

## Setup Requirements

### Tax Codes Setup

Open the **Tax Code Setup** table to enter a Tax Code for each new exemption amount (%) needed.

Click the **Search** icon.

Click **OK** to view all Tax Code numbers in use.

If creating a new Tax Code, select a Tax Code number that is not already used.

Click the **Just-like** button to duplicate the selected tax code.

At **Tax Code**, enter the pre-selected number to represent the tax code.

Enter a description for the Tax Code.

Adjust the **Effective Date** to the first day the tax exemption is active.

Click **OK** to save.

Setups > Setups > Standard > Tax > Tax Codes

**Tax Codes Setup (BROWSE)**

Service type: E ELECTRIC  
Tax code: 24 ELECTRIC - 2%  
Effective date: 2015-11-01

**Tax Code Information (BROWSE)**

Stat. Code	Description	Rate	Tax Limit	Tax on Tax?
E-STAX	SALES TAX	5.500000		N
E-TE02	SALES TAX EXEMPT - 2%	-0.110000		N
ESALEG	E-SALES GROSS	100.000000		N
ESALET	E-SALES TAXABLE	-98.000000		N
ESALEX	E-SALES TAX EXEMPT	-2.000000		N

Move Up Move Down  
Ready  
Use the navigation buttons to browse records

In the **Tax Code Information** section, adjust the Stat Code Rates based on the tax exemption certificate received.

To calculate the Sales Tax amount use the formula shown below.

$$\text{Sales Tax (\% Tax Exempt)} = \text{Rate}$$

*Note: Enter the Sales Tax Exempt Rate as a negative.*

*In this example, the Sales Tax is at a rate of 5.5%. The Sales Tax Exemption is at 2%.*

$$E\text{-STAX} \times E\text{-TE02} = \text{Tax Exempt Rate}$$

$$5.5 \times .02 = 0.11$$

*The Tax Exempt Rate was entered as -0.11 to negate the taxable sales rate.*

The screenshot shows the 'Tax Codes Setup (BROWSE)' window. At the top, it indicates '1 of 30' records. Below this, the 'Tax Codes' section is populated with:

- Service type: E (ELECTRIC)
- Tax code: 24 (ELECTRIC - 2%)
- Effective date: 2015-11-01

The 'Tax Code Information (BROWSE)' section is active, showing '2 of 5' records. A table below lists the tax codes with their descriptions, rates, tax limits, and tax-on-tax status. The first two rows are highlighted with a red border:

Stat. Code	Description	Rate	Tax Limit	Tax on Tax?
E-STAX	SALES TAX	5.500000		N
E-TE02	SALES TAX EXEMPT - 2%	-0.110000		N
ESALEG	E-SALES GROSS	100.000000		N
ESALET	E-SALES TAXABLE	-98.000000		N
ESALEX	E-SALES TAX EXEMPT	-2.000000		N

At the bottom of the window, there are navigation buttons for 'Move Up' and 'Move Down', a 'Ready' status indicator, and a note: 'Use the navigation buttons to browse records'.

## Alternate Tax Codes Setup

Open the **Alternate Tax Code** table.

Add the Alternate Tax Code at the account level.

Click **Add** icon.

Set **Service Type** 'E' (Electric).

Enter the base **Tax Code** for Electric – Tax (usually Tax Code 1 or Tax Code 2.)

**Cycle**, **Route**, and **Customer** remain empty.

At **Account**, enter the customer's account number.

**Bill Code** and **Category** remain empty.

Locate the corresponding **Alternate Tax Code** to use for the account.

Update the **Valid From** date to reflect the start date.

Enter a **Valid To** date if known.

All remaining fields (**Created By**, **Created On**, and **Key Value**) auto-populate and remain as is.

Click **OK** to save.

Setups > Setups > Standard > Tax > Alternate Tax Codes

Alternate Tax Codes Setup (BROWSE)

1 of 1

OK Cancel

**Alternate Tax Codes**

Service type: E  
Tax code: 2  
Account: 1234567 0  
Alternate tax code: 24  
Valid from: 2015-11-09 to:   
Created by: aenfelt  
Created on: 2015-11-16  
Keyvalue: OR

ELECTRIC  
ELECTRIC - TAX

LATE NIGHT MUNCHIES GROCERY

ELECTRIC - 2%

Ready