



Sage 200

VAT Increase from

1st January 2012

By

Pims Business Systems Ltd

13 Seapoint
Riverstown Business Park
Tramore
Co Waterford
Tel: 051-395900
Fax: 051-395959
e-mail: support@pims.ie



sage

Business Partner



Changing the Tax Codes

The standard rate of VAT will be increased from 21% to 23% from 1st January 2012. This only affects goods which are already liable to the 21% rate.

The rate of VAT will be reduced from 21% to 13.5% on district heating, for example, where heating is supplied from a central source to a number of business premises within a building. This brings this form of heading in line with other energy suppliers.

Open farms will be liable to charge VAT at 9% on admissions fees from 1st January 2012.

- Open Sage 200 with an account that has access to the Accounting System Manager Module.
- Select the Accounting System Module
- Select Settings
- Select Tax Codes the ASM - Tax Rate Details screen will be displayed. N.B. Your Vat codes may be different from those illustrated.

Code	Name	VAT Return	EC Terms	%	Input Acc. No.	Output Acc. No.
0	0% Resale (Training)	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
1	21% Resale	<input checked="" type="checkbox"/>	Not Applicable	21.00	2201	2200
2	13.50% Resale	<input checked="" type="checkbox"/>	Not Applicable	13.50	2201	2200
3	Exempt	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
4	Sales to customers i...	<input checked="" type="checkbox"/>	Sales Goods & Related Services	0.00	2201	2200
5	21.50% Resale	<input checked="" type="checkbox"/>	Not Applicable	21.50	2201	2200
6		<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
7	Zero rated purchase...	<input checked="" type="checkbox"/>	Purchase Goods & Related Services	0.00	2201	2200
8	21% Purchases from...	<input checked="" type="checkbox"/>	Purchase Goods & Related Services	0.00	2201	2200
9	Non-Vatable Tax Code	<input type="checkbox"/>	Not Applicable	0.00	2201	2200
10	0% Non Resale	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
11	21.00% Non Resale	<input checked="" type="checkbox"/>	Not Applicable	21.00	2201	2200

Please change the name and % for the rates that are changing. For example code 1 and code 11 will change from 21% to 23%. Please change the rates for code 1 and code 11 to 23% and change the Name to depict the change. Also if required you can use rate 5 to be the old rate so we would change that to 21% and also change the name to 21% Old Vat Rate.

This code 5 would be used for any Credit Notes for Sales of goods for prior years. Also this code could be used for any Purchase Invoices/Credits that would come in with the old Vat Rate.



The ASM – Tax Rate Details screen after changes:

Code	Name	VAT Return	EC Terms	%	Input Acc. No.	Output Acc. No.
0	0% Resale (Training)	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
1	23% Resale	<input checked="" type="checkbox"/>	Not Applicable	23.00	2201	2200
2	13.50% Resale	<input checked="" type="checkbox"/>	Not Applicable	13.50	2201	2200
3	Exempt	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
4	Sales to customers i...	<input checked="" type="checkbox"/>	Sales Goods & Related Services	0.00	2201	2200
5	21% Old Vat Rate	<input checked="" type="checkbox"/>	Not Applicable	21.00	2201	2200
6		<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
7	Zero rated purchase...	<input checked="" type="checkbox"/>	Purchase Goods & Related Services	0.00	2201	2200
8	23% Purchases from...	<input checked="" type="checkbox"/>	Purchase Goods & Related Services	0.00	2201	2200
9	Non-Vatable Tax Code	<input type="checkbox"/>	Not Applicable	0.00	2201	2200
10	0% Non Resale	<input checked="" type="checkbox"/>	Not Applicable	0.00	2201	2200
11	23% Non Resale	<input checked="" type="checkbox"/>	Not Applicable	23.00	2201	2200

Things to take into consideration:

For existing SOP and POP orders, if these orders are going to be invoiced with a different Vat Rate. Please ensure that the Vat rate will be changed prior to the invoice being created. Our advice would be to Invoice as many of these Orders as possible prior to the Vat Rate change Date.

To Change an existing Orders Vat Rate. You will have to amend each line of the order that the Vat Rate is changed on. This will entail you choosing a different Vat Rate for example a zero rated and then revert to the 23% Vat rate. It will re-calculate the Vat on the line from 21% to 23%. It is important that this is done one each SOP or POP order that needs to be amended prior to invoice.