

Question:

When using the Procurement Confirmation Wizard in SAP Business One, the process fails with the following error message:

> "Inactive Tax Code '[TX7]'"

Procurement Confirmation Wizard						
Summary Report						
You can see below if procurement document generation was completed successfully, and which procurement documents were created. Other system messages are also displayed.						
<input checked="" type="checkbox"/> Errors						<input checked="" type="checkbox"/> Information
#	Message	Help	Context	Date / Time	Message ID	
1	Procurement confirmation generation start			2025-01-24 08:58:45	0	
2	Inactive tax code [TX7]; specify an active			2025-01-24 08:58:45	480000079	
3	Procurement confirmation generation end			2025-01-24 08:58:45	0	

Answer:

Reason:

This error happens because an item involved in Procurement Confirmation Wizard is set to use `TX7` as its default **purchasing tax group**, but the `TX7` tax group itself is currently marked as ****inactive**** in SAP Business One tax setup.

Item Master Data			
Item No.	Manual	VIP EEP80204175	
Item Description	VIP EEP80204175		
Foreign Name			
Item Type	Items		
Item Group (Maker)	VIPOL		
UoM Group	Manual		
Price List	Price List 01	Unit Price	Primary Curren
General		Purchasing Data	Sales Data
Inventory			
Preferred Vendor			
Mfr Catalog No.			
Purchasing UoM Name			
Items per Purchasing Unit			
Packaging UoM Name			
SPQ			
Customs Group			
Tax Group			

Tax Groups - Setup			
#	Code	Inactive	Name
1	IP	<input type="checkbox"/>	Purchase Import
2	ME	<input type="checkbox"/>	Purchase - MES
3	OBP	<input type="checkbox"/>	Purchase Opening Balance
4	OP	<input type="checkbox"/>	Purchase - Out of Scope
5	SI	<input type="checkbox"/>	Purchase - Standard Input 9% GST
6	TX7	<input checked="" type="checkbox"/>	Purchase - 8% GST
7	ZP	<input type="checkbox"/>	Purchase - Zero Rated
8	NA	<input checked="" type="checkbox"/>	Purchase - Out of Scope

Key Point:

An item's master data can still store an inactive tax code as its default. The error only appears when SAP Business One tries to use that inactive code in a real transaction (like during the Procurement Confirmation Wizard).

You have two main ways to fix this:

Solution 1: Change the Default Tax Code in Item Master Data

If you no longer want to use `TX7` for this item's purchasing.

Steps:

1. Go to Inventory > Item Master Data > Purchasing Data Tab
2. Change the Tax Group field (or similar) from `TX7` to an active and correct tax code.
3. Update the Item Master Data.
4. Repeat for all affected items.

Solution 2: Activate the TX7 Tax Group

If you still intend to use `TX7` for your purchasing transactions.

Steps:

1. Go to Administration > Setup > Financials > Tax > Tax Groups
2. Find `TX7` in the list.
3. Uncheck the "Inactive" box (or similar option) for `TX7`.
4. Update the Tax Group settings.