

Setting Tax Flags 2

When required a routine is available to Globally change the tax rates on both the Branch and Client levels.

For example on July 1st, 2006 the Federal Tax Rate was reduce by 1%. That meant for those offices subject to GST the tax rates changed from 7% to 6%, whereas for those offices subject to HST the tax rates changed from 15% to 14%.

Almost all routines that calculate the tax components utilize either the appropriate Branch Tax flags or if set, the Client Tax flags. This includes any specialized routines designed to transfer data electronically to specific clients.

One drawback for this switch in tax percentages could arise for an office that wishes to rerun a routine with information prior to July 1st, 2006. For example, the recalculation of statements for June after the Branch Tax Flag has been changed to 6 percent will use the new value for the June statements. You must be careful of this.

This global routine has been expanded to accommodate changes to the PST rate as well.

This Global change of tax rates is available in the Maintenance Area.

This new routine is only available by logging in as “root”

Choose 01 for Management Menu

Choose 09 for System Maintenance Menu

Choose 99 for Hidden Maintenance

Choose 16 for Global change of Tax Rates

The purpose of this routine is to provide the agency the ability to globally change tax rates in both the Branch and Client databases

when such a change is decreed by the Federal or ;Provincial Governments.

Only the fields with the appropriate existing information will be changed. That means if the current fields on the client are blank, they will remain blank. If the current rate on the client is different from what is indicated when this routine is run they will not be altered. So, for example, if you ; are an office with both GST and HST percentages attached to your ;clients, you will have to run this routine twice.

Changing Federal or Provincial rates must be run separately. You will be give the choice to indicate which you want to change.

Are you ready to continue (Y/n):

Are you changing the (F)ederal or (P)rovincial Tax Rates:

Note: Federal Tax Rates usually identified as GST or HST
Provincial Tax Rates are usually identified as PST or QST

Enter the Existing Tax Rate that you wish to alter:

Enter the New Tax Rate that is replacing the existing rate:

You have indicated that you wish to change all existing
“which” Tax Rates of #.## in both the Branch
and the Client Masters to the New Tax Rate of #.##.

Is this correct (y/N):

Manually Changing the Flags

The following are the details of changing or checking the Tax Flags for both the Branch and the Client Masters.

Branch

The Branch Master Tax Flags are set to control the tax settings for the entire branch. Individuals clients can be set operate independently of the Branch settings, that way if the overall settings operate one way you can use the client flags for alternate settings. An

example of that is with HST or QST for offices operating in provinces other than the Maritimes or Quebec.

In the Branch Master under Tax Flags you will see...

Federal Tax Activated.....: *(enter "Y" if GST or HST applies)*
Federal Tax Rate.....: *(Enter "6.00" if GST or "14" if HST)*
Federal Tax Label.....: *(Enter "GST")*
Position of Tax on Statement.....: *(Enter "I" for Immediate or "E" for End)*
Federal Tax Registration #.....: *(this is optional)*
Government Client for Fed. Tax.....: *(Enter the client number for GST client)*
Provincial Tax Activated.....: *(Enter "Y" if Branch wide and QST applies)*
Provincial Tax Rate.....: *(Enter "8.50" if applicable)*
Provincial Tax Label.....: *(Enter "QST" if applicable)*
Position of Tax on Statement.....: *(Enter "I" for Immediate or "E" for End)*
Provincial Tax Registration #.....: *(this is optional)*
Government Client for Prov. Tax: *(Enter the client number for the QST client)*
Prov. Taxed on the Fed. Tax.....: *(Enter "Y" for QST to tax the GST)*

Client

The Client Master Tax Flags are set to control the tax settings on an individual client basis. These flags are useful if you want particular clients to operate differently from your overall Branch settings.

In the Client Master under Tax Flags you will see...

(Applies to clients that list accounts with you)

Federal Tax Charged to Client [Charge Them] (Y/N/): *(Enter a "Y" or "N" or space)*
Charge Them Federal Tax Label: *("GST")* Charge Them Federal Tax Rate: *("6.00")*

(Applies to forwarded offices that you list with, and who charge you tax)

Federal Tax Charged by Agency [Charges Us] (Y/N/): *(Enter a "Y" or "N" or space)*
Charge Us Federal Tax Label: *("GST")* Charge Us Federal Tax Rate: *("6.00")*

Position of Federal Tax Line on Statement (I/E): *("I" for Immediate or "E" for End)*
Federal Tax Registration #.....: *(this is optional)*

(Applies to clients that list accounts with you)

Provincial Tax Charge to Client [Charge Them] (Y/N/): *("Y" or "N" or space)*
Charge Them Prov. Tax Label: *("QST")* Charge Them Prov. Tax Rate: *("8.5")*

(Applies to forwarded offices that you list with, and who charge you tax)

Provincial Tax Charged By Agency [Charges Us] (Y/N/): *("Y" or "N" or space)*
Charge Us Prov. Tax Label: *("QST")* Charge Us Prov. Tax Rate: *("8.5")*

Provincial Tax Charged On Federal Tax: *(enter a "Y" for QST to tax the GST)*
Position of Provincial Tax Line on Statement (I/E): *("I" for Immediate, "E" for End)*

Provincial Tax Registration #...: *{this is optional}*

Notes:

The I=Immediate or E=End choices refers to how the tax on commission line will appear on the statement. If "I" the tax line will follow immediately after the last transaction line. If "E" the tax line will appear at the end or bottom of the statement.

The client choices of "Y" or "N" or space simply mean that the flag is either on or off or if it's a space it will rely on the branch flag to control the tax settings.