**Title: German Tax Deduction Calculation using BRF+**

1. Objective

The objective of this requirement is to design and implement a tax calculation engine in BRF+ that automates the derivation of German tax deductions. The system should calculate VAT, Corporate Tax, Solidarity Surcharge, and Trade Tax based on financial input values.

2. Scope

Automate multi-step tax calculations using BRF+ formulas and rulesets.

Provide flexibility to adjust tax rates and formulas without modifying ABAP code.

Ensure transparency in tax calculation logic by maintaining all rules in BRF+.

Support simulation and testing of tax scenarios for validation.

3. Inputs

The function will accept the following input parameters (Data Object: `ZFI\_FUNCTION\_INPUT`):

* Total Revenue (`ZFI\_TOTAL\_REVENUE`)
* Total Expenses (`ZFI\_TOTAL\_EXPENSE`)

4. Processing Logic (Business Rules)

The system will apply the following rules sequentially through the ruleset (`ZFI\_DE\_DERIVE\_TAXES\_RULESET`):

* Calculate VAT which is 19% of Total Revenue
* Derive Taxable Profit which is Total Revenue – VAT – Total Expenses
* Calculate Corporate Tax which is 15% of Taxable Profit
* Calculate Solidarity Surcharge which is 5.5% of Corporate Tax
* Calculate Trade Tax which is 14% of Taxable Profit

5. Outputs: The function will return results in the output data object:

* VAT Amount (`ZFI\_VAT\_AMOUNT`)
* Taxable Profit (`ZFI\_TAXABLE\_PROFIT`)
* Corporate Tax (`ZFI\_CORPORATE\_TAX`)
* Solidarity Surcharge (`ZFI\_SOLIDARITY\_SURCHARGE`)
* Trade Tax (`ZFI\_TRADE\_TAX`)

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Functions are executed in sequence to derive tax components

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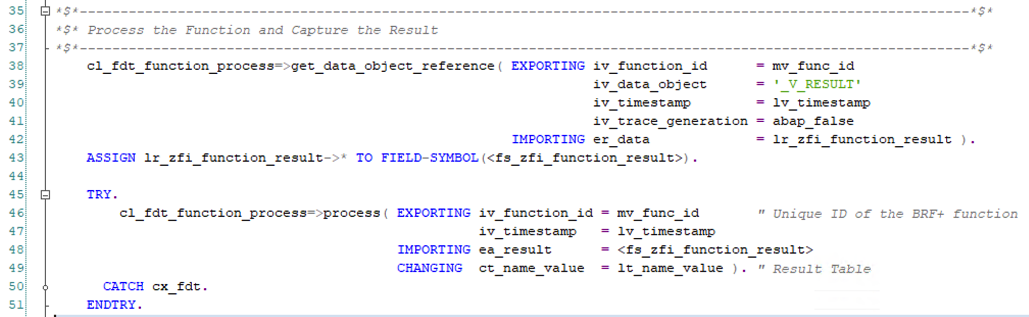
How BRF+ are consumed in ABAP programs:

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A screen shot of a computer code

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A screenshot of a computer screen

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