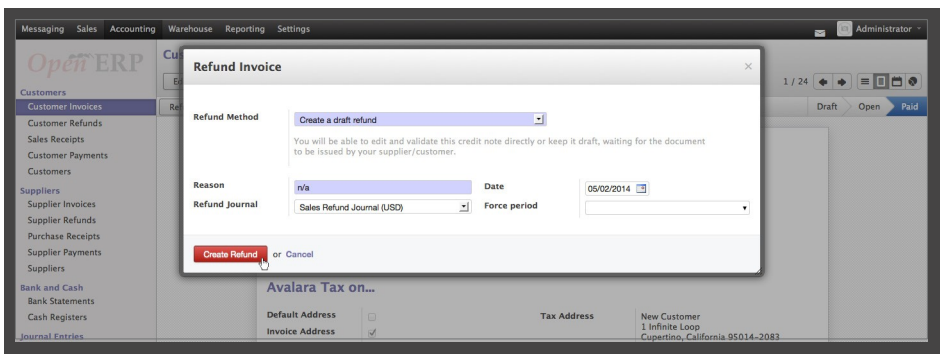
Click **“Refund Invoice”** button



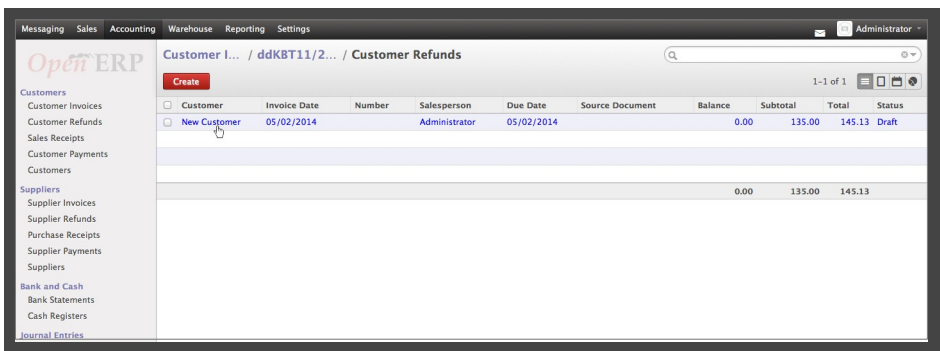
Create Refund Invoice

Under Refund Method select **“Create a draft refund”** from the dropdown

Click **“Create Refund”** button



You will be taken to the Customer Refunds list view



Validate Refund

Select the Customer Refund you wish to refund
Review the Draft Refund and click **“Validate”** button

Customer: New Customer
1 Infinite Loop
Cupertino, CA 95014-2083
United States

Invoice Date: 05/02/2014
Journal: Sales Refund Journal (USD)
Account: 110200 Debtors
Exemption Number:
Exemption Code:
Location code:

Avalara Tax on...

Default Address: ☐
Invoice Address: ☒
Delivery Address: ☐

Tax Address: New Customer
1 Infinite Loop
Cupertino, California 95014-2083
United States

| Product | Description | Account | Quantity | Unit Price | Taxes | Amount |
|--------------------|--------------------|----------------------|----------|------------|--------|--------|
| [132456] Service 2 | [132456] Service 2 | 200000 Product Sales | 1.000 | 135.00 | AVATAX | 135.00 |

Net Total: 135.00
Shipping Cost: 0.00
Tax: \$ 10.13
Total: \$ 145.13
Balance: \$ 0.00

Payment Terms: ddKBT11/2014/0017
Invoice No: ddKBT11/2014/0017
Additional Information:

Register Refund Payment

Click **“Register Payment”** button to complete refund

Customer: ddSCNJ11/2014/0008 n/a

Buttons: Send by Email, Print, Register Payment, Refund Invoice, Cancel Invoice

Refund ddSCNJ11/2014/0008

Complete the Pay Refund window
Click **“Pay”** button to finalize the Customer Refund

Customer: New Customer
Paid Amount: \$ -145.13
Payment Method: Cash (USD)
Date: 05/02/2014
Period: 05/2014
Payment Ref: n/a
Memo: e.g. Invoice SAJ0042
Difference Amount: \$ 0.00

Buttons: Pay, Cancel

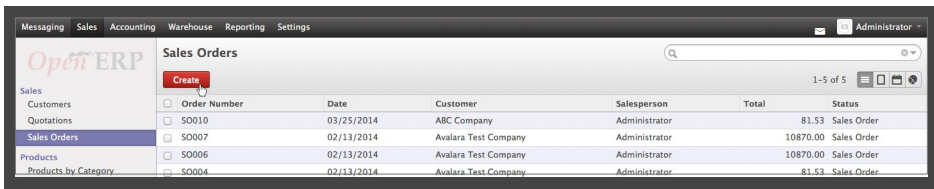
Sales Orders

The AvaTax module is integrated into Sales Orders and allows computation of taxes. Sales Order transactions do not appear in the in the AvaTax interface.

Create New Sales Order

Navigate to: **Sales > Sales > Sales Orders**

Click **“Create”** button



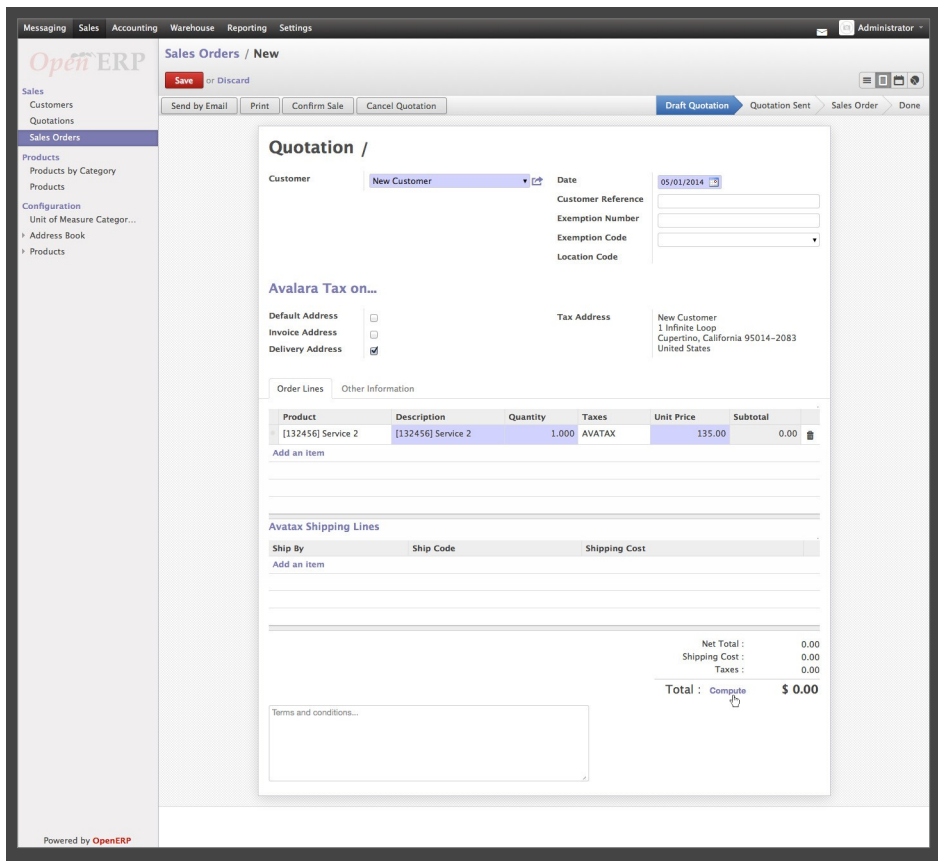
The screenshot shows the OpenERP Sales Orders interface. At the top, there are tabs for Messaging, Sales, Accounting, Warehouse, Reporting, and Settings. The Sales tab is active. On the left, there is a sidebar with a tree view containing Sales, Customers, Quotations, Sales Orders (selected), Products, and Products by Category. The main area is titled 'Sales Orders' and contains a 'Create' button. Below the button is a table with the following data:

| Order Number | Date | Customer | Salesperson | Total | Status |
|--------------|------------|----------------------|---------------|----------|-------------|
| S0010 | 03/25/2014 | ABC Company | Administrator | 81.53 | Sales Order |
| S0007 | 02/13/2014 | Avalara Test Company | Administrator | 10870.00 | Sales Order |
| S0006 | 02/13/2014 | Avalara Test Company | Administrator | 10870.00 | Sales Order |
| S0004 | 02/13/2014 | Avalara Test Company | Administrator | 81.53 | Sales Order |

Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see **“AVATAX”** Click **“Compute”** in the subtotal section of the page



The screenshot shows the OpenERP Sales Orders / New interface. At the top, there are tabs for Messaging, Sales, Accounting, Warehouse, Reporting, and Settings. The Sales tab is active. On the left, there is a sidebar with a tree view containing Sales, Customers, Quotations, Sales Orders (selected), Products, and Products by Category. The main area is titled 'Sales Orders / New' and contains a 'Save' button. Below the button are buttons for Send by Email, Print, Confirm Sale, Cancel Quotation, Draft Quotation (selected), Quotation Sent, Sales Order, and Done. The form is titled 'Quotation /' and contains the following sections:

- Customer:** New Customer (selected), Date: 05/01/2014, Customer Reference, Exemption Number, Exemption Code, Location Code.
- Avalara Tax on...**
- Default Address:** ☐ Default Address, ☐ Invoice Address, ☒ Delivery Address.
- Tax Address:** New Customer, 1 Infinite Loop, Cupertino, California 95014-2083, United States.
- Order Lines:** A table with columns: Product, Description, Quantity, Taxes, Unit Price, Subtotal. The table contains one row: [132456] Service 2, [132456] Service 2, 1.000, AVATAX, 135.00, 0.00.
- Avatax Shipping Lines:** A table with columns: Ship By, Ship Code, Shipping Cost. The table is empty.
- Summary:** Net Total: 0.00, Shipping Cost: 0.00, Taxes: 0.00, Total: Compute \$ 0.00.
- Terms and conditions:** A text area for terms and conditions.