

# 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://kranberry.com/avatax>

Extract the downloaded file

Upload the extracted directory your configured Odoo modules directory

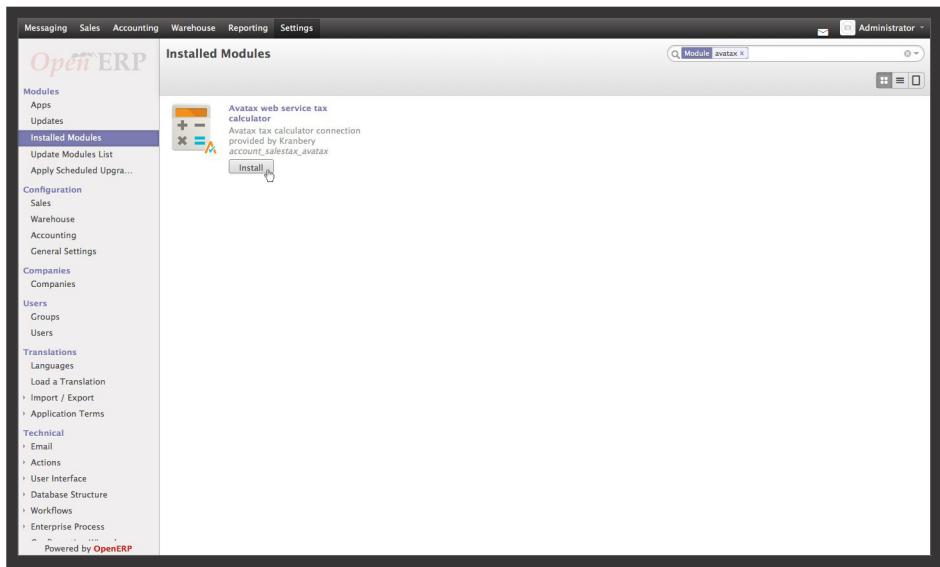
\* Uninstall any previous instances of the module before installing a new version of the module

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 URL's: 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 configuration interface for the AvaTax API. The main window is titled "AvaTax API / New". It contains several sections: "Connection" (with fields for Account Number, Service URL, and Service Expiration Date, and a "Test Connection" button), "Adapter" (with a "Request Timeout" field set to 300 and an "Enable Logging" checkbox), "Address Validation" (with four radio button options: "Attempt automatic address validation!", "Validate on save for customer profile", "Force Address validation on customer profile save", and "Return validation results in upper case"), "System Calls" (with radio buttons for "Order-level" and "Line-level"), and "Countries" (a list of countries: Canada (CA) and United States (US)). The sidebar on the left lists various modules such as Customers, Suppliers, Bank and Cash, and Configuration. The "Configuration" section is expanded, showing sub-options like AvaTax API, Exemption Code, Product Tax Codes, and Shipping Rate Config... The "AvaTax API" option is highlighted.

## 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

Name	Code
Federal Government	A
State Government	B
Tribe / Status Indian / Indian Band	C
Foreign Diplomat	D
Charitable or Benevolent Org	E
Religious or Educational Org	F
Resale	G
Commercial Agricultural Production	H
Industrial Production / Manufacturer	I
Direct Pay Permit	J
Direct Mail	K
Other	L
Local Government	N
Commercial Aquaculture	P
Commercial Fishery	Q
Non-Resident	R

## Product Tax Codes

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

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

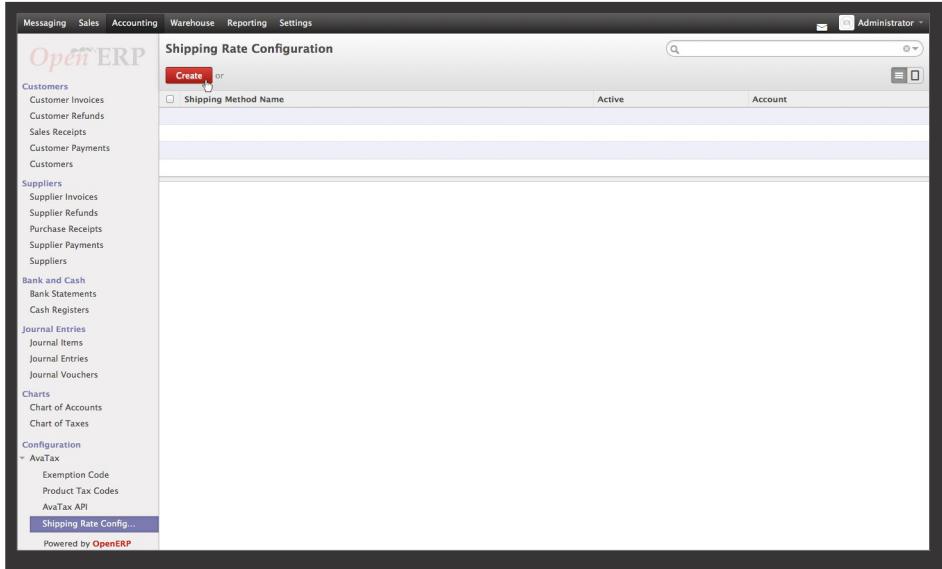
Add, remove and modify product tax codes

Code	Description	Type
PR	Default Product Code	Product
FR	Default Shipping Code	Freight

## 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



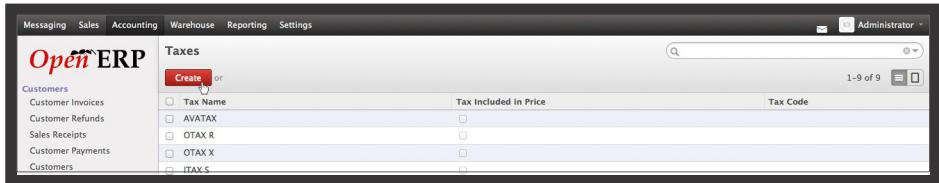
# Configure Taxes

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 .

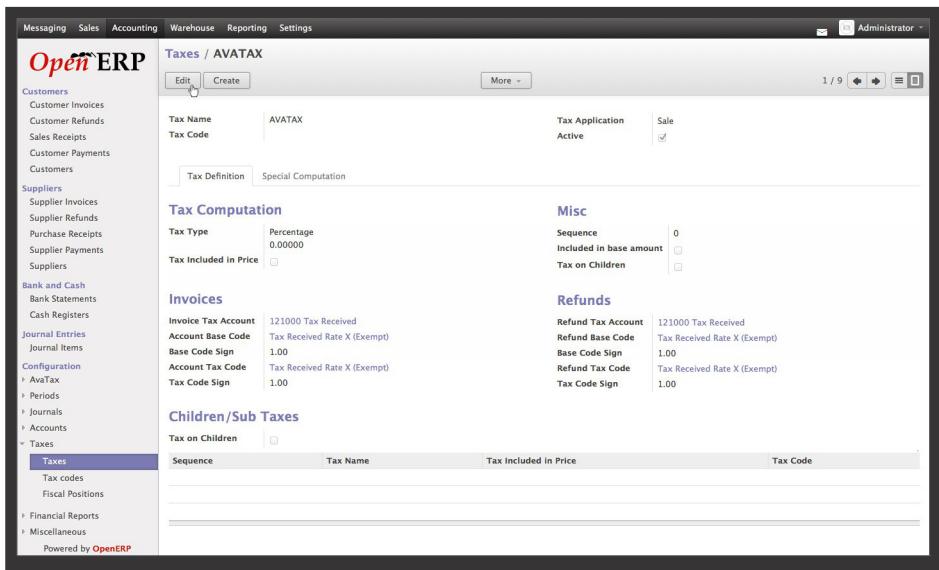
## Configure AVATAX Tax Type

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.

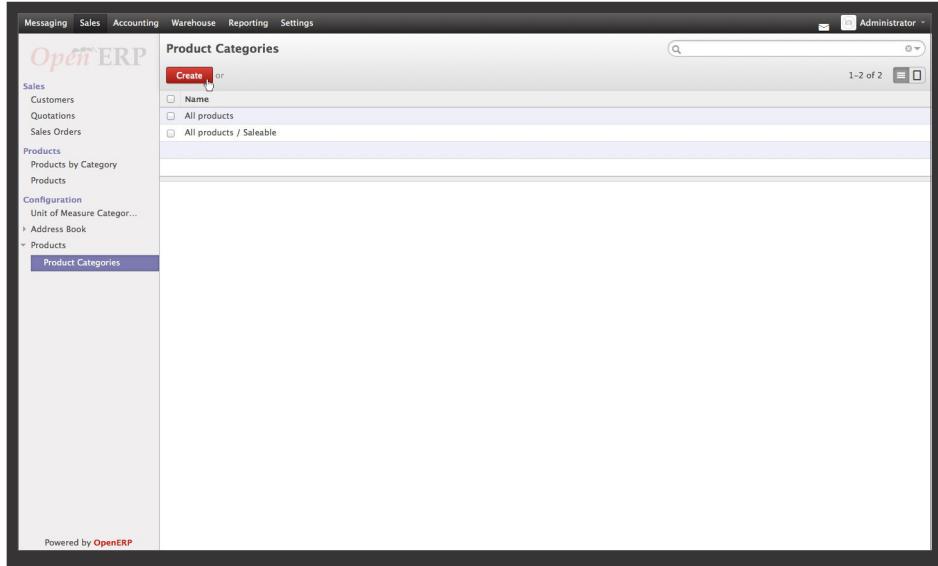
# Product Category Configuration

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

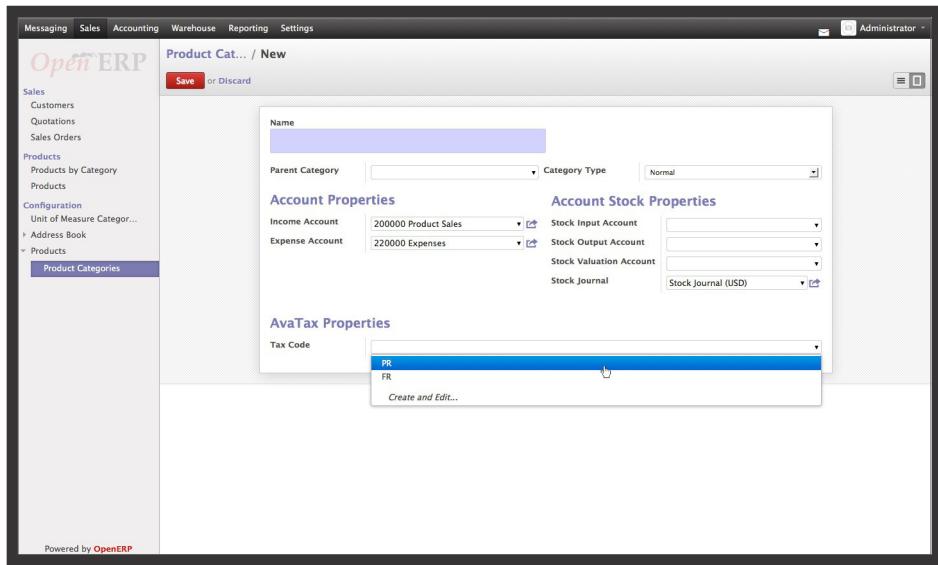
Navigate to: **Sales > Configuration > Products > Product Categories**

Click “Create” button



## Configure Product Category Tax Code

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



Click “Save” button

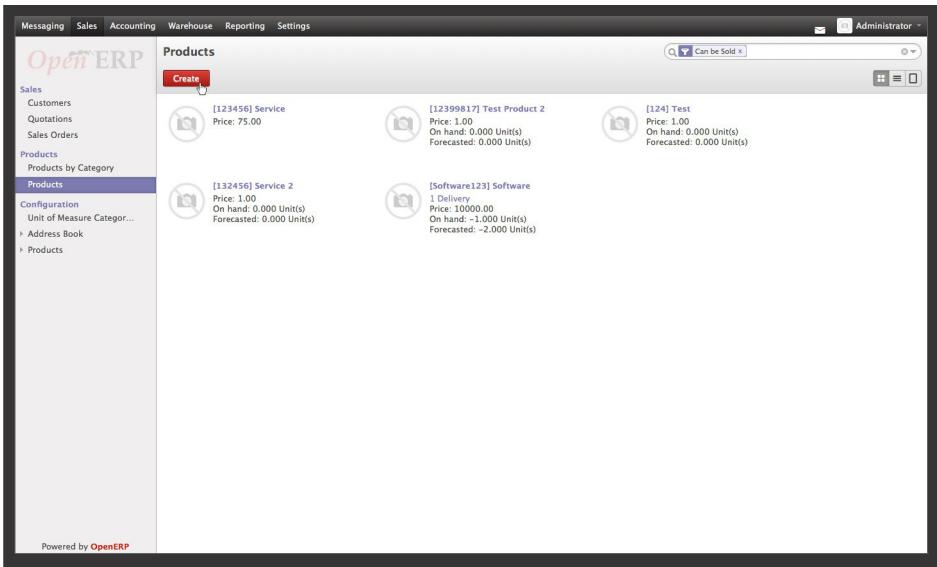
# Product Configuration

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

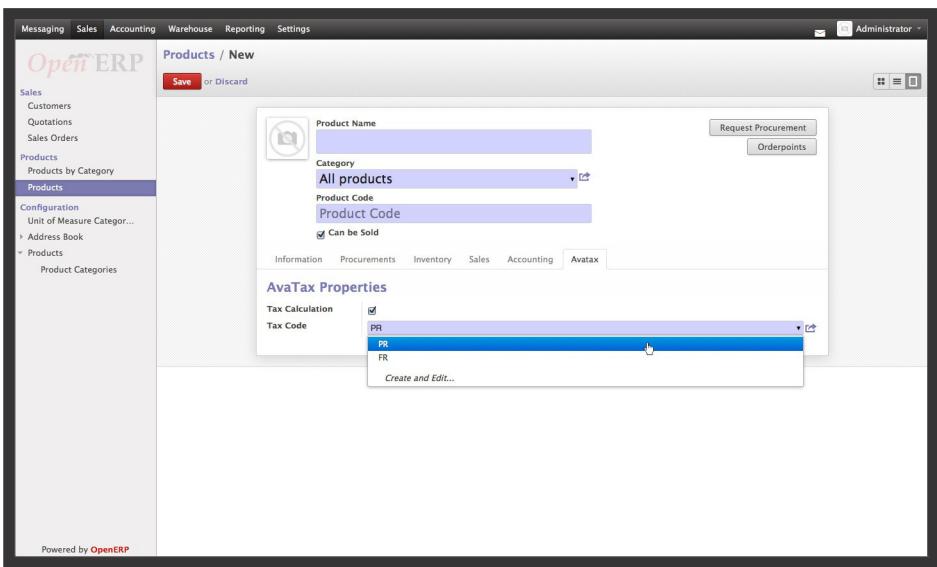
Under Category, select a Product Category

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

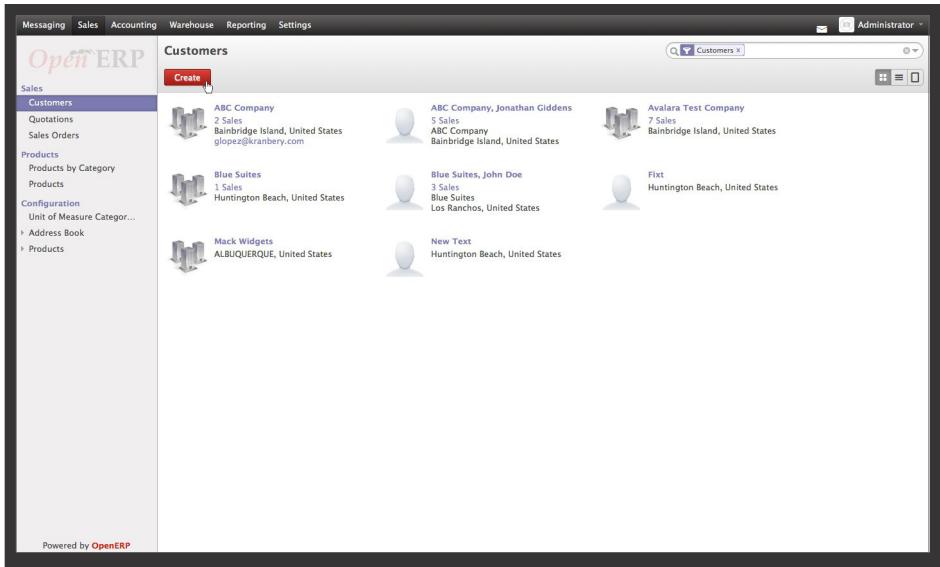
### AvaTax Properties > Tax Code

Click “Save” button



# Customer Configuration

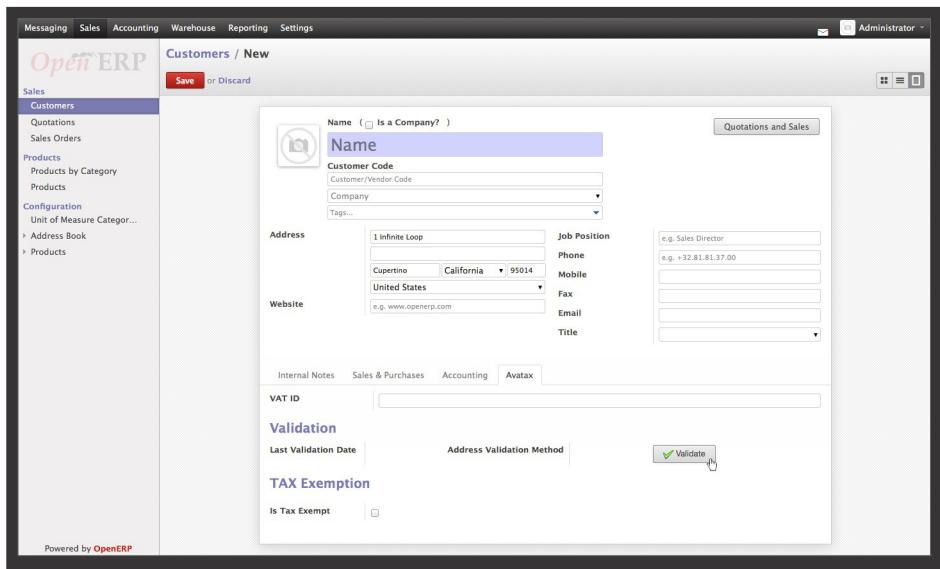
Properly configuring each customer ensures the correct tax is calculated and applied for all transactions.



## Create New Customer

Navigate to: **Sales > Customers**

Click “Create” button



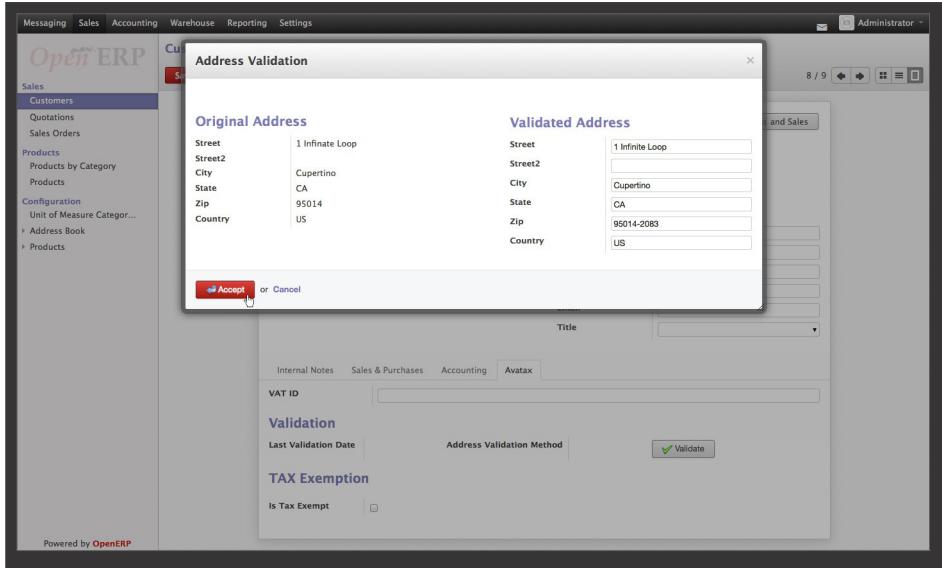
## Configure Customer Address

Enter Customer Address Select the AvaTax tab

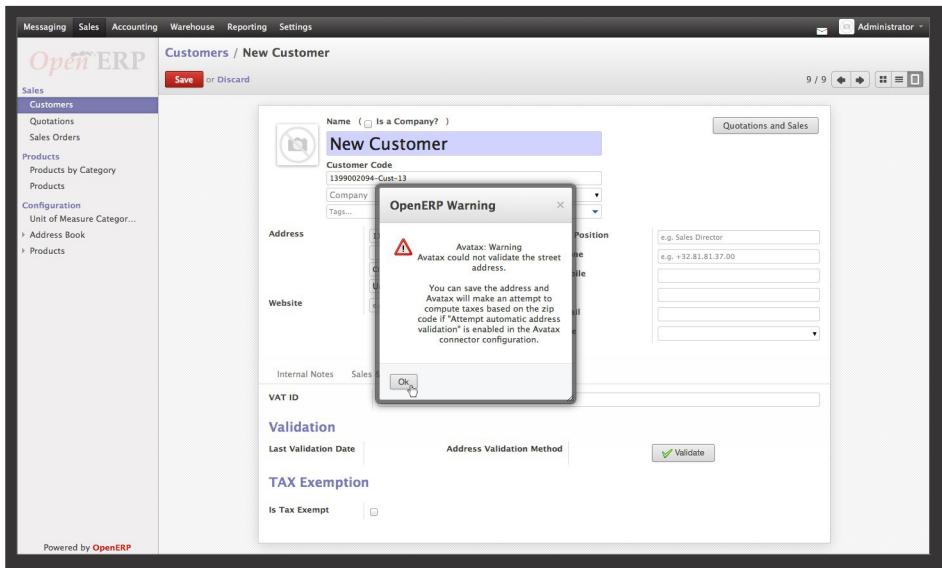
Click “Validate” button

## 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

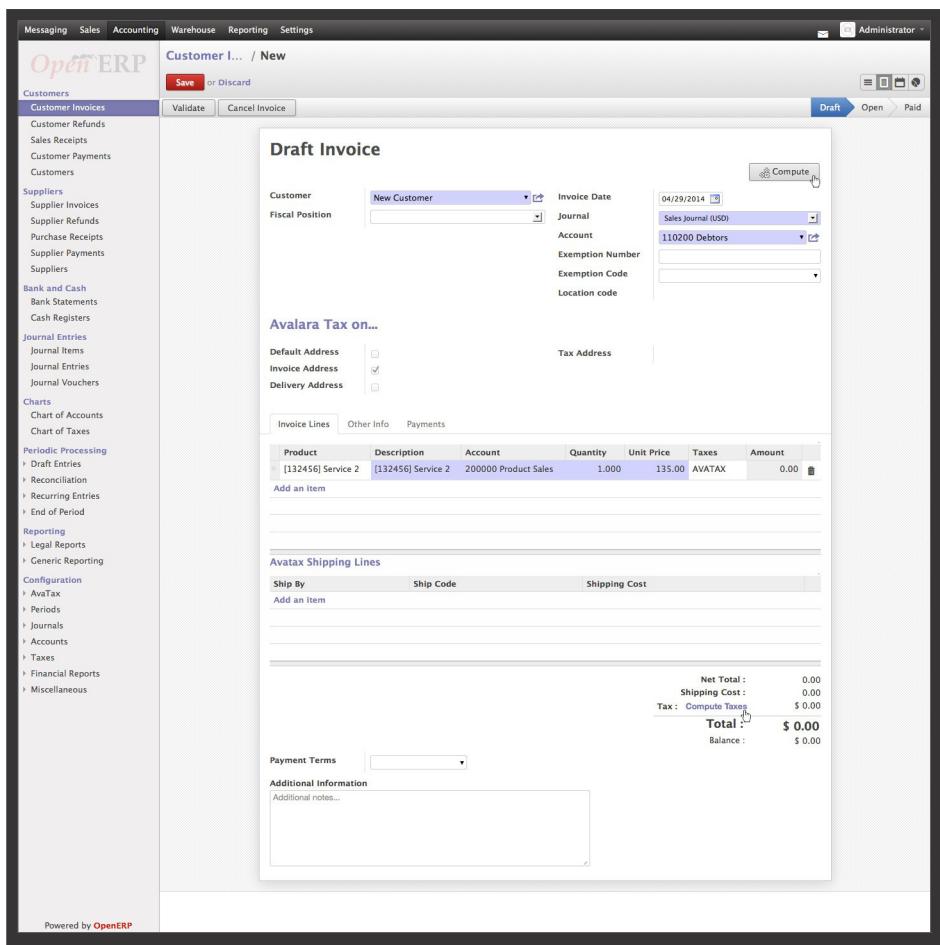
## Compute Taxes with AvaTax

Fill out the customer invoice as normal for Odoo

You will note that under Taxes you should see

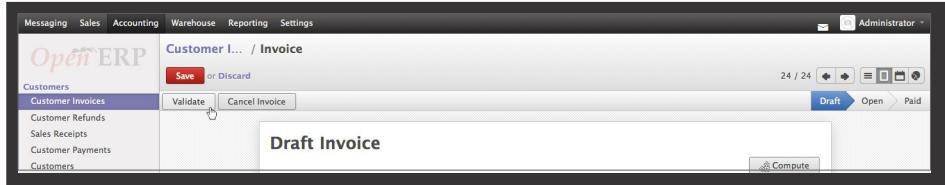
“AVATAX” Click “Compute Taxes”

- \* 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.



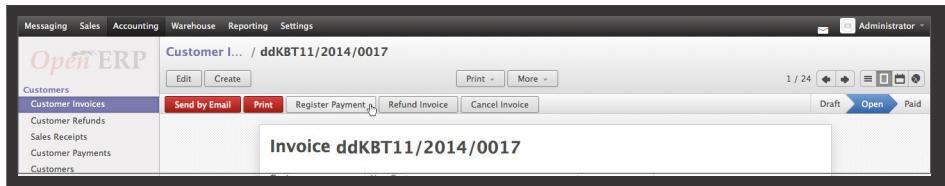
## Validate Invoice

After the taxes have been computed click “Validate” button



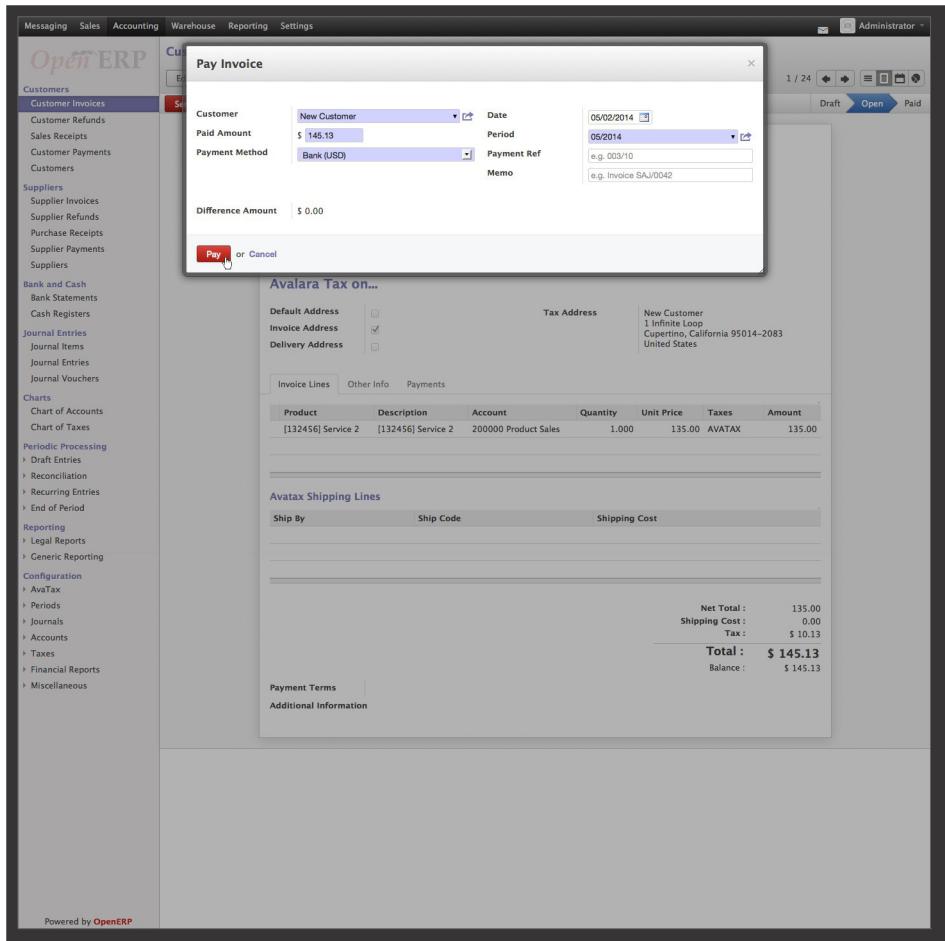
## Register Payment

To complete the invoice click “Register Payment” button



Complete the Pay Invoice window

Click “Pay” button to finalize the Customer Invoice



# 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

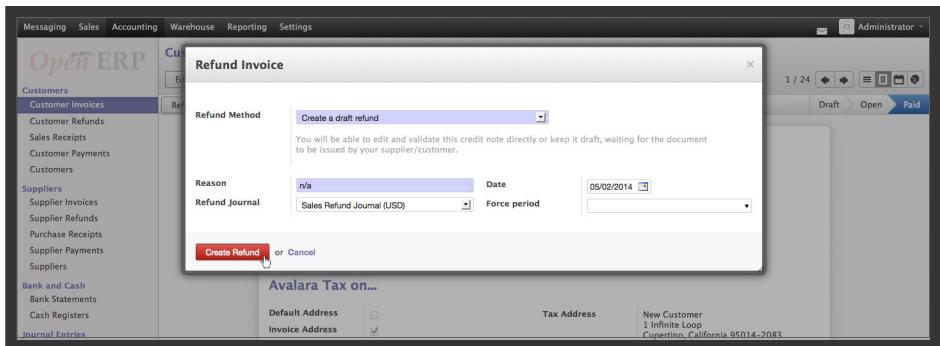
Click “Refund Invoice” button



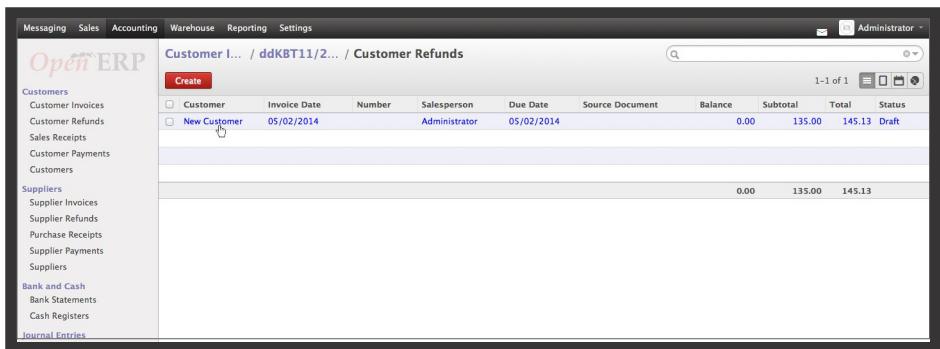
## Create Refund Invoice

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

The screenshot shows the OpenERP interface for managing customer refunds. A 'Draft Refund' window is open, displaying the following details:

- Customer:** New Customer, 1 Infinite Loop, Cupertino, CA 95014-2083, United States
- Fiscal Position:** (details not fully visible)
- Invoice Date:** 05/02/2014
- Journal:** Sales Refund Journal (USD)
- Account:** 110200 Debtors
- Avalara Tax on...**: Shows tax settings for Default Address, Invoice Address (checked), and Delivery Address.
- Tax Address:** New Customer, 1 Infinite Loop, Cupertino, California 95014-2083, United States
- Invoice Lines:** One line for [132456] Service 2, Description: [132456] Service 2, Account: 200000 Product Sales, Quantity: 1.000, Unit Price: 135.00, Taxes: AVATAK, Amount: 135.00.
- Avatax Shipping Lines:** Shows shipping cost details:
  - Net Total: 135.00
  - Shipping Cost: 0.00
  - Tax: \$ 10.13
  - Total: \$ 145.13
  - Balance: \$ 0.00
- Payment Terms:** ddKBT11/2014/0017
- Additional Information:** ddSCNJ11/2014/0008 n/a

## Register Refund Payment

Click “Register Payment” button to complete refund

The screenshot shows the OpenERP interface for managing customer refunds. A 'Refund' window is open, displaying the following details:

- Invoice No:** ddSCNJ11/2014/0008 n/a
- Buttons:** Edit, Create, Print, Register Payment (highlighted), Refund Invoice, Cancel Invoice, Draft, Open, Paid.

Complete the Pay Refund window

Click “Pay” button to finalize the Customer Refund

The screenshot shows the OpenERP interface for managing customer refunds. A 'Pay Invoice' window is open, displaying the following details:

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

At the bottom of the window, there are 'Pay' and 'Cancel' buttons, with 'Pay' being highlighted.

# 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

A screenshot of the OpenERP Sales Orders list screen. The top navigation bar includes links for Messaging, Sales, Accounting, Warehouse, Reporting, and Settings. The title bar says "Sales Orders". A red "Create" button is highlighted. Below the title bar is a search bar and a toolbar with icons for search, refresh, and other operations. The main area shows a table with 5 rows of sales order data:

Order Number	Date	Customer	Salesperson	Total	Status
SO010	03/25/2014	ABC Company	Administrator	81.53	Sales Order
SO007	02/13/2014	Avalara Test Company	Administrator	10870.00	Sales Order
SO006	02/13/2014	Avalara Test Company	Administrator	10870.00	Sales Order
SO004	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

A screenshot of the OpenERP Sales Orders / New screen. The top navigation bar includes links for Messaging, Sales, Accounting, Warehouse, Reporting, and Settings. The title bar says "Sales Orders / New". A red "Save" button is highlighted. Below the title bar is a toolbar with "Send by Email", "Print", "Confirm Sale", and "Cancel Quotation". A progress bar at the top right indicates the process is "Quotation Sent". The main area has tabs for "Quotation /", "Order Lines", and "Other Information". The "Quotation /" tab is active, showing fields for Customer (set to "New Customer"), Date (set to "05/01/2014"), and Tax Address (listing "New Customer" at "1 Infinite Loop, Cupertino, California 95014-2083, United States"). The "Order Lines" tab shows a single item: "132456 Service 2" with a quantity of 1.000, unit price of 135.00, and subtotal of 0.00. The "Other Information" tab shows tax details: Net Total: 0.00, Shipping Cost: 0.00, Taxes: 0.00, and a total of \$ 0.00. A "Compute" button is located next to the tax details. At the bottom, there is a "Terms and conditions..." field.