



## Addressed In This Article

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## 1. Tax Authorities Defined

RentalPoint is capable of storing several different taxes that can be used when a business has a wide operating area. There are times when bookings are created in another branch that can be in another area of the country or even in a completely different country. For this reason there may be a need to store multiple tax types that can be applied to bookings and sales. Creating and editing taxes in RentalPoint can be done via the Tax Authorities option in the setup menu.

## 2. Parameters Used in Conjunction with Tax Authorities

Parameter	Function
Pricing #34	Set this parameter to let RentalPoint know the price you would like to charge tax on
Pricing #41	Set this parameter to let RentalPoint know if settlement discount should be taxed
Pricing #45	Set this parameter to let RentalPoint know if taxes should be rounded up or down
Operational # 74	Set this parameter to tell RentalPoint to use either Location Record Tax defaults OR the defaults as set up in the Tax Authority Table <i>in each Customer Record</i>
Operational #133	Set this parameter to tell RentalPoint to display the Tax Authorities in NAME or NUMBER order for any drop down list of Tax Authorities
Operational # 134	Set this parameter to tell RentalPoint to use either Customer Record Tax defaults OR Location Record Tax Defaults <i>in a booking</i>
Operational #164	Set this parameter to tell RentalPoint to load Vendor Tax Defaults on a PO
Operational #165	Set this parameter to tell RentalPoint to display tax fields on a PO
Operational #169	Set this parameter to tell RentalPoint to display tax fields in Vendor Properties

### 3. Operator Privileges Affecting Tax Authorities

Edit the GROUP record the operator belongs to and check out figure 1.1 and 1.2 below for more details.

Figure 1.1

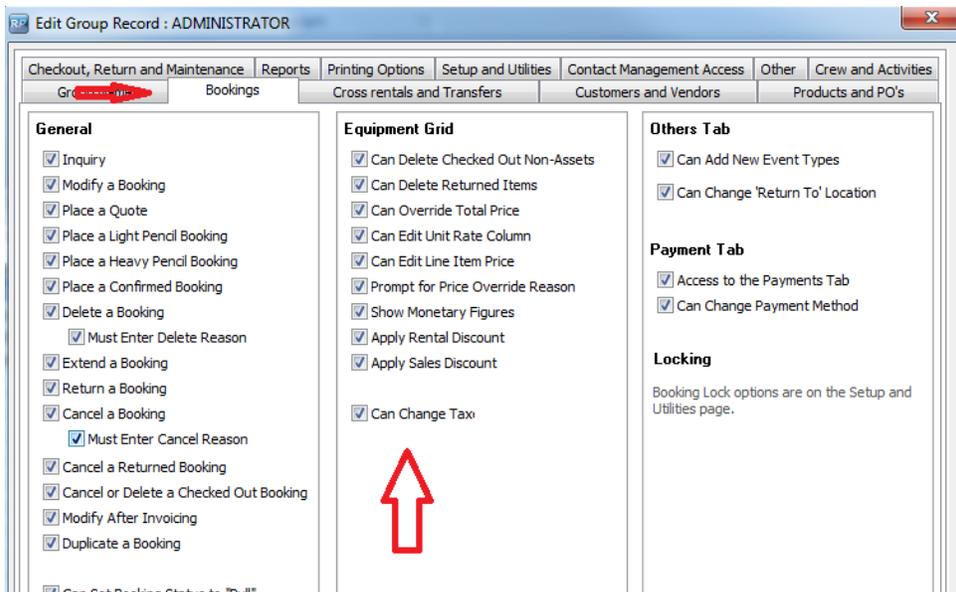
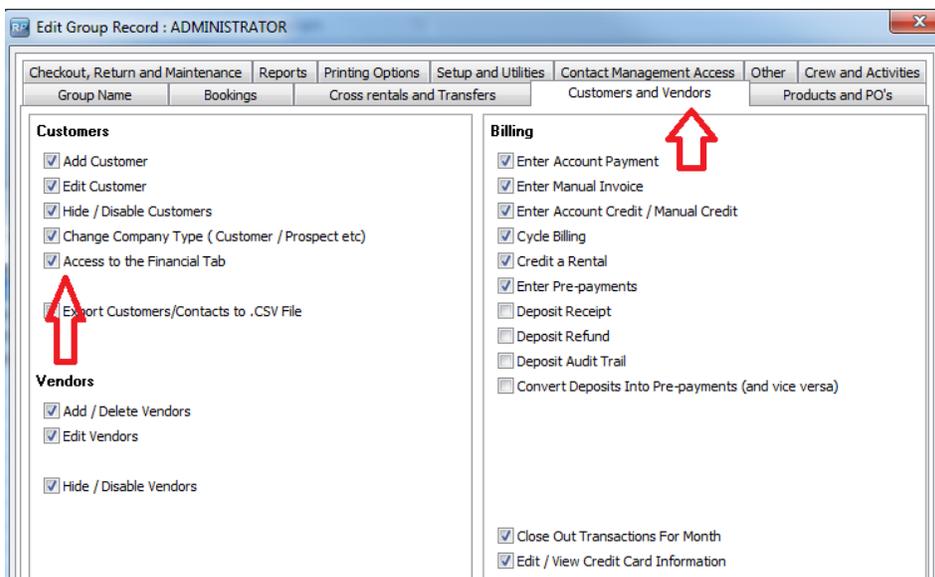


Figure 1.2



#### 4. Adding / Editing Tax Authorities

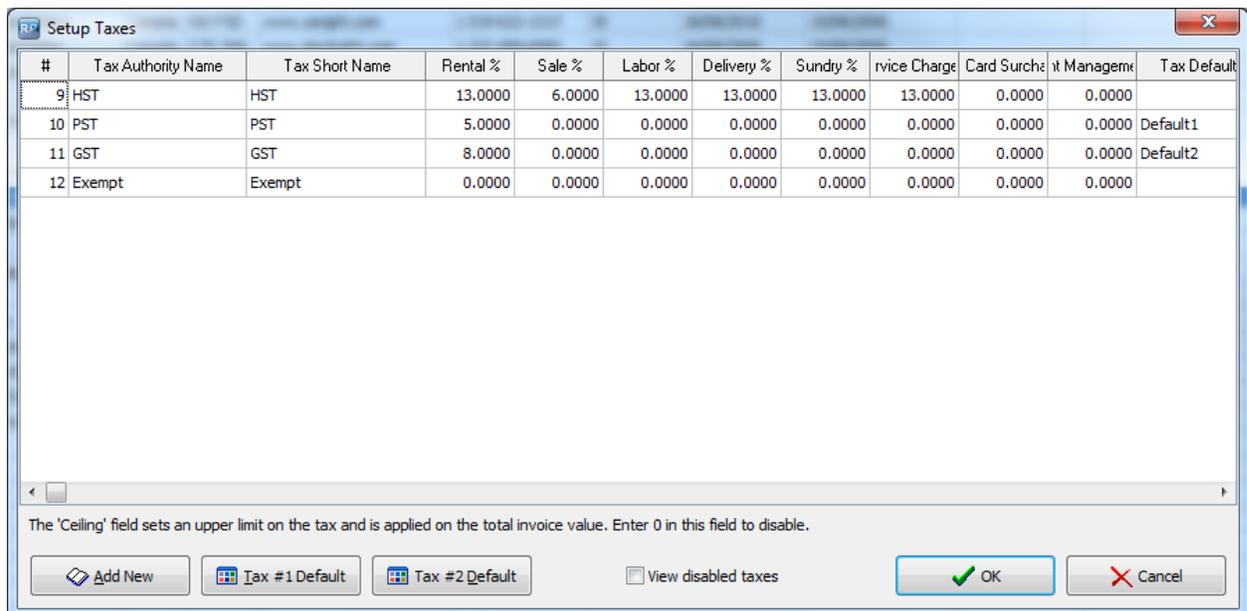
To enter a new tax click **Add New** and a new tax row will display in the list. The tax can now be configured to specifications.

When editing a tax authority, RentalPoint will not overwrite the existing tax authority. The existing tax will be disabled and the system will enter a new one. This ensures that all existing transactions (ie. bookings, invoices etc) will maintain their original tax percentage;



Existing Bookings will not be automatically recalculated to reflect the new percentage you have added. All new transactions however will use the new rate.

**Figure 1.3**



#	Tax Authority Name	Tax Short Name	Rental %	Sale %	Labor %	Delivery %	Sundry %	Invoice Charge	Card Surcharge	Item Management	Tax Default
9	HST	HST	13.0000	6.0000	13.0000	13.0000	13.0000	13.0000	0.0000	0.0000	
10	PST	PST	5.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	Default1
11	GST	GST	8.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	Default2
12	Exempt	Exempt	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	

The 'Ceiling' field sets an upper limit on the tax and is applied on the total invoice value. Enter 0 in this field to disable.

View disabled taxes



If you want to adjust a tax that was previously disabled click the **View disabled taxes** option to the left of the OK button.

The **Ceiling** column is the dollar limit the tax stops at. For example, if you have a booking for \$150 and the ceiling is set at \$100, the customer is only charged tax on the first \$100 and not the remaining \$50. The ceiling limit is applied on the total invoice value. By default, a 0 is loaded into the ceiling column denoting that the entire amount be taxed.

A **Piggy Back** tax is a tax that is charged on top of another tax.

## 5. Default Tax Authorities

RentalPoint allows you to setup default taxes for Customer Record, Location or Tax Authority Setup. Once set up the defaults used are dependent on the parameter settings *see parameters used in conjunction with tax authorities in section 2 above for more information*

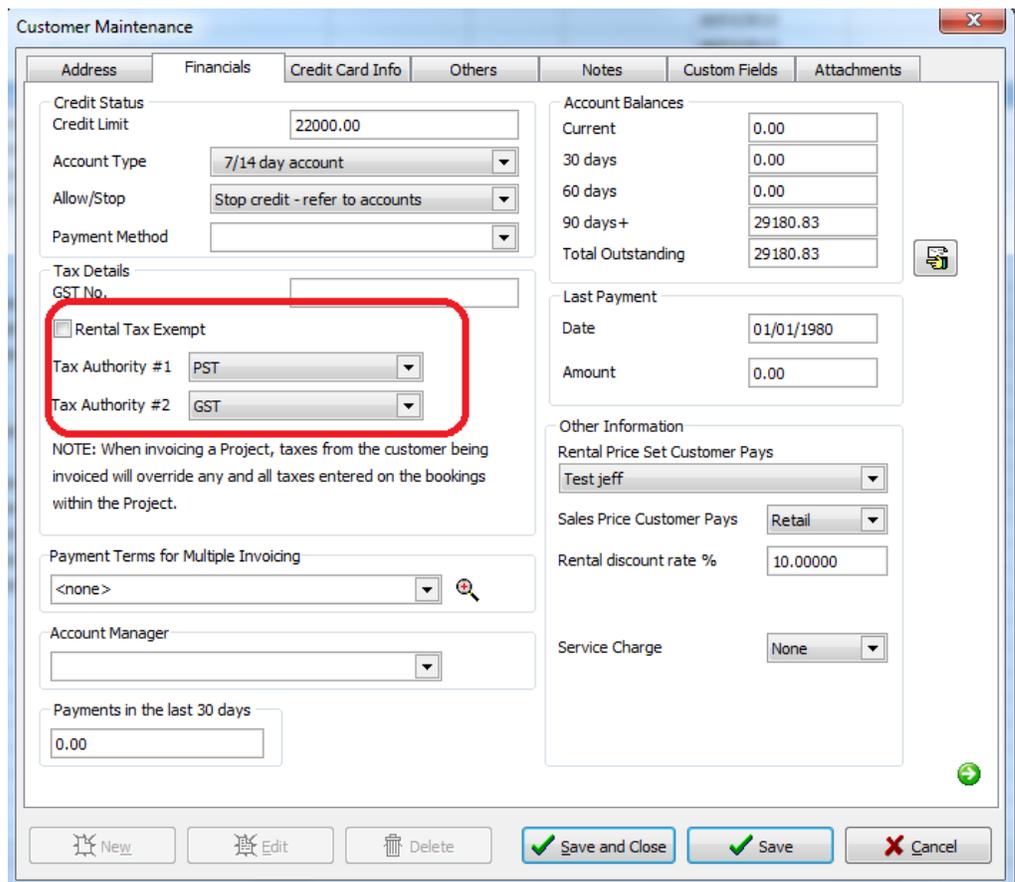
### i. In Tax Authority Set Up

To set a default select the desired line in the grid and click **Tax #1 Default**. To set a second default select a different line and click **Tax #2 Default**, *see figure 1.3 above*



You can also select the same tax line as both tax 1 and tax 2 default, for instance if you want to have exempt as the default for both taxes.

### ii. In Customer Setup



The screenshot shows the 'Customer Maintenance' window with the 'Financials' tab selected. The 'Tax Details' section is highlighted with a red box, showing the following settings:

- Rental Tax Exempt
- Tax Authority #1: PST
- Tax Authority #2: GST

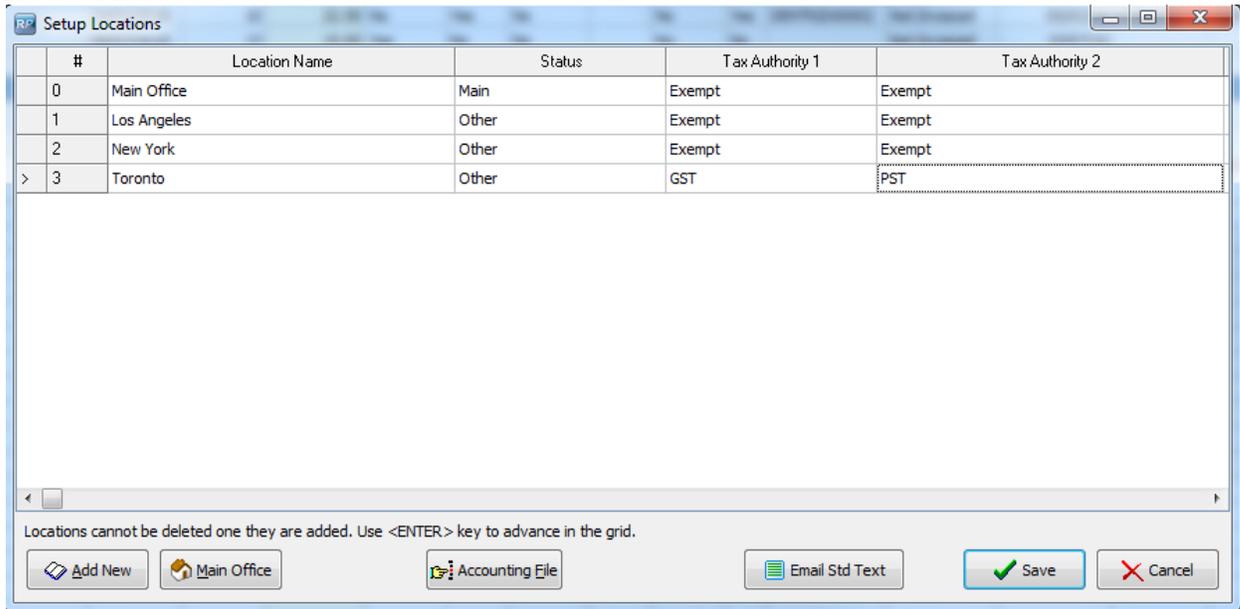
Other visible fields include:

- Credit Limit: 22000.00
- Account Type: 7/14 day account
- Allow/Stop: Stop credit - refer to accounts
- Payment Method: (empty)
- GST No.: (empty)
- Account Balances: Current (0.00), 30 days (0.00), 60 days (0.00), 90 days+ (29180.83), Total Outstanding (29180.83)
- Last Payment: Date (01/01/1980), Amount (0.00)
- Other Information: Rental Price Set Customer Pays (Test jeff), Sales Price Customer Pays (Retail), Rental discount rate % (10.00000), Service Charge (None)
- Payment Terms for Multiple Invoicing: <none>
- Account Manager: (empty)
- Payments in the last 30 days: 0.00

Buttons at the bottom include: New, Edit, Delete, Save and Close, Save, and Cancel.

### iii. In Location Setup for Multi Location Systems

For multi-location systems default taxes can also be set for each location, this will be done in the Set-up > Locations window.



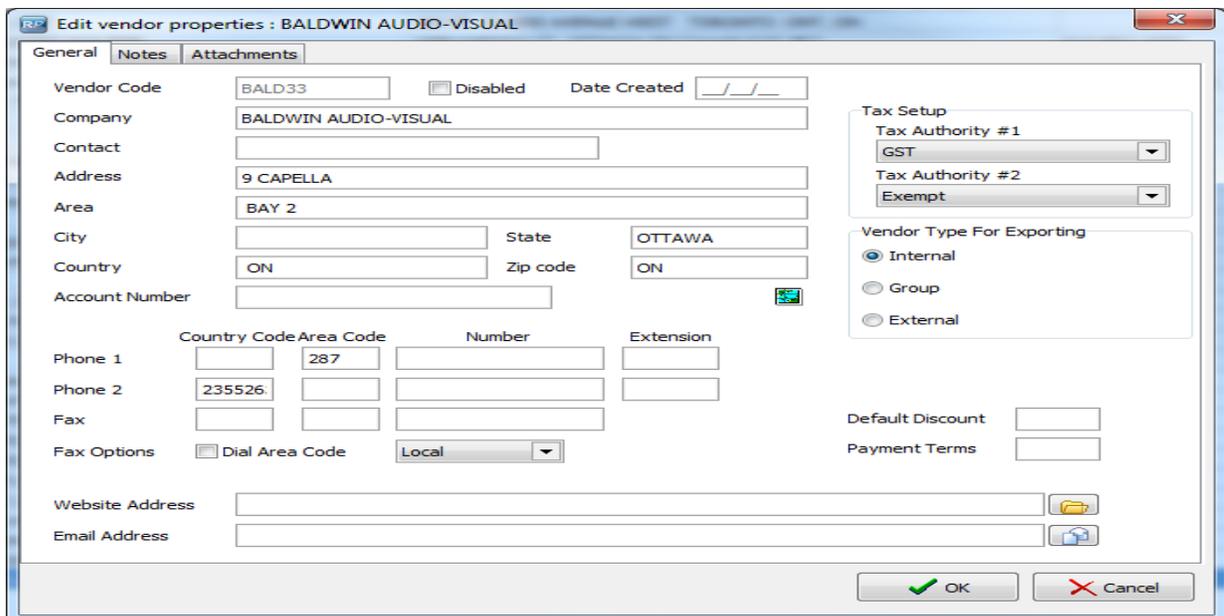
#	Location Name	Status	Tax Authority 1	Tax Authority 2
0	Main Office	Main	Exempt	Exempt
1	Los Angeles	Other	Exempt	Exempt
2	New York	Other	Exempt	Exempt
> 3	Toronto	Other	GST	PST

Locations cannot be deleted one they are added. Use <ENTER> key to advance in the grid.

Buttons: Add New, Main Office, Accounting File, Email Std Text, Save, Cancel

### iv. In Vendor Setup

Default Tax Authorities can be set up for each Vendor in the Vendor Record



**Edit vendor properties : BALDWIN AUDIO-VISUAL**

General | Notes | Attachments

Vendor Code: BALD33  Disabled Date Created: / /

Company: BALDWIN AUDIO-VISUAL

Contact:

Address: 9 CAPELLA

Area: BAY 2

City: State: OTTAWA

Country: ON Zip code: ON

Account Number:

Phone 1: Country Code: Area Code: 287 Number: Extension:

Phone 2: 235526 Number: Extension:

Fax:

Fax Options:  Dial Area Code Local

Website Address:

Email Address:

**Tax Setup**

Tax Authority #1: GST

Tax Authority #2: Exempt

**Vendor Type For Exporting**

Internal

Group

External

Default Discount:

Payment Terms:

Buttons: OK, Cancel

## 6. Changing Default Tax Authorities

Changing default tax authorities is a two step process. You must set up the new tax authority AND set it in place of your old default. The changes here will depend on how you set your defaults above (i.e. by Tax Authority Setup, Location, Customer, Vendor). The new tax authority will be reflected on all NEW bookings. It will NOT affect current bookings unless you edit the booking and change the tax authorities.

### Steps to Change Tax Authority

1. Disable the old tax authority in the setup->tax authorities table
2. Create new tax authority
3. Set the new tax authority as default1
4. Update each customer record/location record with the new default tax authorities.
5. In order to change all customers/Locations you need to manually enter each customer record to update the default tax authorities OR import the new defaults from an excel file

### Update Customer Records with New Default Tax Authority via Export/Import

1. Take a backup of your database first
2. Export your Customer table to an excel file (via others, import/export, export customers), under the fields tab choose customer name, organization, tax authority 1 and tax authority 2), save the file with a .csv extension
3. Edit the excel file produced For the Tax Authority fields
4. Enter the NUMBER of the NEW tax authority as set up in the 'setup tax authorities' option
5. Save as a .csv file
6. In RentalPoint via the 'others' tab import file, customer, and match the fields in your excel file to the fields you want to update in the customer table.



If you have an IT person on staff they should be able to do this for you however if you need help please feel free to contact RentalPoint Support ☺