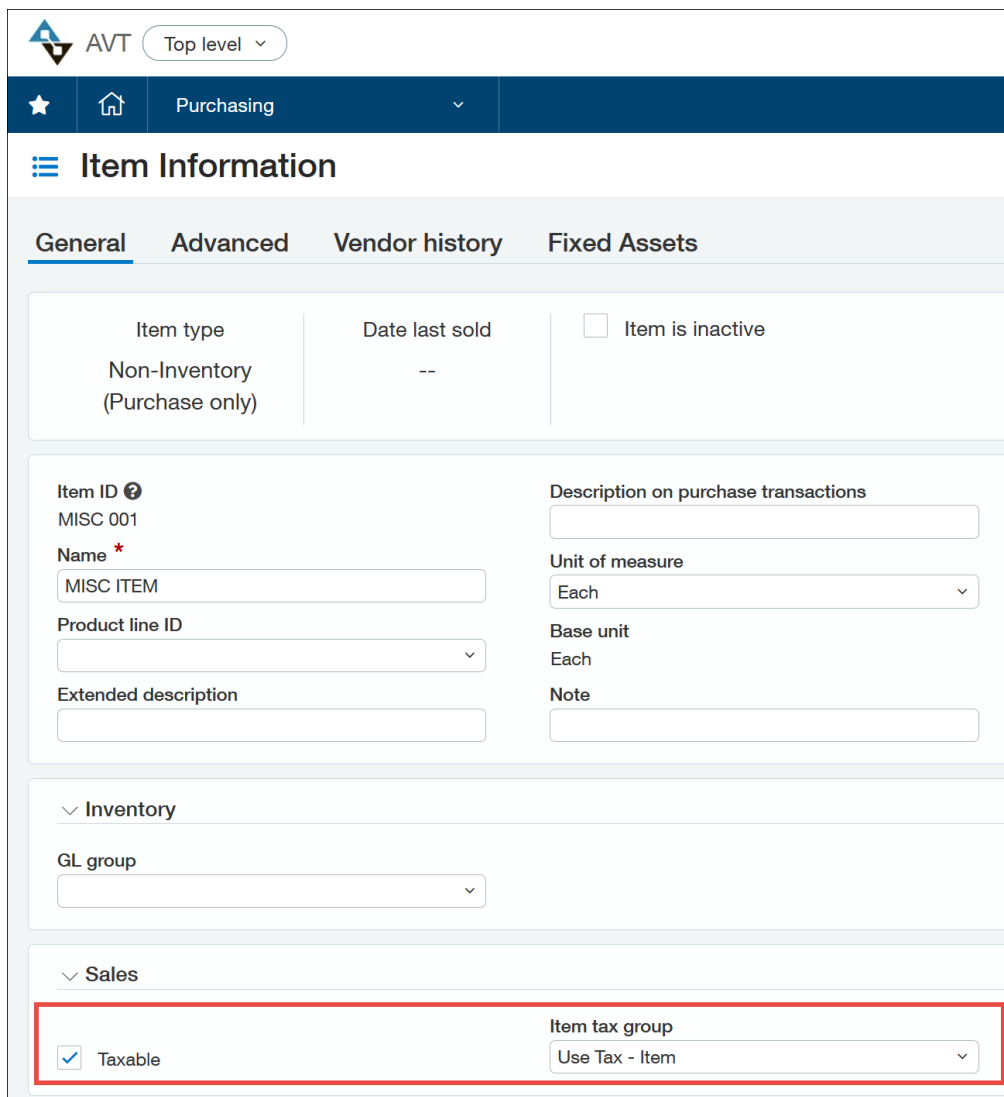


## Creating Use Tax in Native Intacct for Purchasing

We have a few steps to set this up, but once completed we can use native Sage Intacct to track Use Tax for Purchasing within Sage Intacct without the need for any additional add-ons.

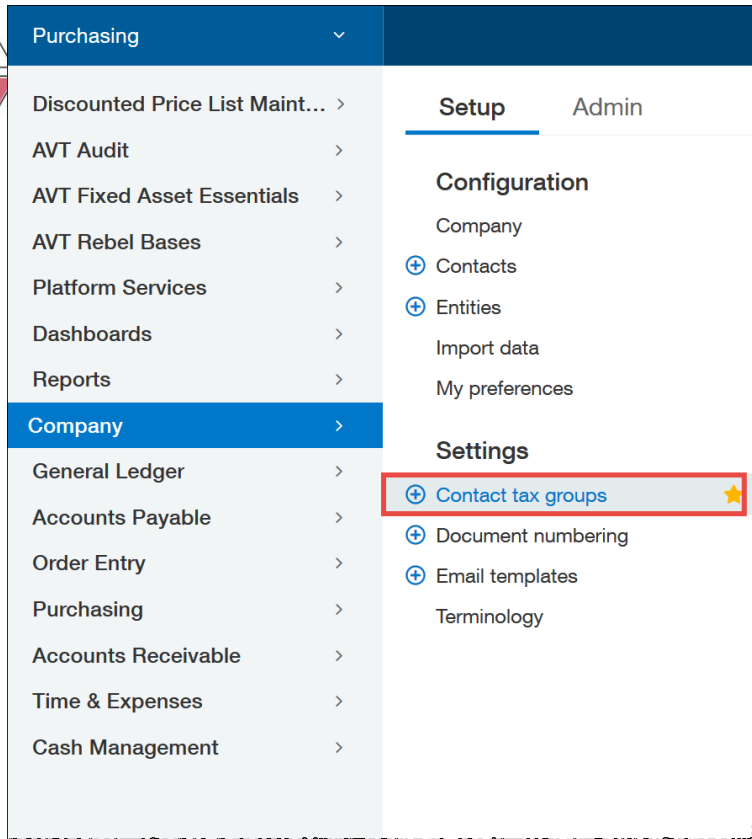
### Items




The screenshot shows the 'Item Information' form in Sage Intacct. The form is titled 'Item Information' and has tabs for 'General', 'Advanced', 'Vendor history', and 'Fixed Assets'. The 'General' tab is selected. The form contains several fields: 'Item type' (Non-Inventory (Purchase only)), 'Date last sold' (--), 'Item is inactive' (checkbox), 'Item ID' (MISC 001), 'Name' (MISC ITEM), 'Product line ID' (dropdown), 'Extended description' (text area), 'Description on purchase transactions' (text area), 'Unit of measure' (Each), 'Base unit' (Each), 'Note' (text area), 'Inventory' section with 'GL group' (dropdown), and 'Sales' section with 'Taxable' (checked checkbox) and 'Item tax group' (Use Tax - Item dropdown). A red box highlights the 'Taxable' checkbox and the 'Item tax group' dropdown.


We set up our list of items that we want to have subject to Use Tax. The “Item Type” —in this case, Non-Inventory (Purchase Only)—can be different, but cannot be “Sales Only” to be visible in Purchasing.

## Vendors



In the above, we make a tax group (ours was called Use Tax – Contact) to connect things. Then on the Vendor contacts we make sure we select this tax group.


 AVT Top level ▾

 Purchasing ▾



## Vendor Information

Vendor Additional information Contact list Payment information Restrictions

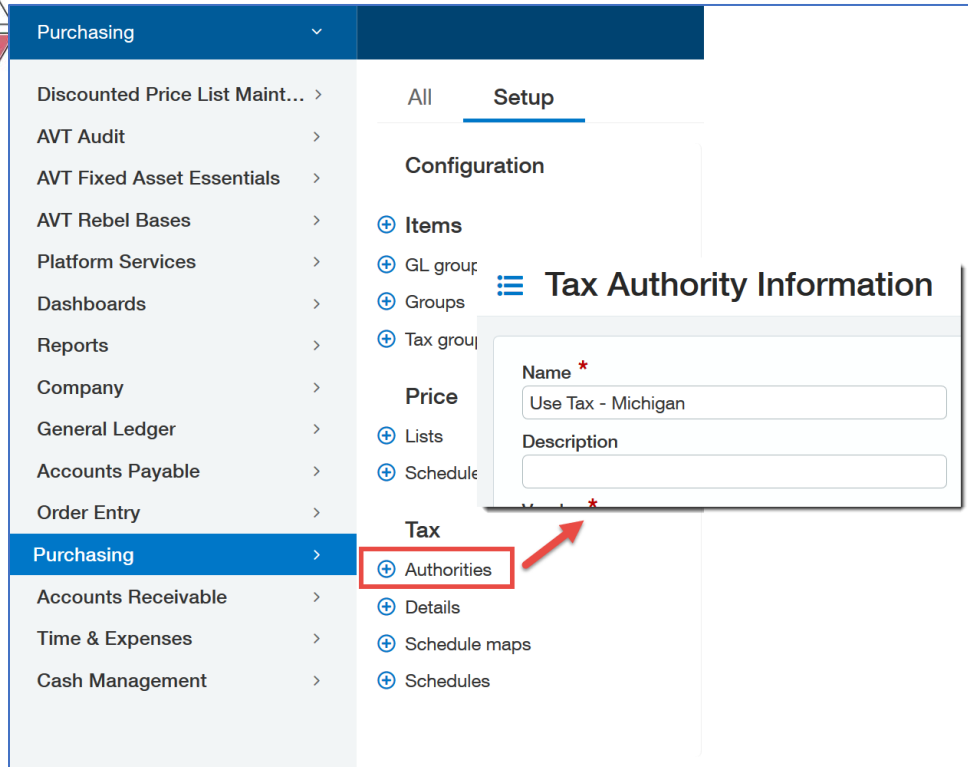
### Vendor details

Type ID	1099 name
<input type="text"/>	<input type="text" value="A Travel Company 1099"/>
Parent	Form 1099
<input type="text"/>	<a href="#">Form1099</a> Form: 1099 - MISC
GL group	1099 Box
<input type="text"/>	7 - Nonemployee compensation
Tax ID	Attachments
<input type="text" value="900-00-0=00"/>	<input type="text"/> 

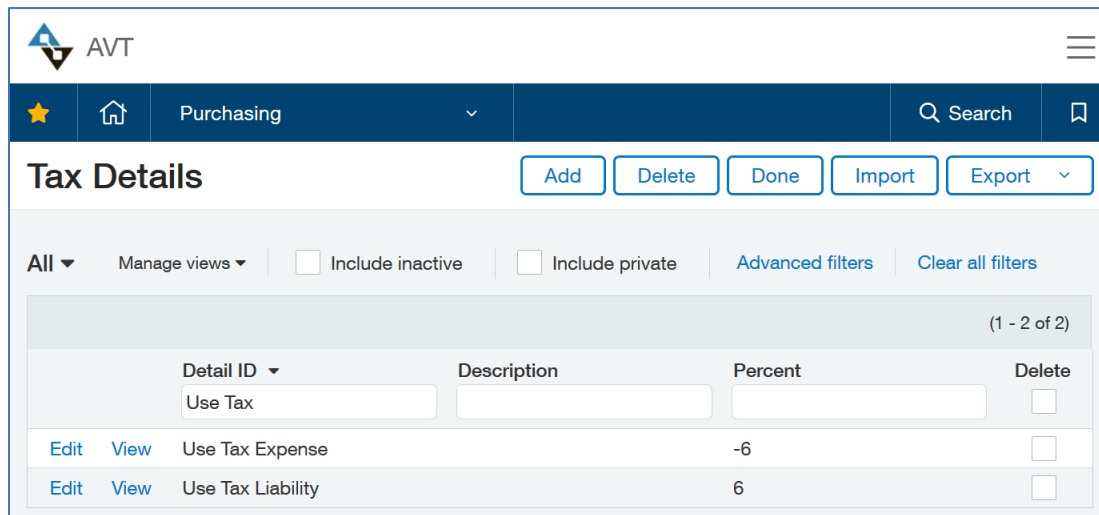
### Billing details

Discount (%)	<input type="text"/>	<input type="checkbox"/> On hold
Vendor price list	<input type="text"/>	<input type="checkbox"/> Don't pay
Price schedule	<input type="text"/>	Comments
AP account 	<input type="text"/>	<input type="text"/>
Default expense account	<input type="text"/>	Default currency
		<input type="text"/>
<input checked="" type="checkbox"/> Taxable 		
Contact tax group		
<input type="text" value="Use Tax - Contact"/>		
Credit limit	<input type="text"/>	

## Tax Authority



The screenshot shows the AVT Purchasing Setup menu. The 'Tax' section is expanded, and 'Authorities' is highlighted. A modal form titled 'Tax Authority Information' is open, showing fields for 'Name' (with a red asterisk) and 'Description'. The 'Name' field contains 'Use Tax - Michigan'.

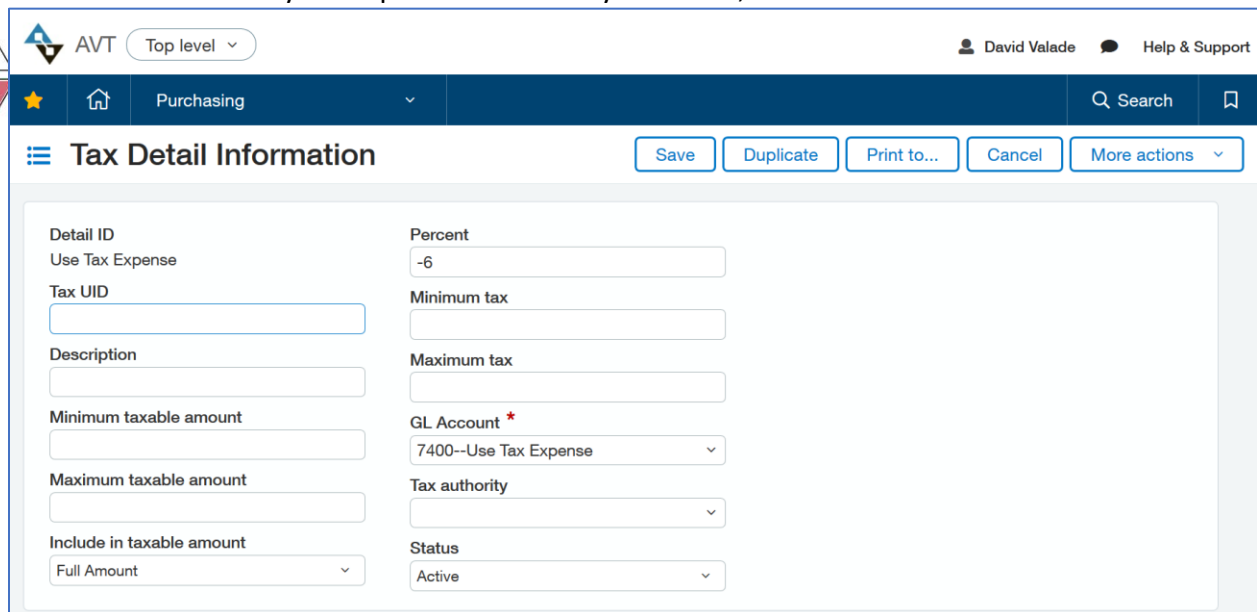


The screenshot shows the AVT Tax Details page. The page has a header with the AVT logo and a navigation bar. Below the header, there are buttons for 'Add', 'Delete', 'Done', 'Import', and 'Export'. The main content area shows a table of tax details with columns for 'Detail ID', 'Description', 'Percent', and 'Delete'.

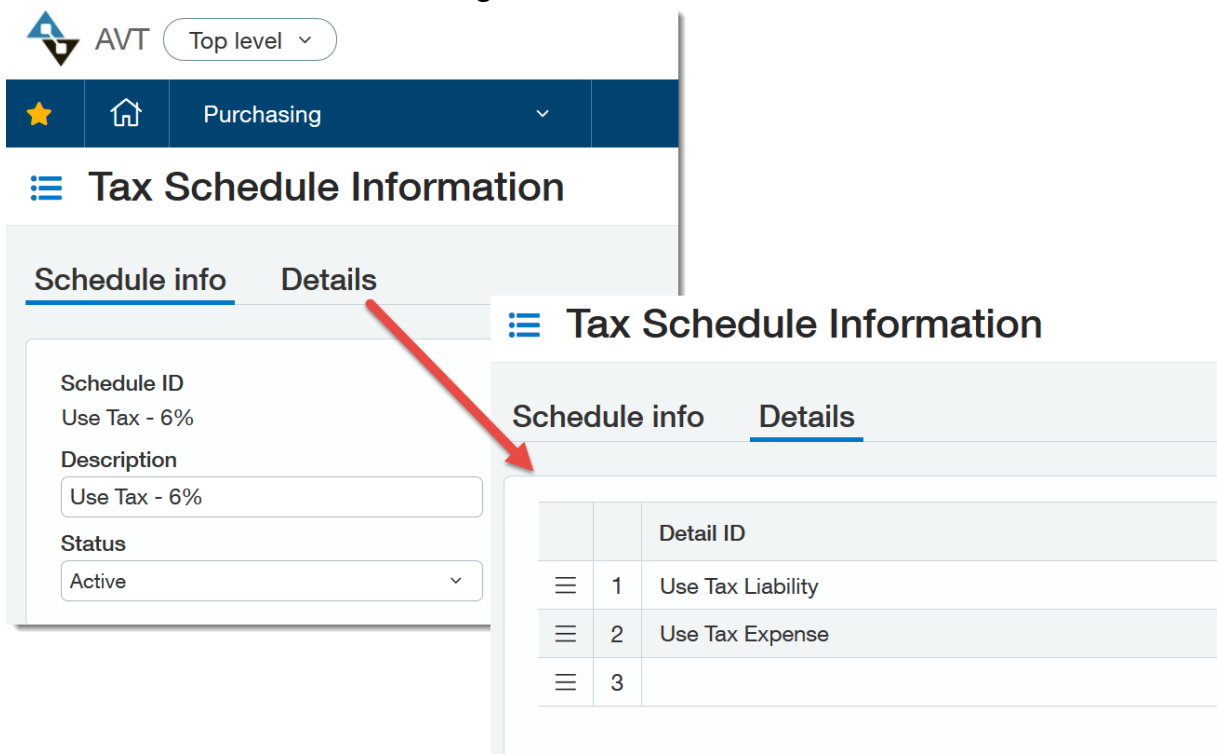
Detail ID	Description	Percent	Delete
Use Tax			<input type="checkbox"/>
<a href="#">Edit</a> <a href="#">View</a>	Use Tax Expense	-6	<input type="checkbox"/>
<a href="#">Edit</a> <a href="#">View</a>	Use Tax Liability	6	<input type="checkbox"/>

In the above, note that we have the expense and liability as offsetting percentages. Your percentage may vary, and you may need to have multiple sets of offsetting use tax details depending on your jurisdictions.

The details will show your expense and liability accounts, similar to this:




The Tax Schedule links the details together:



Detail ID	Description
1	Use Tax Liability
2	Use Tax Expense
3	

The Tax Schedule Map connects the contact, the item tax group, the schedule, and the purchasing transaction definition where Use Tax should be calculated.

 AVT Top level ▾

★ 🏠 Purchasing ▾

☰ **Tax Schedule Map Information**

Transaction name

Vendor Invoice ▾

Item tax group \*

Use Tax - Item ▾

Contact tax group \*

Use Tax - Contact ▾

Tax schedule \*

Use Tax - 6% ▾

## Purchasing Transaction Definition

Here, we enable subtotals and add a line for Use Tax. Note that we have a zero percent value, since the offsetting use tax transactions have been defined elsewhere.

Accounting

Transaction subtotals

☒ Enable subtotals

Subtotal template

	Description *	Subtotal Type *	Applied to Line	Value Type *	Value	Debit/Credit	GL Account	GL Offset Account	Apportioned	Is Tax
1	Use Tax	Charge	0	Percent	0	Credit	2300--Use Tax Payabl	2000--Accounts Payat	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2									<input type="checkbox"/>	<input type="checkbox"/>

☒ Show expanded tax details

## And Finally...

AVT Top level

Purchasing

**Vendor Invoice**

Date: 03/13/2020

Vendor: ACETRAVE0001--A Travel Company

Document number: REC-000082

GL account: 130

Pay to: A Travel Company

123 Riley Street  
Sydney, NSW 2086 Canada  
swalker@altavistatech.com

Return to: A Travel Company

123 Riley Street  
Sydney, NSW 2086 Canada  
swalker@altavistatech.com

Payment terms: Net30

Date due: 04/12/2020

Reference: --

Vendor document number: 2

Message:

Ship via: --

Attachments: --

Base currency: USD

Txn currency: USD

Exchange rate date: 03/13/2020

Exchange rate type: --

Exchange rate: 1

State: Pending

**Entries**

Item ID	Quantity	Location	Unit	Price	Extended price
1 MISC 001--MISC ITEM	1	10--Partners	Each	500.00	500.00
Total					500.00

**Subtotals**

Description	Percent	Transaction Value	Transaction Total	Department
1 SUBTOTAL	--	--	500.00	--
2 Use Tax	--	0.00	0.00	--
3 1) Use Tax Liability	6	30.00	0.00	--
4 2) Use Tax Expense	-6	-30.00	0.00	--
5 TOTAL	--	--	500.00	--

The AP Bill shows the accounting:

Entries [Show defaults](#) What can I do here? ?

	Account *	Transaction amount *	Location	Memo	Item
1	2030--Accrued not Vouchered	500.00	10--Partners		MISC 001--MISC ITEM
2	2300--Use Tax Payable	-30.00	10--Partners	Use Tax Liability	--
3	7400--Use Tax Expense	30.00	10--Partners	Use Tax Expense	--
Total		500.00			

## General Ledger Report

Posted Dt.	Doc Dt.	Doc	Memo / Description	Department	JNL	Curr	Txn Amt	Debit (USD)	Credit (USD)
2300 - Use Tax Payable (Balance Forward As of 03/13/2020)									
03/13/2020	03/13/2020	2	Bill - A Travel Company: Use Tax Liability		AP	USD	30.00		30.00
Totals for 2300 - Use Tax Payable								0.00	30.00
7400 - Use Tax Expense (Balance Forward As of 03/13/2020)									
03/13/2020	03/13/2020	2	Bill - A Travel Company: Use Tax Expense		AP	USD	30.00	30.00	
Totals for 7400 - Use Tax Expense								30.00	0.00
2000 - Accounts Payable (Balance Forward As of 03/13/2020)									
03/13/2020	03/13/2020	2	Bill - A Travel Company		AP	USD	500.00		500.00
Totals for 2000 - Accounts Payable								0.00	500.00
2030 - Accrued not Vouchered (Balance Forward As of 03/13/2020)									
03/13/2020	03/13/2020	2	Bill - A Travel Company		AP	USD	500.00	500.00	
Totals for 2030 - Accrued not Vouchered								500.00	0.00
Grand Total								530.00	530.00