

# GST Training document for Import - Material

## (Cenvatable / Non Cenvatable)

### Before GST

To purchase of Material the tax components are used with below combinations of  
Basic Custom Duty, Additional Excise Duty, CVD , Additional CEss , CVD Cess

### After GST

Only **One tax** with different Tax rates to be defined for IGST separately,  
In the Import case only IGST will be applicable for all transaction.

### Tax Computation

#### **Inter-state/Import transactions**

– IGST applicable

In the System we are going to maintain the tax rate with below combination as per IGST

A. Import

For Example: For tax rate @ 18 %

## Test Scenario for Import Material

### [A]. Import Material PO – (IGST- Cenvatable)

[1]. PO Created with Tax Code # **IM** – All IGST Cenvatable @ 5%

The screenshot shows the SAP 'Create Purchase Order' form. The document type is 'IB Import PO' and the vendor is 'T49F TATA LIMITED'. The document date is '19.05.2017'. The payment terms are 'IF01' and the incoterms are 'FOB FREE ON BOARD'. The currency is 'EUR' and the exchange rate is '74.20000'. The table below shows the material details:

S..	Item	A	I	Material	Short Text	PO Quantity	OUn	C	Delv. Date	Net Price	C...	Per	O...	Matl Group	Plnt	S
	10			3714A0147	Qal set for 25 NB PRV	100	SET	D	18.06.2017	598.63	EUR	1	SET 298		116	8

The bottom section shows the 'Item' details for '1 [ 10 ] 3714A0147, Seal set for 25 NB PRV'. The tax code is 'IM' and the taxes are calculated.

✚ The Import related tax code is based on only Tax rate without any combination.

**Display Taxes**

Item: 1      Material: 3714A0147

Net: 59,862.60 EUR

Tax: 13,278.37

CnTy	Name	Amount	Crcy	per	UoM	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value
	Subtot Ecess set off	0.00	EUR		1	0.00	EUR	0		0		
	Subtot Ecess invento	0.00	EUR		1	0.00	EUR	0		0		
	Subtot-ED w/o Ecess	598.63	EUR		1	59,862.60	EUR	0		0		
	Subtot-ED w/o Ecess	598.63	EUR		1	59,862.60	EUR	0		0		
	Subtot for Sales Tax	598.63	EUR		1	59,862.60	EUR	0		0		
	Subtotal for Composi	598.63	EUR		1	59,862.60	EUR	0		0		
	Subtotal for CST aft	598.63	EUR		1	59,862.60	EUR	0		0		
	Subtotal	598.63	EUR		1	59,862.60	EUR	0		0		
JIMD	IN:Import GST deduct	18.000				13,278.37	EUR	0		0		
	Total Tax after GST	132.78	EUR		1	13,278.37	EUR	0		0		
	Total	731.41	EUR		1	73,140.97	EUR	0		0		

✚ As per the Import scenario, we maintained Basic Custom duty only as shown in the below screen.

✚ And the System calculate the IGST rate on total Assessable Value – 73768.70 not in Base value – 59862.60 as shown

**Create Purchase Order**

Document Overview On    Hold    Print Preview    Messages    Personal Setting    Save As Template    Load from Template

IB Import PO    Vendor: T49F TATA LIMITED    Doc. date: 19.05.2017

Header

Item Overview

Item: 1 [ 1 ] 3714A0147, Seal set for 25 NB PRV

Material Data	Quantities/Weights	Delivery Schedule	Delivery	Invoice	Condition
1	Asss Value	73,768.70			
2	IGST @ 18 %	13,278.37			Tax shown in Tax Invoice

Quantity: 100 SET    Net: 59,862.60 EUR

CnTy	Name	Amount	Crcy	per	UoM	Condition value	Curr.	Num...	OUn	CCon...	Un	Condition value
	Sub Total CIF	663.98	EUR		1 SET	66,398.47	EUR	1 SET	1 SET			0.00
Y038	1% load on CIF	1.000				663.98	EUR	0		0		0.00
	Assessable Value	670.62	EUR		1 SET	67,062.45	EUR	1 SET	1 SET			0.00
JCDB	Basic customs duty	10.000				6,706.25	EUR					0.00
	Total Duty	67.06	EUR		1 SET	6,706.25	EUR	1 SET	1 SET			0.00
	AssValue+CD+CVD+Cess	737.69	EUR		1 SET	73,768.70	EUR	1 SET	1 SET			0.00
	Sub Total FOR Port	737.69	EUR		1 SET	73,768.70	EUR	1 SET	1 SET			0.00
Y041	Agent's Com (%onFOB)	1.100				689.49	EUR	0		0		0.00
Y045	Port Clearing chg(%)	1.000				737.69	EUR	0		0		0.00

✓ Import PO created under the number 2200034719

## [2]. Post Custom Invoice

**Enter Incoming Invoice: Company Code 1000**

Show PO structure Show workload Hold Simulate Messages Help

Transaction 1 Invoice

**Basic Data** Payment Details Tax Withholding tax

Invoice date 01.05.2017 Reference CUSTOM INVOICE  
 Posting Date 19.05.2017  
 Amount Tax amount INR ☐ Calculate tax  
 Tax amount VZ VZ (ALL-Non Taxable)  
 Bus.place/sectn /  
 Text  
 Company Code 1000 Tata Steel Limited Mumbai

**Choose Vendor**

Vendor	Vend.no.	Doc. no.	PO
CUSTOMS, KOLKATA	CUST_KOL		2200034719
PORTS, KOLKATA	PORTS_KOL		2200034719
TATA LIMITED	T49F		2200034719

**PO Reference**

1 Purchase Order/Scheduling Agreem... 2200034719 2 Planned delivery costs  
 Layout 2\_6310 Purchase order - de...

Item	Purchase ...	Item	Del. Note/S...	PO Text	Quantity	Or...	Net price	OPUn	Amount	Tax ...	Co...	S

**Enter Incoming Invoice: Company Code 1000**

Show PO structure Show workload Hold Simulate Messages Help

Transaction 1 Invoice Balance 497,603.75- INR

**Basic Data** Payment Details Tax Withholding tax

Unpl. Del. Csts  
 Currency INR Exch. Rate 1.00000  
 Doc. Type RE Invoice Receipt Inv. Party CUST\_KOL  
 Branch/Alloc SUPR G/L 2408401  
 Header Text Import GST  
 Plg level Planning Day

**Vendor CUST\_KOL**

CUSTOMS, KOLKATA  
 KOLKATA  
 KOLKATA

**PO Reference**

1 Purchase Order/Scheduling Agreem... 2200034719 2 Planned delivery costs  
 Layout 2\_6310 Purchase order - de...

Item	De...	PO Text	Quantity	Or...	Net price	OPUn	Amount	Tax Code	Assessable Value	Co...
1		Basic customs duty	100	SET	0.00	SET	497,603.75	VZ VZ (A...	73,768.70	

Here in the screen, we will provide the detail manually as Qty, Amount and Assessable Value.

Here it is mandatory to give Assessable value which is mentioned in the PO Condition

**Enter Incoming Invoice: Company Code 1000**

Show PO structure Show worklist Hold Messages Help

Transaction 1 Invoice Balance 510,882.12- INR

**Basic Data** Payment Details Tax Withholding tax

Invoice date 01.05.2017 Reference CUSTOM INVOICE

Posting Date 19.05.2017

Amount  INR ☒ Calculate tax

Tax amount 13,278.37 IM IM (IGST- Import)

Bus.place/sectn  /

Text

Paymt terms 999 Days net

Baseline Date 19.05.2017

**Vendor CUST\_KOL**

CUSTOMS, KOLKATA

KOLKATA

KOLKATA

**PO Reference**

1 Purchase Order/Scheduling Agreem... 2200034719 2 Planned delivery costs

Layout 2\_6310 Purchase order - de...

Item	Purchase ...	Item	D..	P..	Quantity	Or...	Net price	OPUn	Amount	Tax Code	Assessable Value
1	2200034719	1	B...		100	SET	0.00	SET	...603.75	IM IM (IGST- Import)	73,768.70

Here in the both place header and Item level , change the tax code from VZ to IM

**Simulate Document in INR (Document currency)**

Position	A G/L	Act/Mat/Ast/Vndr	Amount	Cu...	Purchasing...	Item	T..	Jurisd. Code	Tax date	Bu...	Co...
1	K 2408401	CUSTOMS, KOLKATA ...	510,882.12-	INR			IM			9600	
2	S 2409118	Customs Clearing Acco...	497,603.75	INR	2200034719	1	IM			9600	
3	S 1250302	Input Tax credit on IG...	13,278.37	INR			IM			9600	

Simulation of Invoice

Document no. 5107465415 created

Custom Invoice - Accounting document

**Document Overview - Display**

Doc.Type : RE ( Invoice Receipt ) Normal document

Doc. Number 51000021 Company Code 1000 Fiscal Year 2018

Doc. Date 01.05.2017 Posting Date 19.05.2017 Period 02

Calculate Tax ☒

Ref.Doc. CUSTOM INVOICE

Doc. Currency INR

Doc. Hdr Text Import GST

Itm	PK	SG	Account	Quantity	Plnt	Account short text	G/L acct	Profit Ctr	BP	Cost Ctr	Amount in LC	Net due dt	BusA
1	31		CUST_K...			CUSTOMS, KOLKATA	2408401		ZORR		510,882.12-	12.02.2020	9600
2	40		2409118	100	116	Custom Clg A/C-Store	2409118	KP03	ZORR		497,603.75		9600
3	40		1250302			Input Tax credit IGST	1250302		ZORR		13,278.37		9600

### [3]. Post Goods Receipt

**Goods Receipt Purchase Order 2200034719 - OSJ1409**

Show Overview | Hold | Check | Post | Help

A01 Goods Receipt | R01 Purchase Order | Plant | GR goods receipt | 101

**General** | Vendor

Doc/Chq Date: 19.05.2017 | Delivery Note: IMPORT TEST | Vendor: TATA LIMITED  
Posting Date: 19.05.2017 | Bill of Lading: | HeaderText:   
☐ 1 Individual Slip | GR/GI Slip No.: |

Line	Mat. Short Text	OK	Qty in UnE	E...	SLoc	Item	Batch	Material	Valuation ...	M...	D Stock Type	S...	Pro
1	Seal set for 25 NB PRV	<input type="checkbox"/>	100		SET SMS Mech	1		3714A0147			101 + 2 Quality i...		KP0

**Material** | Quantity | Where | Purchase Order Data | Partner | Freight | Account Assignment

Name of freight vendor	Number of...	FrghT condition	Ty...
CUSTOMS, KOLKATA	CUST_KOL	Basic customs duty	JCDB

- Here in the GRN screen, no excise detail is required to be maintained and
- No excise related fields will be visible.
- Now the Posting of GRN becomes simple here.

☒ Material document 5000499075 posted

### GRN - Accounting Document

**Document Overview - Display**

Doc.Type : WE ( Goods receipt ) Normal document  
Doc. Number : 910000039 Company Code : 1000 Fiscal Year : 2018  
Doc. Date : 19.05.2017 Posting Date : 19.05.2017 Period : 02  
Calculate Tax : ☐  
Ref.Doc. : IMPORT TEST  
Doc. Currency : EUR  
Doc. Hdr Text : n

Itm	PK	SG	Account	Quantity	Plant	Account short text	G/L acct	Profit Ctr	BP	Cost Ctr	Amount in LC	Net due dt	BusA
1	89		1200003	100	116	StSp Ctrl-Mech Sp	1200003	KP03			5,530,266.98		9600
2	96		2408409	100	116	Gr/Ir Stores & Spare	2408409	KP03			4,441,804.92		9600
3	40		6005101	100	116	Purchase of Stores	6005101	KP03			4,441,804.92		9600
4	50		6005111	100	116	Pur offset-Sp & Cons	6005111	KP03			5,530,266.98		9600
5	50		2408413	100	116	Frt Clg-Store	2408413	KP03			209,125.28		9600
6	40		6005102	100	116	Pur of Str - Freight	6005102	KP03			209,125.28		9600
7	50		2408413	100	116	Frt Clg-Store	2408413	KP03			266,508.59		9600
8	40		6005102	100	116	Pur of Str - Freight	6005102	KP03			266,508.59		9600
9	50		2408418	100	116	Oth-Chg-Clg-Stores	2408418	KP03			9,327.68		9600
10	40		6005103	100	116	Pur of Str- Oth Chgs	6005103	KP03			9,327.68		9600
11	50		2409118	100	116	Custom Clg A/C-Store	2409118	KP03			497,603.75		9600
12	40		6005103	100	116	Pur of Str- Oth Chgs	6005103	KP03			497,603.75		9600
13	50		2408418	100	116	Oth-Chg-Clg-Stores	2408418	KP03			51,160.16		9600
14	40		6005103	100	116	Pur of Str- Oth Chgs	6005103	KP03			51,160.16		9600
15	50		2409116	100	116	Port Chg Clg A/C-Sto	2409116	KP03			54,736.60		9600
16	40		6005103	100	116	Pur of Str- Oth Chgs	6005103	KP03			54,736.60		9600

#### [4]. Vendor Invoice Posting

**Enter Incoming Invoice: Company Code 1000**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: 1 Invoice Balance: 59,862.60 EUR

**Basic Data** | Payment | Details | Tax | Withholding tax

Invoice date: 01.05.2017 Reference: IMPORT IV  
 Posting Date: 19.05.2017  
 Amount: EUR Calculate tax  
 Tax amount: VZ VZ (ALL-Non Taxable)  
 Bus.place/sectn: /  
 Text: Import GST test  
 Paymt terms: Due immediately  
 Baseline Date: 19.05.2017

**Vendor T49F**  
 Ms. TATA LIMITED  
 18,GROSVENOR PLACE  
 LONDON SW1X 7HS  
 UNITED KINGDOM  
 00442072358281 00442072358727

**PO Reference**  
 1 Purchase Order/Scheduling Agreem... 2200034719 1 Goods/service items  
 Layout: 2\_6310 Purchase order - de...  

Item	Purchase ...	Item	Del. Note/S...	PO ...	Quantity	Or...	Net price	OPUn	Amount	Tax Code
2200034719	1	IMPORT TEST	Seal s...		100	SET	598.63	SET	59,862.60	VZ VZ (ALL-Non Taxa...)

- Here in the screen by default the tax code – IM comes from PO , we have change the tax code from “IM” to “VZ” Or “VO”

**Enter Incoming Invoice: Company Code 1000**

Show PO structure Show worklist Hold Simulate Messages Help

Transaction: 1 Invoice Balance: 0.00 EUR

**Basic Data** | Payment | Details | Tax | Withholding tax

Invoice date: 01.05.2017 Reference: IMPORT IV  
 Posting Date: 19.05.2017  
 Amount: 59,862.60 EUR Calculate tax  
 Tax amount: 0.00 VZ VZ (ALL-Non Taxable)  
 Bus.place/sectn: /  
 Text: Import GST test  
 Paymt terms: Due immediately  
 Baseline Date: 19.05.2017

**Vendor T49F**  
 Ms. TATA LIMITED  
 18,GROSVENOR PLACE  
 LONDON SW1X 7HS  
 UNITED KINGDOM  
 00442072358281 00442072358727

**PO Reference**  
 1 Purchase Order/Scheduling Agreem... 2200034719 1 Goods/service items  
 Layout: 2\_6310 Purchase order - de...  


Item	Purchase ...	Item	Del. Note/S...	PO Text	Quantity	Or...	Net price	OPUn	Amount	Tax ...	Co...	S
2200034719	1	IMPORT TEST	Seal set for 25 NB PRV		100	SET	598.63	SET	59,862.60	VZ		




Simulate Document in EUR (Document currency)

Position	A G/L	Act/Mat/Ast/Vndr	Amount	Cu...	Purchasing...	Item	T..	Jurisd. Code	Tax date	Bu...	Co...
1K	2408401	TATA LIMITED / LON...	59,862.60	EUR			VZ			9600	
2S	2408409	Gr/Ir For Stores And S...	59,862.60	EUR	2200034719	1	VZ			9600	

Document no. 5107465417 created

## Invoice - Accounting Document

 **Document Overview - Display**

 Choose Save  Tax data 

Doc.Type : RE ( Invoice Receipt ) Normal document

Doc. Number51000022Company Code1000Fiscal Year2018

Doc. Date01.05.2017Posting Date19.05.2017Period02

Calculate Tax☒

Ref.Doc.IMPORI IV

Doc. CurrencyEUR

Doc. Hdr TextImport GST

Itm	PK	SG	Account	Quantity	Plnt	Account short text	G/L acct	Profit Ctr	BP	Cost Ctr	Amount in LC	Net due dt	BusA
1	31		T49F			TATA LIMITED	2408401		ZORR		4,441,804.92-	19.05.2017	9600
2	86		2408409	100	116	Gr/Ir Stores & Spare	2408409	KP03	ZORR		4,441,804.92		9600