uniCenta

Taxes Guide

Version 4.1

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This Taxes Management Guide discusses how Taxes are defined, the logic used and how to automatically apply them.

Foreward

Applying taxes in a system is, without doubt, something that has to be done though it can prove to be a burden to implement.
How these are set up in uniCenta oPOS is crucial to its successful use.

This document is to help explain how Taxes are handled in uniCenta oPOS

It explores the application of the various settings that will determine what, and how, taxes are applied.

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Defining Taxes

For Products define your taxes following these steps:

- Create **Tax Categories**
- Create **Taxes** in these categories
- Associate **Products** to the **Tax Categories**

If your country's taxes vary depending on the type of sale or Customer, such as On-Premise; Off-Premise tax rates or out-of-state Customers who enjoy certain tax concessions.

- Create **Tax Categories Customer**
- Associate **Customer** to **Customers**
- Associate **Tax Categories Customer** to **Taxes**

A **Tax** must belong to a **Tax Category**, and it may, optionally, belong to a **Tax Customer Category**.

A Product must be assigned a **Tax Category** so that during a transaction the specific **Taxes** associated with it are applied.

Setting different **Taxes** allows for example; **Tax** On-premise use and a different **Tax** charged for example, a Take-Out within the same transaction.

Additionally, a **Tax** can be defined for a specific Customer using **Tax Categories Customer**. This can then be used when creating a transaction for a chosen **Customer** to apply the appropriate **Tax** to the Product in the transaction.

Tax Categories

Tax Categories provide a convenient method for grouping and managing similar **Taxes,** for example; Sales Tax or Value Added Tax.
Every Product has a **Tax Category** so when used in a transaction its appropriate **Tax Rate** is applied.

Tax Categories Customer

Tax Categories Customer is used to define **Tax Categories** that are associated to one or more Customers.

A **Customer** may or may not have an associated **Tax Categories Customer**. A Customer can only belong to one **Tax Categories Customer**.

Tax Categories Customer can be associated to **Taxes**.

A **Tax** within a **Tax Categories Customer** will only be applied to Customers of the same category.

Tax

Every **Tax** is part of a **Tax Category**

It is possible to define more than one **Tax Rate** for a **Tax Category**.

During a transaction the system will automatically determine which **Tax** is suitable for that Product and Customer combination.

Different Products may have different **Taxes** and each transaction line is calculated accordingly.

Taxes can be defined as individual taxes (applying only one tax) or as summary type that are applied at the same time to more than one tax.

Configuring a **Tax** :

- **Name** :
  The name for the Tax
- **Tax Category** :
  The Tax Category where the tax is included
- **Customer Tax Category** :
  Apply to Customers with the same category otherwise leave blank
- **Parent Tax** :
  Defines the parent of the tax. Note that this type of tax cannot be applied directly; only complete trees can be applied (a parent with all its children).
- **Rate** :
  The percentage tax rate
- **Cascade :**
  Used for summary type taxes. If not selected, calculate the price after tax.
  If selected, the base will be the price after applying the previous taxes for the same parent.
- **Order :** The sequence for dependent taxes.

Using Taxes

When a Product is selected in a transaction line the **Tax** assigned to it is applied.

The rules applied are as follows;

The **Tax** is selected from those defined in the Product's **Tax Category**.
Taxes defined in the **Tax Categories Customer** will only be applied to those Customers assigned within the same **Tax Category**.
If the **Tax** does not have a **Customer Tax Category** it can be applied to any Customer.

Once the **Tax** is determined an approximate **Tax** amount is calculated.
If the **Tax** is a **Parent Tax** the calculation will be done using the **Tax Rate** defined in the parent, not exploding it and taking the real values from its children.
The actual **Tax** amount is calculated when the ticket's transaction is completed.

Calculating actual Tax Amount

When a ticket transaction is completed, the actual Tax amounts are calculated from the selected taxes following these steps:

A new **Tax** line is created for every different **Tax** applied to the ticket (*each line will have only one tax*). The **Tax** amount is calculated from the base amount of the ticket lines associated with this **Tax**.

For taxes defined as parents, a new line is inserted for each of its children and the amount is calculated taking into account whether or not the children are cascaded.

EXAMPLE – Multiple Taxes

During the uniCenta oPOS installation two default **Tax Categories** - Exempt and Standard – are created along with two default **Taxes**: Exempt 0% and Standard 20%

You can use these as the basis for your country's taxes and change the descriptions and rates to suit.

Below is an example of a compound Tax amount that is comprised of two Taxes.

In addition to the two default **Tax Categories** - create more by following these steps :

1. Go to **Tax Categories** :
   Create a **new** Tax Category called **Federal**
   Create another **new** Tax Category called **State**

2. Go to the **Taxes** panel :
   Set the existing **Standard Tax Rate** to **14.975%**
   This is the Total Tax that will be levied during the sales transaction. Only 2 decimal displayed here, but it is stored as 0.14975 in the database

3. Create **two** new Taxes :
   1. **Create** a **new** Tax Category called **Federal**
      Set Tax Category to **Federal**
      Set Parent Tax to **Standard**
      Set the **Rate** to **5%**
   2. **Create** a **new** Tax Category called **State**
      Set Tax Category to **State**
      Set Parent Tax to **Standard**
      Set the **Rate** to **9.975%**

4. Go to the **Products** panel
   Set new/existing **Products Tax Category** to **Tax Standard**

5. Go to the **Sales** screen
   Make a sale

The sum total of the **Taxes** will show 14.98% - *if you wish to see more than the two decimal places you have to change your Operating System Locale settings and/or those in the uniCenta oPOS Configuration.*

Go to the **Close Cash** panel and have a look at screen and Partial Cash output...

This snippet from a sales receipt shows an example of the Taxes applied to a sale's transaction.

Total		£258.69
Cash		
Tendered:		£258.69
Change:		£0.00
Nett of Tax:		£225.00
Taxes:		£33.69
Exempt	£0.00	£0.00
Exempt Member	£0.00	£0.00
Federal	£225.00	£11.25
Standard	£0.00	£0.00
State	£225.00	£22.44
Zero	£0.00	£0.00

The script below generates the layout and content found in the Printer.Ticket resource.
It can also be included in any ticket output resource such as Printer.TicketPreview

```
#foreach ($taxinfo in $taxes)
   <line>
     <text align ="left" length="18">${taxline.getTaxInfo()}</text>
     <text align ="right" length="12">${taxline.printSubTotal()}</text>
     <text align ="right" length="12">${taxline.printTax()}</text>
   </line>
  #end
```

EXAMPLE – Customer Tax Category

During the uniCenta oPOS installation two default **Tax Categories** - Exempt and Standard – are created along with two default **Taxes**: Exempt 0% and Standard 20%
As the previous example; use these as the basis for your country's taxes.

Below is an example of setting a Customer Tax Category.

In addition to the two default **Tax Categories** - create more by following these steps:

1. Go to **Tax Categories Customer**:
   Create a **new** Customer Tax Category called **Take Out**

2. Go to the **Tax Categories** panel:
   Create a **new** Tax Category called **Take Out**

3. Go to the **Taxes** panel:
   1. **Create** a **new** Tax called **Take Out**
      Set Tax Category to **Standard**
      Set Customer Tax Category to **Take Out**
      Set the **Rate** to **2.5%**

4. Go to the **Customers** panel:
   Set new/existing **Customer Tax Category** to **Take Out**

5. Go to the **Sales** screen:
   1. **Select** a **Customer** using the **Customer Find/Create** option button
      The Take Out rate will now be applied to all Products added to the ticket
   2. **Add Product**(s) in the usual way
      Note: the Product's Tax Category tax rate is now set to the Take Out rate. Any free-line entered or Variable price Product will also have the Take Out rate applied to it