# Tax Region Setup

## User's Guide

(LIMS-4682)

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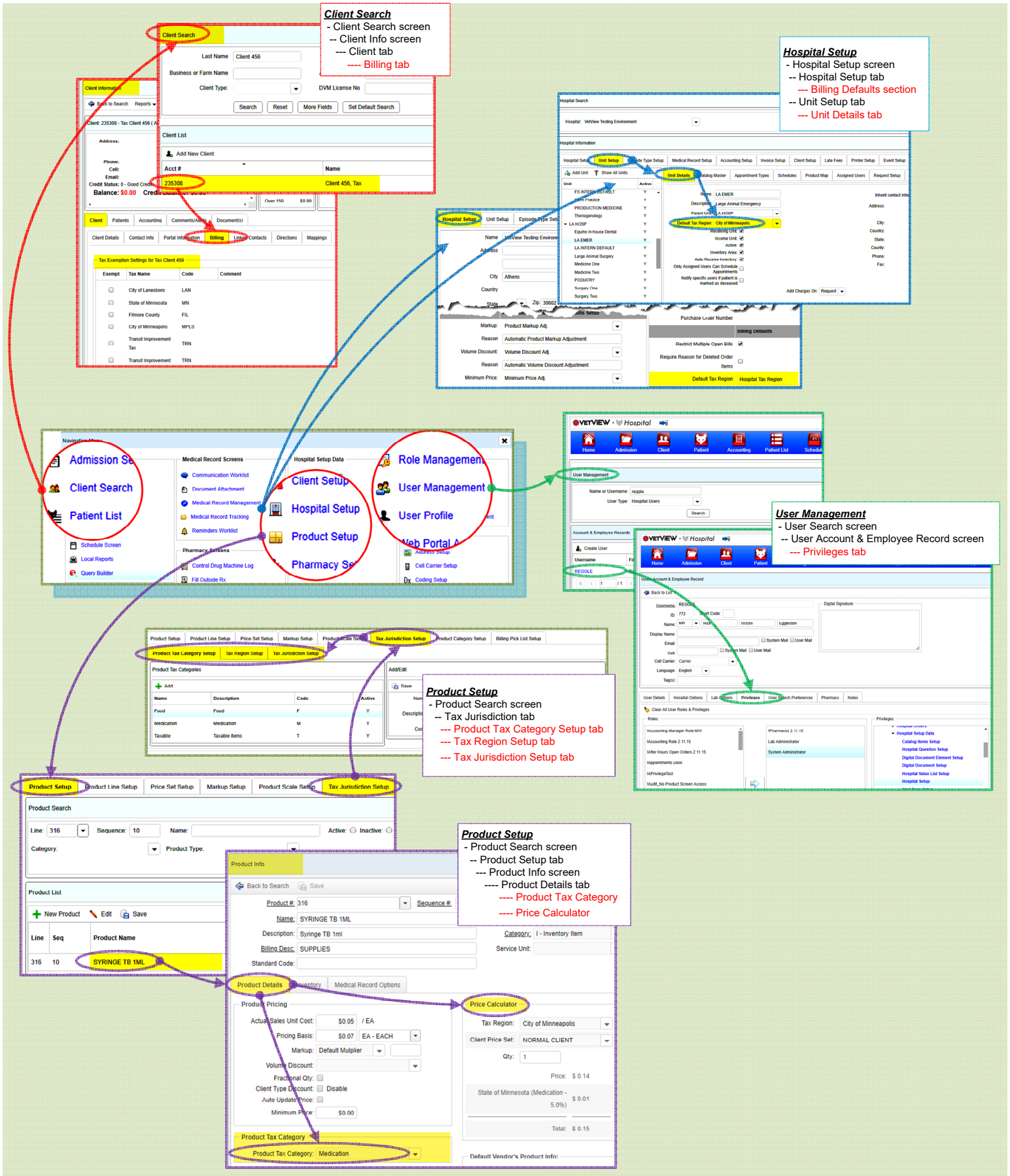
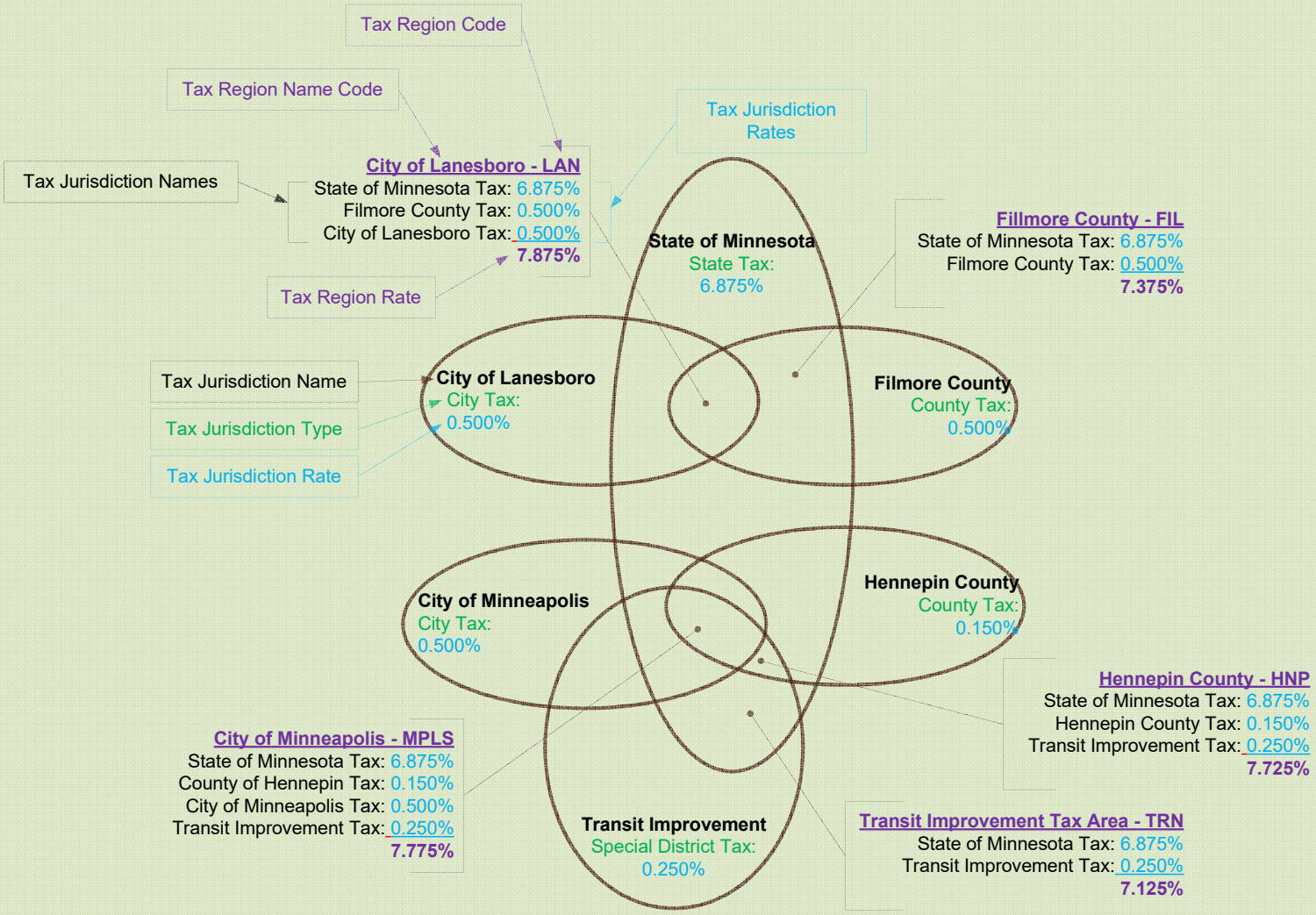
# Tax Region Setup

## Navigation Menu



# Tax Region Use

## *Minnesota Tax Jurisdiction Example*




This example utilizes the following regions and jurisdictions from the State of Minnesota:

**Regions:**

- Fillmore County (FIL)
- Hennepin County (HNP)
- City of Lanesboro (LAN)
- City of Minneapolis (MPLS)
- Transit Improvement Area (TRN)

**Jurisdictions:**

- State of Minnesota
- Filmore County
- Hennepin County
- City of Lanesboro
- City of Minneapolis
- Transit Improvement Area

# Tax Region Use

## *Minnesota Tax Jurisdiction Example*

| Tax Region Code | Tax Region Name | Tax Jurisdiction Name | APRIL 1, 2015 Tax Jurisdiction Rate |
|---|---|---|---|
| AL | City of Albert Lea | City of Albert Lea | 0.500% |
| | | State of Minnesota | 6.875% |
| | | Freeborn County | 0.500% |
| | | **Total Tax Percent for Code AL:** | 7.875% |
| AUS | City of Austin | City of Austin | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code AUS:** | 7.375% |
| BXR | City of Baxter | City of Baxter | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code BXR:** | 7.375% |
| BKR | Becker County | Becker County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code BKR:** | 7.375% |
| BEL | Beltrami County | Beltrami County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code BEL:** | 7.375% |
| BMJ | City of Bemidji | City of Bemidji | 0.500% |
| | | Beltrami County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code BMJ:** | 7.875% |
| BRD | City of Brainerd | City of Brainerd | 0.500% |
| | | [illegible] | [illegible] |
| | | [illegible] | [illegible] |
| | | Otter Tail County | 0.500% |
| | | **Total Tax Percent for Code FER:** | 7.875% |
| FIL | Fillmore County | Fillmore County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code FIL:** | 7.375% |
| FRE | Freeborn County | Freeborn County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code FRE:** | 7.375% |
| HMT | City of Hermantown | City of Hermantown | 1.000% |
| | | St Louis County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code HMT:** | 8.375% |
| HNP | Hennepin County | Transit Improvement Tax | 0.250% |
| | | Hennepin County | 0.150% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code HNP:** | 7.275% |
| HUB | Hubbard County | Hubbard County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code HUB:** | 7.375% |
| HUT | City of Hutchinson | City of Hutchinson | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code HUT:** | 7.375% |
| LAN | City of Lanesboro | City of Lanesboro | 0.500% |
| | | Fillmore County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code LAN:** | 7.875% |
| LYO | Lyon County | Lyon County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code LYO:** | 7.375% |

| Tax Region C | Tax Region Name | Tax Jurisdiction Name | APRIL 1, 2015 Tax Jurisdiction Rate |
|---|---|---|---|
| MDF | City of Medford | City of Medford | 0.500% |
| | | Steele County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code MDF:** | 7.875% |
| MN | State of Minnesota | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code MN:** | 6.875% |
| MSL | City of Marshall | City of Marshall | 0.500% |
| | | Lyon County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code MSL:** | 7.875% |
| MNK | City of Mankato | City of Mankato | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code MNK:** | 7.375% |
| MPLS | City of Minneapolis | City of Minneapolis | 0.500% |
| | | Hennepin County | 0.150% |
| | | State of Minnesota | 6.875% |
| | | Transit Improvement Tax | 0.250% |
| | | **Total Tax Percent for Code MPLS:** | 7.775% |
| NU | City of New Ulm | City of New Ulm | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code NU:** | 7.375% |
| STC | St. [illegible] Area | [illegible] oud Are. | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code STC:** | 7.375% |
| STL | St Louis County | St Louis County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code STL:** | 7.375% |
| STP | City of St. Paul | Transit Improvement Tax | 0.250% |
| | | City of St. Paul | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code STP:** | 7.625% |
| STE | Steele County | Steele County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code STE:** | 7.375% |
| TOD | Todd County | Todd County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code TOD:** | 7.375% |
| TRN | Transit Improvement Tax Area | Transit Improvement Tax | 0.250% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code TRN:** | 7.125% |
| TH | City of Two Harbors | City of Two Harbors | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code TH:** | 7.375% |
| WAD | Wadena County | Wadena County | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code WAD:** | 7.375% |
| WMR | City of Willmar | City of Willmar | 0.000% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code WMR:** | 6.875% |
| WOR | City of Worthington | City of Worthington | 0.500% |
| | | State of Minnesota | 6.875% |
| | | **Total Tax Percent for Code WOR:** | 7.375% |

# Tax Region Use

## *Kansas Tax Jurisdiction Example*

This example utilizes jurisdictions from the State of Kansas, where only one jurisdiction applies to the location where the customer took delivery of the taxable product or service.

If products or services are received by the purchaser outside the State of Kansas, the Retailer is not responsible for collecting Kansas sales tax; however, the Purchaser may be required to pay Use Tax based on the destination State tax laws.

When taxable products or services are received in a Kansas jurisdiction other than that of the Seller's location, the 'Code for Delivery Sales' must be used.

**Manhattan Blueville Addition TDD – MANT7**
4539 Anderson Ave
9.450%

**Manhattan (Pottawatomie County) - MANPT**
8.950%

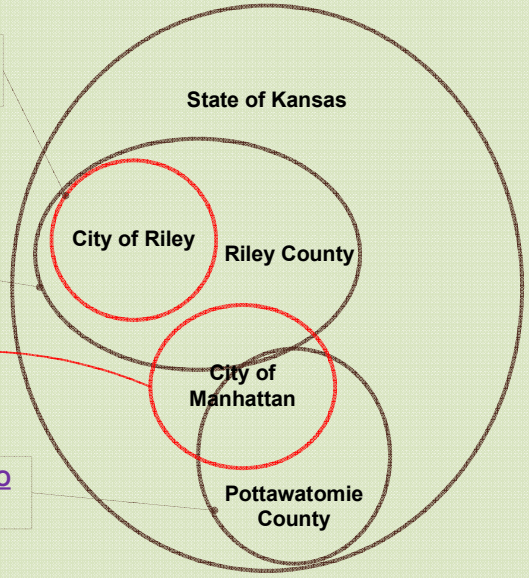
**Manhattan (Riley County) - MANRL**
8.950%

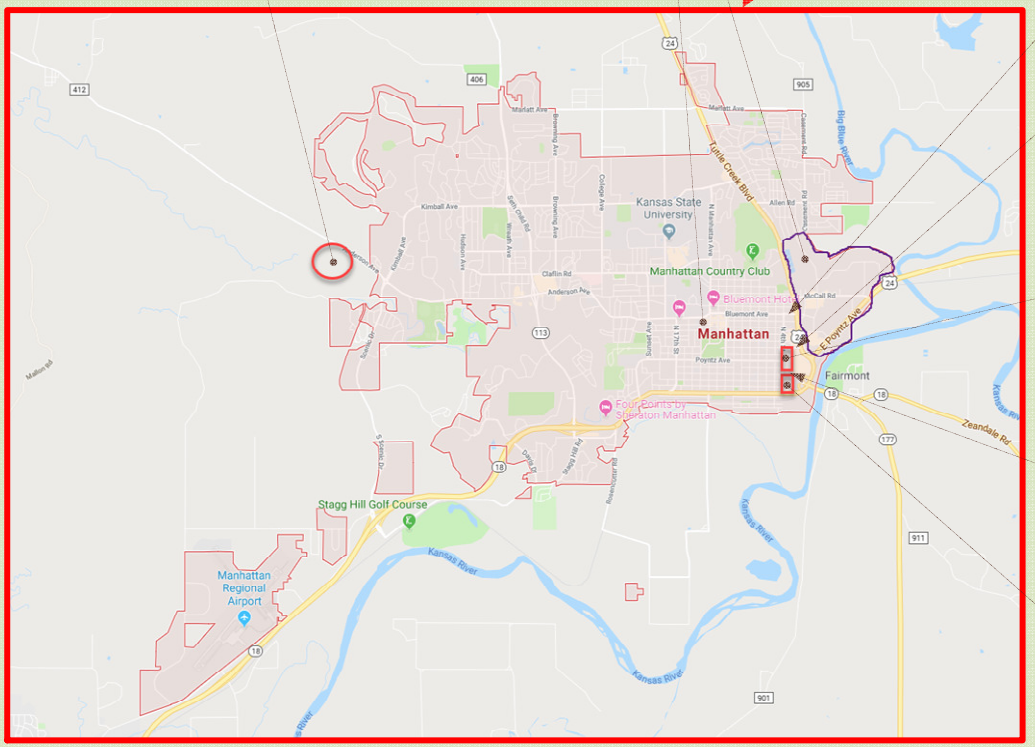
**City of Riley - RILRL**
8.500%

Tax Region Code
Tax Region Name Code
Tax Jurisdiction Rate

**Riley County - RILCO**
8.500%

**Pottawatomie County - POTCO**
7.500%




**Manhattan McD's Addition TDD – MANT6**
800 N 4th Street
9.450%

**Manhattan Flint Hills Discovery Center STAR Bond– North - MANSN**
206 Leavenworth Street
8.950%

**Manhattan Marketplace TDD – MANT2**
301 – 799 Tuttle Creek Blvd (odd addresses)
300 – 399 N 3rd Street (even and odd addresses)
400 – 799 3rd Place (even and odd addresses)
300 – 798 N 4th Street (even addresses)
201 – 323 Bluemont (odd addresses)
300 – 399 Moro Street (even and odd addresses)
300 – 399 Osage Street (even and odd addresses)
214 – 330 Leavenworth Street (even addresses)
9.450%

**Manhattan Flint Hills Discovery Center STAR Bond– South - MANSS**
300 Colorado Street
8.950%

**Manhattan Flint Hills South TDD – MANT5**
300 – 534 S 4th Street (even addresses)
300 – 535 S 3rd Street (even and odd addresses)
200 – 335 Pierre Street (even and odd addresses)
200 – 335 Colorado Street (even and odd addresses)
100 – 235 Blue Earth Place (even and odd addresses)
200 – 330 Yuma Street (even and odd addresses)
9.450%

# Tax Region Use

## *Kansas Tax Jurisdiction Example*

| City or County Where Sales Were Delivered | Code for Delivery Sales | Code for Sales at Business Location | Total Tax Rate | Effective Date |
|---|---|---|---|---|
| Maize | SEDCO | MAISG | 7.500% | 07-01-15 |
| Manchester | DICCO | MANDK | 8.000% | 07-01-15 |
| Manhattan (Pottawatomie County) | MANPT | MANPT | 8.950% | 04-01-17 |
| Manhattan (Riley County) | MANRL | MANRL | 8.950% | 04-01-17 |
| Manhattan Blueville Addition TDD | MANT7 | MANT7 | 9.450% | 04-01-17 |
| Manhattan Flint Hills Discovery Center STAR Bond North | MANSN | MANSN | 8.950% | 04-01-17 |
| Manhattan Flint Hills Discovery Center STAR Bond South | MANSS | MANSS | 8.950% | 04-01-17 |
| Manhattan Flint Hills South TDD | MANT5 | MANT5 | 9.450% | 04-01-17 |
| Manhattan Marketplace TDD | MANT2 | MANT2 | 9.450% | 04-01-17 |
| Manhattan McD's Addition TDD | MANT6 | MANT6 | 9.450% | 04-01-17 |
| Mankato | MANJW | MANJW | 8.250% | 07-01-15 |
| Manter | STNCO | MANST | 7.500% | 07-01-15 |
| Maple Hill | MAPWB | MAPWB | 8.750% | 07-01-15 |
| Plevna | RENCO | PLERN | 8.000% | 07-01-15 |
| Pomona | POMFR | POMFR | 10.000% | 07-01-15 |
| Portis | OSBCO | POROB | 8.000% | 07-01-15 |
| Pottawatomie County | POTCO | POTCO | 7.500% | 07-01-15 |
| Potwin | | | | |
| Powhattan | | | | |
| Prairie View | | | | |
| Prairie Village | | | | |
| Prairie Village "The Village" CID | | | | |
| Prairie Village Corinth Square CID | | | | |
| Pratt | | | | |
| Pratt County | | | | |
| Rice County | | | | |
| Richfield | | | | |
| Richmond | | | | |
| Riley | | | | |
| Riley County | | | | |
| Robinson | | | | |
| Roeland Park | | | | |

Some jurisdiction have special jurisdictions defined by address ranges.

For example, in Manhattan, Kansas, there are six special jurisdictions. Refer to Manhattan city map on the previous page.

| Special Jurisdiction and Address Range(s) | Code for Delivery Sales | Code for Sales at Business Location | Total Tax Rate | Effective Date |
|---|---|---|---|---|
| **Manhattan Blueville Addition TDD** | MANT7 | MANT7 | 9.450% | 04-01-17 |
| 4539 Anderson Ave | MANT7 | MANT7 | 9.450% | 04-01-17 |
| **Manhattan Flint Hills Discovery Center STAR Bond– North** | MANSN | MANSN | 8.950% | 04-01-17 |
| 206 Leavenworth Street | MANSN | MANSN | 8.950% | 04-01-17 |
| (All other addresses are within MANT2, Manhattan Marketplace TDD) | | | | |
| **Manhattan Flint Hills Discovery Center STAR Bond– South** | MANSS | MANSS | 8.950% | 04-01-17 |
| 300 Colorado Street | MANSS | MANSS | 8.950% | 04-01-17 |
| (All other addresses are within MANT5, Manhattan Flint Hills South | | | | |
| **Manhattan Flint Hills South TDD** | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 300 – 534 S 4th Street (even addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 300 – 535 S 3rd Street (even and odd addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 200 – 335 Pierre Street (even and odd addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 200 – 335 Colorado Street (even and odd addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 100 – 235 Blue Earth Place (even and odd addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| 200 – 330 Yuma Street (even and odd addresses) | MANT5 | MANT5 | 9.450% | 04-01-17 |
| **Manhattan Marketplace TDD** | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 301 – 799 Tuttle Creek Blvd (odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 300 – 399 N 3rd Street (even and odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 400 – 799 3rd Place (even and odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 300 – 798 N 4th Street (even addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 201 – 323 Bluemont (odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 300 – 399 Moro Street (even and odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 300 – 399 Osage Street (even and odd addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| 214 – 330 Leavenworth Street (even addresses) | MANT2 | MANT2 | 9.450% | 04-01-17 |
| **Manhattan McD's Addition TDD** | MANT6 | MANT6 | 9.450% | 04-01-17 |
| 800 N 4th Street | MANT6 | MANT6 | 9.450% | 04-01-17 |

# Tax Region Setup

## A) Review Applicable **Tax Jurisdiction** and **Tax Region** Structure

1) The previous 4 pages display the **Tax Jurisdiction** and **Tax Region** structures for the State of Minnesota, and State of Kansas, along with an example of how those regions and jurisdictions would be configured in VetView.

## B) Create **Product Tax Categories**:

1) Some **Tax Jurisdictions** provide tax rates that are dependent on the **Product Tax Category** or the types of product or services.
2) The **Product Tax Category** is commonly refer to as **Taxability Information Codes (TICs)** by most States or **Tax Jurisdictions** (refer to the following "**Taxability Information Codes**" page).
3) **Here's How to create Product Tax Categories:**
    a) Navigate to the '**Product Setup**' screen.
    b) Select the '**Tax Jurisdiction Setup**' tab.
    c) Select the '**Product Tax Category Setup**' tab.
    d) Click the '**+ Add**' button.
    e) In the '**Name**' field, highlight the existing text, then enter the name of the new **Product Tax Category**.
    f) In the '**Description**' field, highlight the existing text, then enter the description of the new **Product Tax Category**.
    g) In the '**Code**' field, enter the new **Product Tax Category Code**.
    h) Insure that the '**Active**' checkbox is checked.
    i) Click the '**Save**' button before adding another category, before selecting another category from list, or before navigating away from the '**Product Tax Category Setup**' tab.
4) **Product Tax Categories** can be edited, and inactivated, but they can not be deleted.

## C) Create **Tax Jurisdictions**:

1) Although the States act as the central administrator of sales taxes, they provide the ability for other jurisdictions (such as counties, cities, special districts) to levy their own sales tax rates.
2) The **Tax Jurisdiction** is where the **Tax Rates** are defined for each **Product Tax Category**.
3) The **Tax Rate** for the **Tax Jurisdiction** may apply to a timeframe, dictated by the **Tax Jurisdiction.** Each **Tax Rate** for a **Product Tax Category**, must therefore be associated to a valid date range.
4) Valid date ranges for a particular **Product Tax Category** must be contiguous, and may not overlap.
5) If a current date range does not exist for a **Tax Jurisdiction** and **Product Tax Category**, no taxes will be assessed for that jurisdiction.
6) **Tax Jurisdiction Codes** are commonly assigned by the jurisdiction. Refer to the examples of the States of Kansas and Minnesota **Tax Jurisdiction Codes** on the previous pages.
7) **Here's how to create Tax Jurisdictions:**
    a) Navigate to the '**Product Setup**' screen.
    b) Select the '**Tax Jurisdiction Setup**' tab.
    c) Select the '**Tax Jurisdiction Setup**' tab.
    d) Click the '**+ Add**' button.
    e) In the '**Name**' field, enter the name of the new **Tax Jurisdiction**.
    f) In the '**Code**' field, enter the new **Tax Jurisdiction Code**.
    g) Insure that the '**Active**' checkbox is checked.
    h) Click the '**Save**' button before adding another jurisdiction, before selecting another jurisdiction from the list, or before navigating away from the '**Tax Jurisdiction Setup**' tab.
    I) Assign **Tax Rates** (as a percentage), and the **Durations** (**Start Date** to **End Date**) for which the **Tax Rate** is valid. Do this for each of the applicable **Product Tax Categories** that were set up in the previous step.
    j) Click the '**Save**' button before adding another jurisdiction, before selecting another jurisdiction from list, or before navigating away from the '**Tax Jurisdiction Setup**' tab.
    k) A 'Tax Rates and Duration' can be deleted or modified as long as the rate has not been used in the calculation of tax on an order.
    l) If a 'Tax Rate and Duration' has been used to calculate taxes on an order, the 'End Date' can be modified, as long as the date falls after the 'Last Used Date'. Use the info dot to determine the 'Last Used Date'.

# Tax Region Setup

8) ***Tax Jurisdictions*** *can be edited, and inactivated, but they can not be deleted.*
9) ***Tax Rates*** *and* ***Durations*** *can be edited and deleted before they are saved; however, after saving a* ***Tax Rate****, it can not be deleted – only inactivated. If the* ***End Date*** *of a* ***Tax Rate*** *is in the future, it can be edited – as long as the new* ***End Date*** *is in the future, and does not overlap another* ***Duration*** *for the same* ***Product Tax Category****.*

## *D) Create **Tax Regions**:*

1) *Each* ***Tax Region*** *must have one or more* ***Tax Jurisdictions****.*
2) *Default* ***Tax Regions*** *are assigned to the Hospital, and to each Hospital Unit that represents a point of sales location, or Tax Nexus location.*
3) *The* ***Tax Region*** *is assigned automatically to the Order based on the* ***Default Tax Region*** *associated to the* ***Admitting Hospital Unit****.*
4) *If the* ***Admitting Hospital Unit*** *does not have a* ***Default Tax Region****, the* ***Default Tax Region*** *of the* ***Hospital*** *will be assigned to the Order.*
5) *The* ***Tax Region*** *for an Order can be changed via the* ***Order Details*** *screen.*
6) *The* ***Tax Region*** *on the Order applies to all taxable charges on the Order.*
7) ***Tax Rates*** *for each taxable item on the Order will be the same, unless the taxable item has a* ***Tax Rate*** *that is specific to the* ***Product Tax Category*** *assigned to the item.*
8) ***Tax Region Codes*** *are commonly assigned by the State. Refer to the examples of the State of Minnesota* ***Tax Region Codes*** *on the previous pages.*
9) ***Here's how to create Tax Regions:***
    a) *Navigate to the '****Product Setup****' screen.*
    b) *Select the '****Tax Jurisdiction Setup****' tab.*
    c) *Select the '****Tax Region Setup****' tab.*
    d) *Click the '****+ Add****' button.*
    e) *In the '****Tax Region Name****' field, enter the name of the new* ***Tax Region****.*
    f) *In the '****Tax Region Code****' field, enter the new* ***Tax Region Code****.*
    g) *in the '****Tax Region Description****' field, enter a description for the new* ***Tax Region****.*
    h) *Insure that the '****Active****' checkbox is checked.*
    i) *Click the '****Save****' button before adding another region, before selecting another region from list, or before navigating away from the '****Tax Region Setup****' tab.*
    j) *Select the* ***Tax Jurisdictions,*** *that are associated to the* ***Tax Region****, by checking the 'Linked' checkbox of the applicable jurisdiction.*
    k) *Click the '****Save****' button before adding another region, before selecting another region from list, or before navigating away from the '****Tax Region Setup****' tab.*
10) ***Tax Regions*** *can be edited, but they can not be deleted – only inactivated.*

# Tax Region Setup

## *E) Assign **Privileges** to appropriate roles or Users:*

1) Navigate to the 'Role Management' screen – 'Role Search'
    a) Select the role, and click the 'Edit' button.
2) 'Role Info' screen
    a) Scroll down to find the following privilege in the center section.
    b) Privilege: 'Hospital Access' – 'Hospital Setup Data' – 'Hospital Setup'

*Tip: This role can be assigned to individual Users via the 'User Management' screen – 'Users Account & Employee Record' screen – 'Privileges' tab.*

4) This privilege is needed to complete step 'B'

## *F) Set the Hospital **Default Tax Region**:*

1) Navigate to the '**Hospital Setup**' screen.
2) Locate the '**Billing Defaults**' section.
3) Select the '**Default Tax Region**'.

*Tip: a) The Hospital **Default Tax Region** will be used to calculate taxes for taxable products and services on the 'Order Details' screen if the **Admitting Unit** is not associated to a **Default Tax Region**.*

*b) The Hospital **Default Tax Region** will be used to calculate taxes for taxable products and services on the 'Price Calculator' ('Product Setup' screen – 'Product Info' tab) if the **User** is associated to a '**Default Hospital Unit**' that is not associated to a **Default Tax Region**.*

## *G) Set the Hospital Unit **Default Tax Regions**:*

1) Navigate to the '**Hospital Setup**' screen.
2) Select the '**Unit Setup**' tab.
3) Select the Unit to be configured from the list of Units.
4) Select the '**Unit Details**' tab.
5) Select the '**Default Tax Region**' from the drop-down list.

*Tip: a) The Hospital **Unit Tax Region** will be used to calculate taxes for taxable products and services on the 'Order Details' screen, if the Unit is the **Admitting Unit** – otherwise, the **Hospital Default Tax Region** will be used.*

*b) The Hospital **Unit Tax Region** will be used to calculate taxes for taxable products and services on the '**Price Calculator**' ('Product Setup' screen – 'Product Info' tab) if the User is associated to the Hospital Unit as there '**Default Unit**'.*

## *H) Set a Client as **Tax Exempt**:*

*1) If the Client has open orders when the tax exempt status is changed, a confirmation will prompt the User to either 'Cancel' the exemption status change, or to save the change and update all taxable charges on the open orders, or to leave them as they were.*

*2) **Here's how to make a Client Tax Exempt:***

*a) Navigate to the '**Client Search**' screen.*
*b) Enter the client's name and/or account number.*
*c) Click the '**Search**' button.*
*d) Click on the '**Acct#**' or '**Name**' hyperlink for the correct client in the '**Client List**'.*
*e) Select the '**Client**' tab.*
*f) Select the '**Billing**' tab.*
*g) From the list of **Tax Jurisdictions**, click the '**Exempt**' checkbox so that it is checked.*
*h) Enter the **Tax Exemption Certificate Number** in the 'Comment' field.*

***Note:** At this time, VetView does not store the actual Tax Exemption Certificate, or the required information from the Tax Exemption Certificate; however in the event of an audit, the State, or Jurisdiction, will require Tax Exemption Certificates for any client from whom taxes are not collected.*

# Tax Region Setup

## *I) Set an Order as **Tax Exempt**:*

*1) If an Order is open, the Tax Exempt status can be changed for all taxable charges on the Order. When the Tax Exempt status is changed for any of the Tax Jurisdictions, a confirmation will prompt the User to either 'Cancel' the Tax Exemption status change, or to save the change and update all taxable charges on the open orders.*

*2) Here's how to make an **Order Tax Exempt**:*

- *a) Navigate to the '**Order Details**' screen.*
- *b) Click the **Tax Exemption icon**. The icon is located to the left of the 'Comment' column heading in the 'Order Details'.*
- *c) From the list of **Tax Jurisdictions** ('**Tax Name**' column), click the '**Exempt**' checkbox so that it is checked.*
- *d) Enter the **Tax Exemption Certificate Number** in the 'Comment' field.*

***Note:** At this time, VetView does not store the actual Tax Exemption Certificate, or the required information from the Tax Exemption Certificate; however in the event of an audit, the State, or Jurisdiction, will require Tax Exemption Certificates for any order for which taxes are not collected.*

- *e) Click the '**Save**' button at the bottom of the '**Tax Exemption**' list.*
- *f) Confirm to apply the **Tax Exemption** changes to all charges on the Order.*
- *g) The charges on the Order will be recalculated. All exempted taxes will be shown in the item detail popup (hover over the info dot) as 'Exempt', with the amount of the tax crossed out.*

## *J) Set an Order Item as **Tax Exempt**:*

*1) If an Order is open, the Tax Exempt status can be changed for a single taxable charge on the Order.*

*2) Here's how to make an **Order Item Tax Exempt**:*

- *a) Navigate to the '**Order Details**' screen.*
- *b) Click the **Tax Exemption icon**. The icon is located next to the '**Cancel**' button in the '**Item Details**' section at the bottom of the screen.*
- *c) From the list of **Tax Jurisdictions** ('**Tax Name**' column), click the '**Exempt**' checkbox so that it is checked.*
- *d) Enter the **Tax Exemption Certificate Number** in the 'Comment' field.*

***Note:** At this time, VetView does not store the actual Tax Exemption Certificate, or the required information from the Tax Exemption Certificate; however in the event of an audit, the State, or Jurisdiction, will require Tax Exemption Certificates for any order item for which taxes are not collected.*

- *e) Click the '**Save**' button at the bottom of the '**Tax Exemption**' list.*
- *f) The charge on the Order will be recalculated. All exempted taxes will be shown in the item detail popup (hover over the info dot) as 'Exempt', with the amount of the tax crossed out.*

## *K) Change the **Tax Region** of an Order:*

*1) As stated above, the **Tax Region** is assigned to the Order based on how the **Admitting Unit** and **Hospital** are setup; however, the **Tax Region** can be modified using the **Tax Region** dropdown list on the '**Order Details**' screen.*

*2) Here's how to change the **Tax Region** for an open **Order**:*

- *a) Navigate to an open Order.*
- *b) Select the correct **Tax Region** from the 'Tax Region' drop-down list – located next to the 'Pick List' button in the button part at the top of the Order.*
- *c) Confirm that the **Tax Region** should be updated, and the taxes associated to all taxable items on the order should be recalculated.*

# Tax Region Setup

## Taxability Information Codes

This is not an exhaustive list of code.

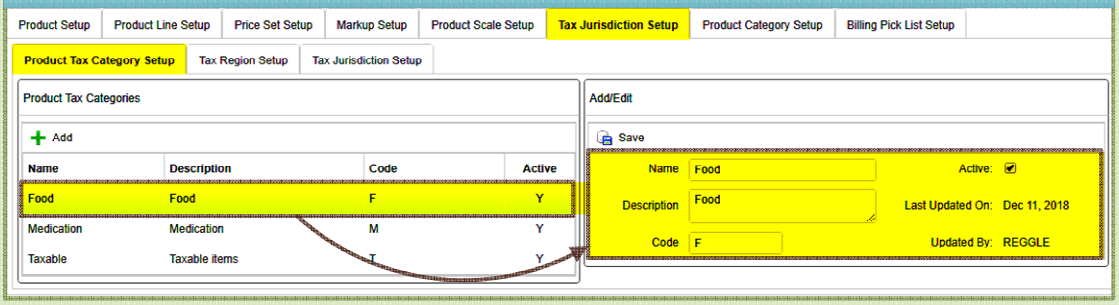
- 00000=General Goods and Services (uncategorized/undefined)
- 00000=Uncategorized
- 10010=Charges by the seller for any services necessary to complete the sale other than delivery and installation
- 10040=Installation charges
- 11000=Handling, crating, packing, preparation for mailing or delivery, and similar charges
- 11010=Transportation, shipping, postage, and similar charges
- 11020=Handling, crating, packing, preparation for mailing or delivery, and similar charges for direct mail
- 11021=Transportation, shipping, and similar charges for direct mail
- 11022=Postage for direct mail
- 91000=Services
- 51030=Drugs for animal use without a prescription
- 51040=Drugs for animal use with a prescription
- 51070=Insulin for animal use without a prescription
- 51080=Insulin for animal use with a prescription
- 51110=Medical oxygen for animal use without a prescription
- 51120=Medical oxygen for animal use with a prescription
- 51150=Over-the-counter drugs for animal use without a prescription
- 51160=Over-the-counter drugs for animal use with a prescription
- 51180=Grooming and hygiene products for animal use
- 51210=Drugs for animal use to veterinary hospitals and other animal medical facilities
- 51220=Prescription drugs for animal use to hospitals and other animal medical facilities
- 51260=Free samples of drugs for animal use
- 51270=Free samples of prescription drugs for animal use
- 52010=Durable medical equipment without a prescription
- 52020=Durable medical equipment with a prescription
- 52070=Durable medical equipment for home use without a prescription
- 52080=Durable medical equipment for home use with a prescription
- 52130=Oxygen delivery equipment without a prescription
- 52140=Oxygen delivery equipment with a prescription
- 52190=Oxygen delivery equipment for home use without a prescription
- 52200=Oxygen delivery equipment for home use with a prescription
- 52370=Enteral feeding systems without a prescription
- 52380=Enteral feeding systems with a prescription
- 52430=Enteral feeding systems for home use without a prescription
- 52440=Enteral feeding systems for home use with a prescription
- 52490=Repair and replacement parts for durable medical equipment which are for single patient use
- 53010=Mobility enhancing equipment without a prescription
- 53020=Mobility enhancing equipment with a prescription Appendix E
- 54010=Prosthetic devices without a prescription
- 54020=Prosthetic devices with a prescription
- 54250=Dental prosthesis without a prescription
- 54260=Dental prosthesis with a prescription
- 91030=Donations
- 90021=F.O.B. Destination Shipping
- 90020=F.O.B. Origin Shipping
- 94001=General Materials
- 99999=In-Store Sales
- 90010=Meal Replacement
- 90200=Medical Records
- 91070=Membership fees
- 91060=Merchant Operated
- 93101=Other/Miscellaneous
- 91063=Rental Parts or Supplies
- 90022=Shipping (optional customer pickup)
- 93112=Single Issue
- 93116=Single Issue
- 91065=For Tax Exempt Project
- 90012=Unprepared Food
- 99998=Use Tax Reporting
- 90011=Vitamins

Obtained from TaxCloud at http://taxcloud.com/tic/ on 1-22-2019

# Tax Region Setup

## *Product Setup – Tax Jurisdiction Setup tab*

### *Product Setup screen – Tax Jurisdiction Setup – Product Tax Category Setup:*



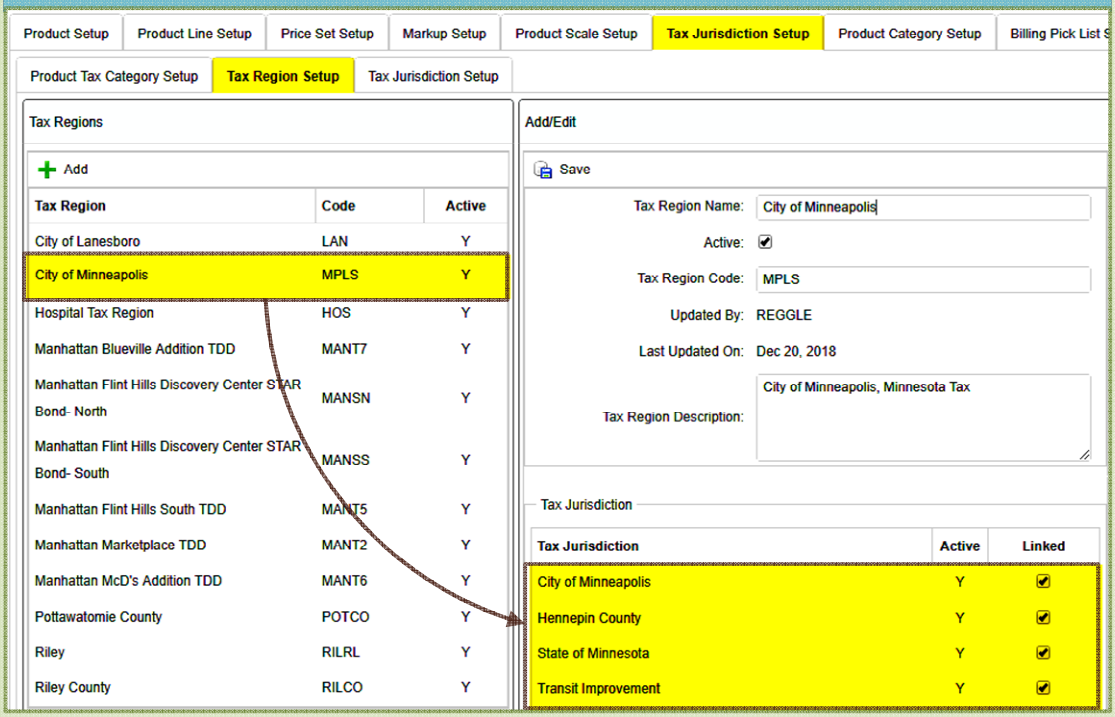

*Setup the* ***Product Tax Categories***

**Product Tax Category Setup:**

Product Tax Categories are assigned to each taxable product and service.

Each Tax Jurisdiction can have different Tax Rates depending on the Tax Category. These rates are specified via the 'Tax Jurisdiction Setup' tab (below).

### *Product Setup screen – Tax Jurisdiction Setup – Tax Region Setup:*




*Setup the* ***Tax Regions***

**Tax Region Setup:**

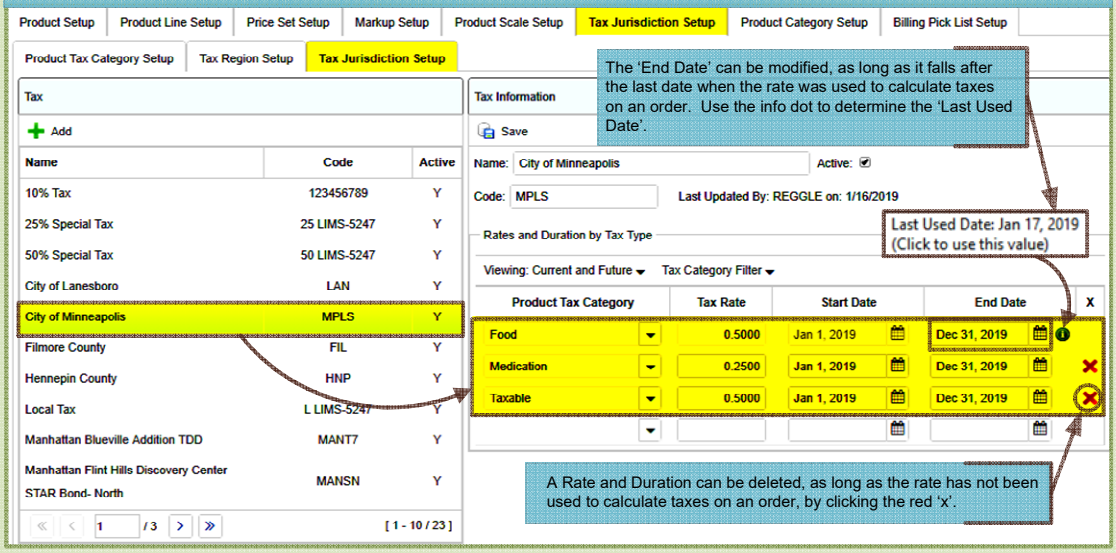
Tax Regions are usually defined by geo-political boundaries; such as, state, city, county, zip code.

They may contain a collection of Tax Jurisdictions; for example, the City of Minneapolis Tax Region contains the City of Minneapolis, Hennepin County, State of Minnesota, and Transit Improvement Tax Jurisdictions.

For charges on an order, the Tax Region defaults to that of the Revenue Unit on the charge, but may be selected on the Order Detail screen.

On the Product Price Calculator, the Tax Region default is that of the User's Default Hospital Unit. In the absence of that, the Hospital's Default Tax Region is used (see next page).

### *Product Setup screen – Tax Jurisdiction Setup – Jurisdiction Setup:*




*Setup the* ***Tax Jurisdictions***

**Tax Jurisdiction Setup:**

Like the Tax Region, Tax Jurisdictions are usually defined by a geo-political boundary; such as, state, city, county, zip code. However, Special Jurisdictions may be defined by a range of street addresses (see the Kansas example on the following pages).

Tax Jurisdictions **may belong to one** (see the Kansas example) **or many** (see the Minnesota example) Tax Regions.

Each Tax Jurisdiction may specify a different Tax Rate for unique Product Categories defining a specific set of products or services.

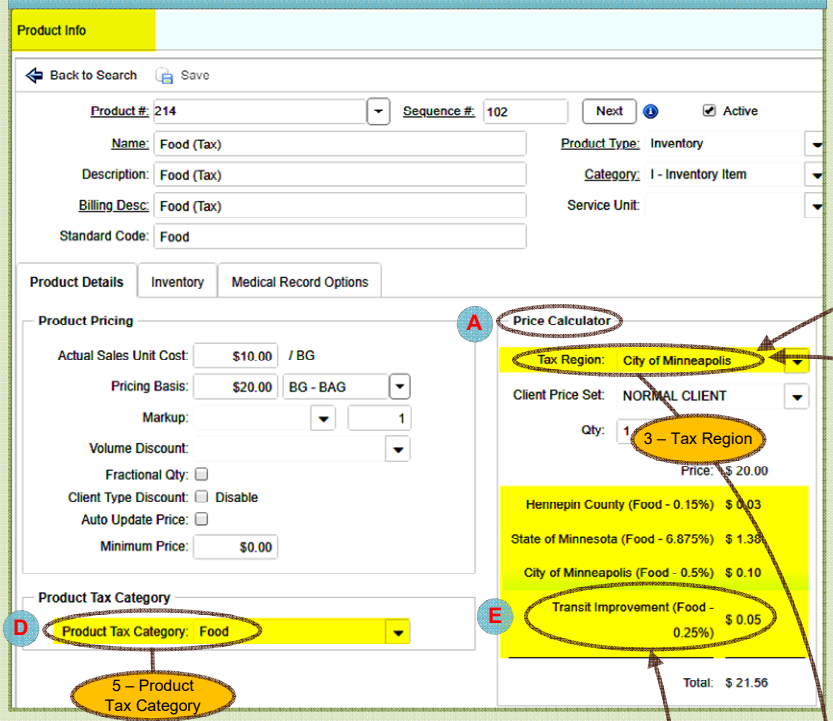
**Refer to the following page for the relationship between the Product Tax Category, Tax Region, Tax Jurisdiction, to the taxable products and services.**

# Tax Region Setup

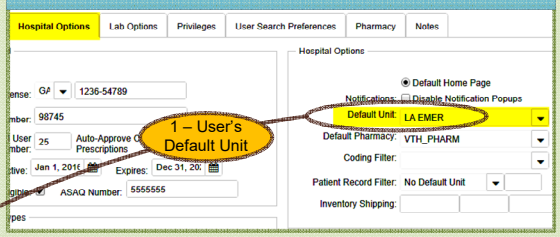
## *Product Setup – Product, Tax Region, Jurisdiction, and Category Relationship*

### *Product Info screen – Price Calculator – Tax Calculation:*

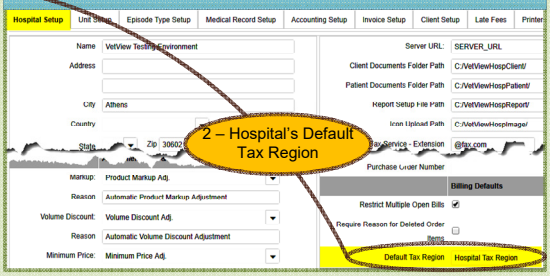
*Product Tax Category and Tax Region for each taxable Product.*




### *User Account screen – Hospital Options tab:*




### *Hospital Setup screen:*




**Product Price Calculator:**

(A) When using the Price Calculator ('Product Info' page -> 'Product Details' tab), the Tax Region defaults to the Tax Region associated to the User's Default Hospital Unit (1); in the absence of that, the Hospital's Default Tax Region (2) is used. The user may select other regions from a drop-down list of active Tax Regions (3).

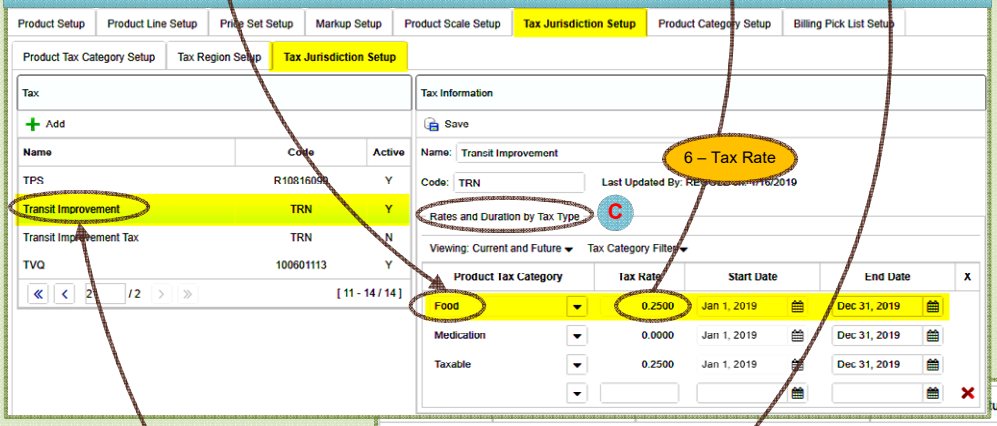
(B) The Tax Region may be associated to one or more Tax Jurisdictions (4)

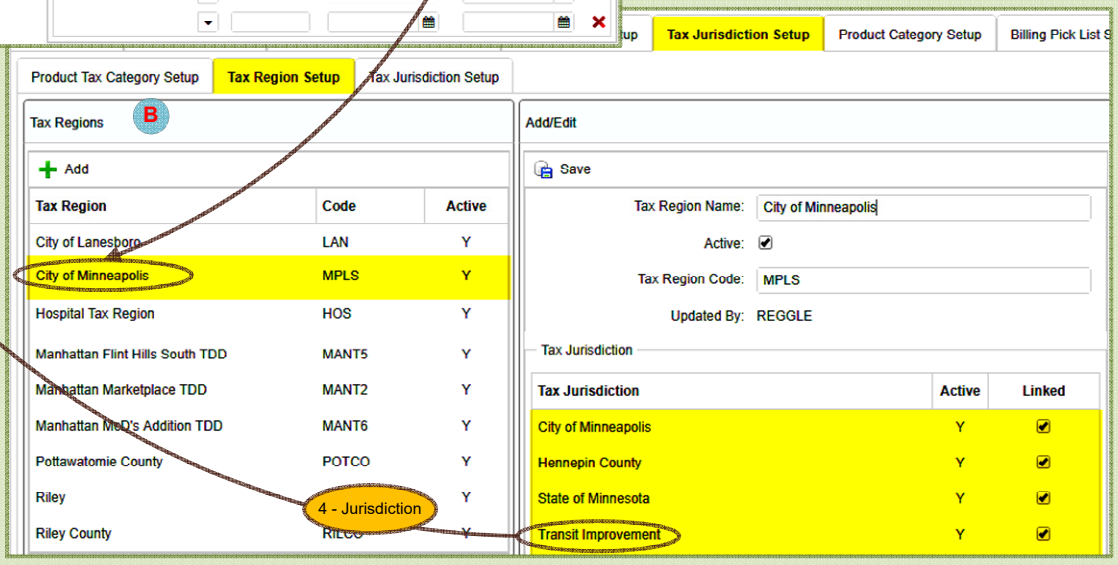
(C ) The Tax Jurisdiction (4) may define multiple Tax Rates (6) based on the Product Tax Category (5).

(D) The taxable product or service is assigned a Product Tax Category (5).

(E ) The combination of the Tax Region (3), Jurisdiction (4), and Product Tax Category (5), determines the Tax Rate (6) that is ultimately used to calculate the sales tax to be collected for the sale of taxable products and services.

### *Product Setup screen – Tax Jurisdiction Setup tabs:*



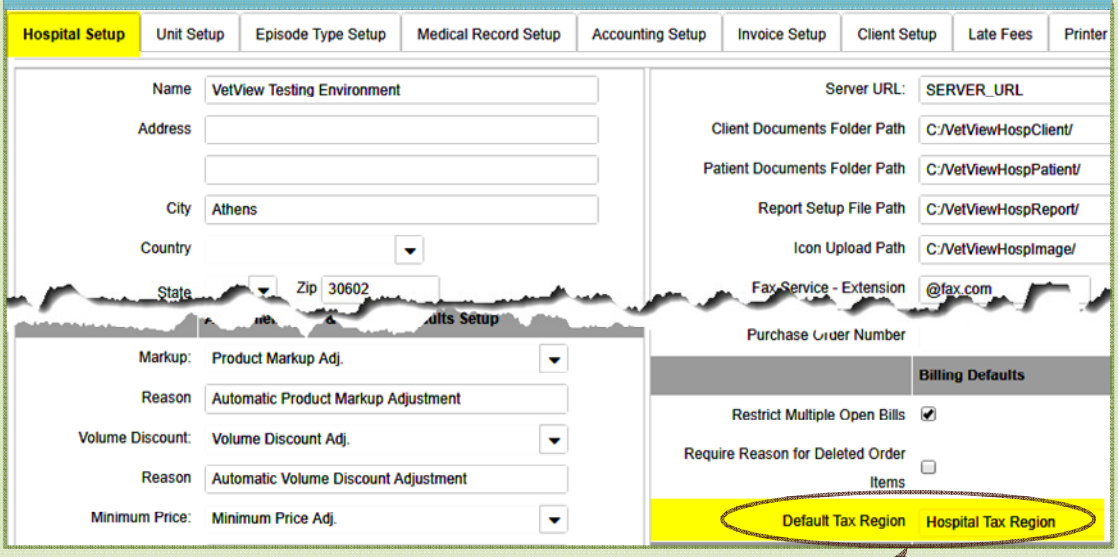



# Tax Region Setup

## *Hospital Setup – Default Tax Region*

*Specify the* ***Default Tax Region***

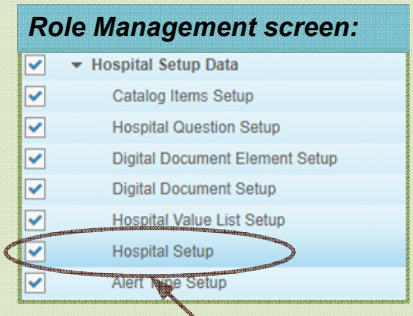
### *Hospital Setup screen – Hospital Setup tab:*




***Default Tax Region:***
Specify the 'Default Tax Region' that will be used if the Hospital Unit (Revenue Unit) is not associated to a specific Tax Region.

*Apply the 'Hospital Setup' privilege.*

### *Role Management screen:*



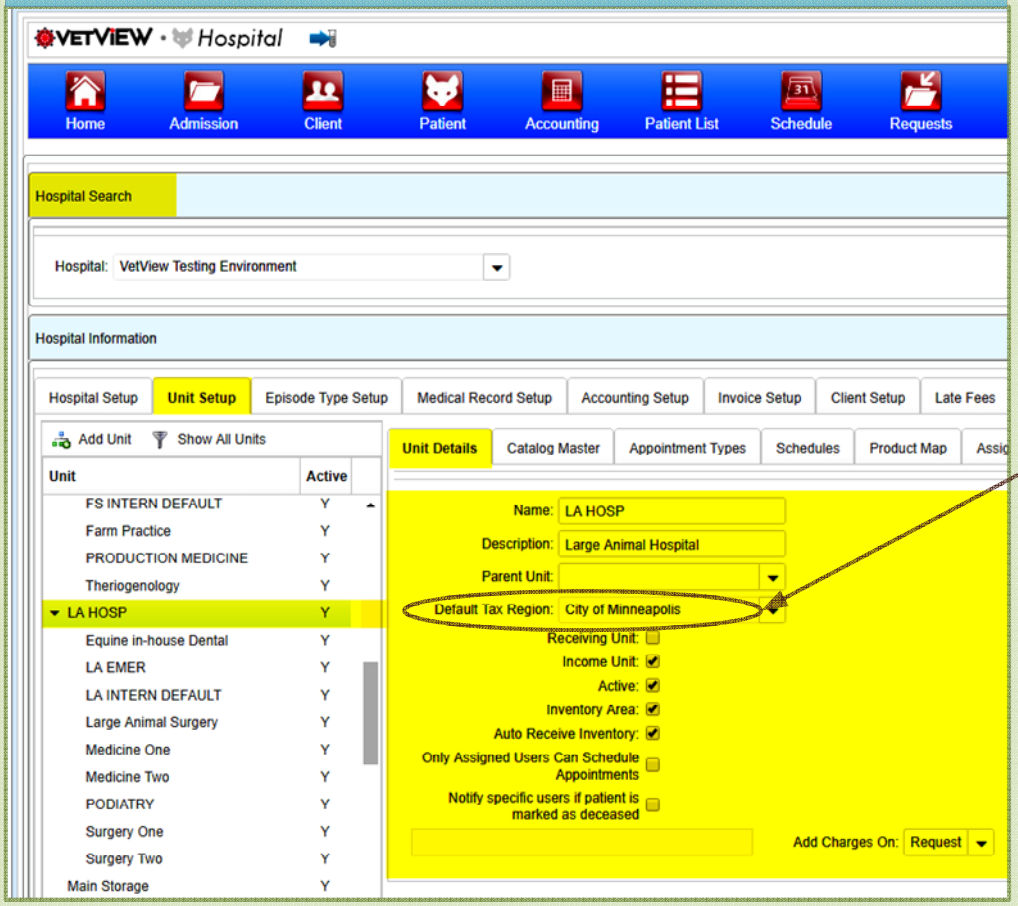

*The '**Hospital Setup**' privilege is required to access the 'Hospital Setup' screen – 'Hospital Setup' tab.*

# Tax Region Setup

## *Unit Setup – Unit Details tab – Default Tax Region*

### *Hospital Setup screen – Unit Details tab:*

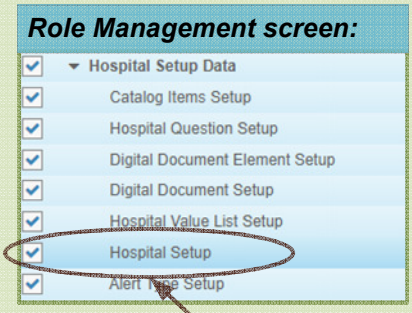
*Setup the Hospital Unit* ***Default Tax Region***




***Default Tax Region:***
Specify the 'Default Tax Region' that will be used for the Hospital Unit (Revenue Unit) associated with each charge.

*Apply the 'Hospital Setup' privilege.*

### *Role Management screen:*



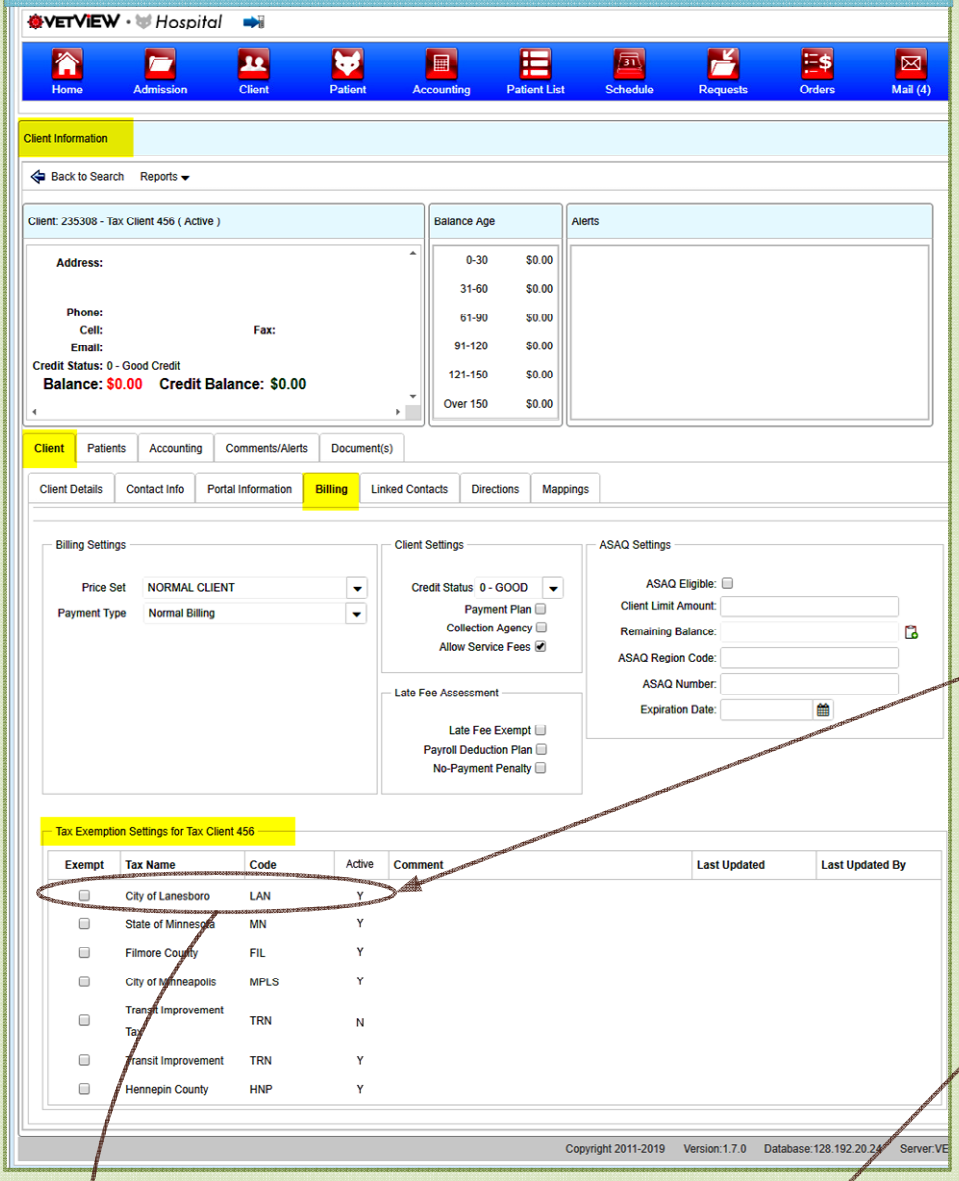

*The '**Hospital Setup**' privilege is required to access the 'Hospital Setup' screen – 'Unit Setup' tab.*

# Tax Region Setup

## *Client Setup – Billing tab – Tax Exemptions*

### *Client Information screen – Billing tab:*

*Setup the Client* ***Tax Exemptions***



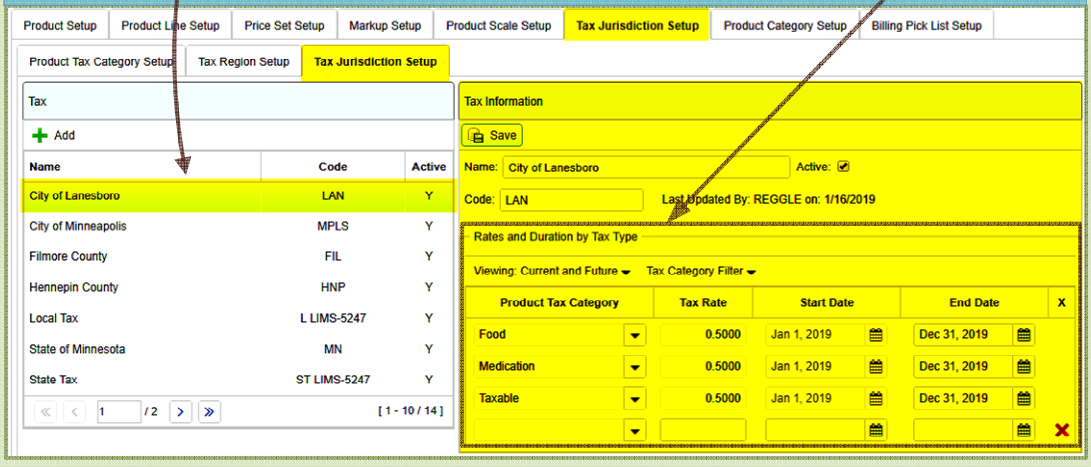

Clients may be exempt from certain tax jurisdictions.

Exempt taxes will be charged, but immediately adjusted as exempt. The client won't be charged for the tax, but the exempted taxes will appear as such on the 'Sales Tax' report.

Taxes may also be exempted at the order item level.

### *Product Info screen – Tax Jurisdiction Setup tab:*

*Configure the* ***Tax Jurisdications***




Tax Jurisdictions, rates, and durations are configured on the 'Product Setup' screen – 'Tax Jurisdiction' Setup' tab.

# Tax Region Use

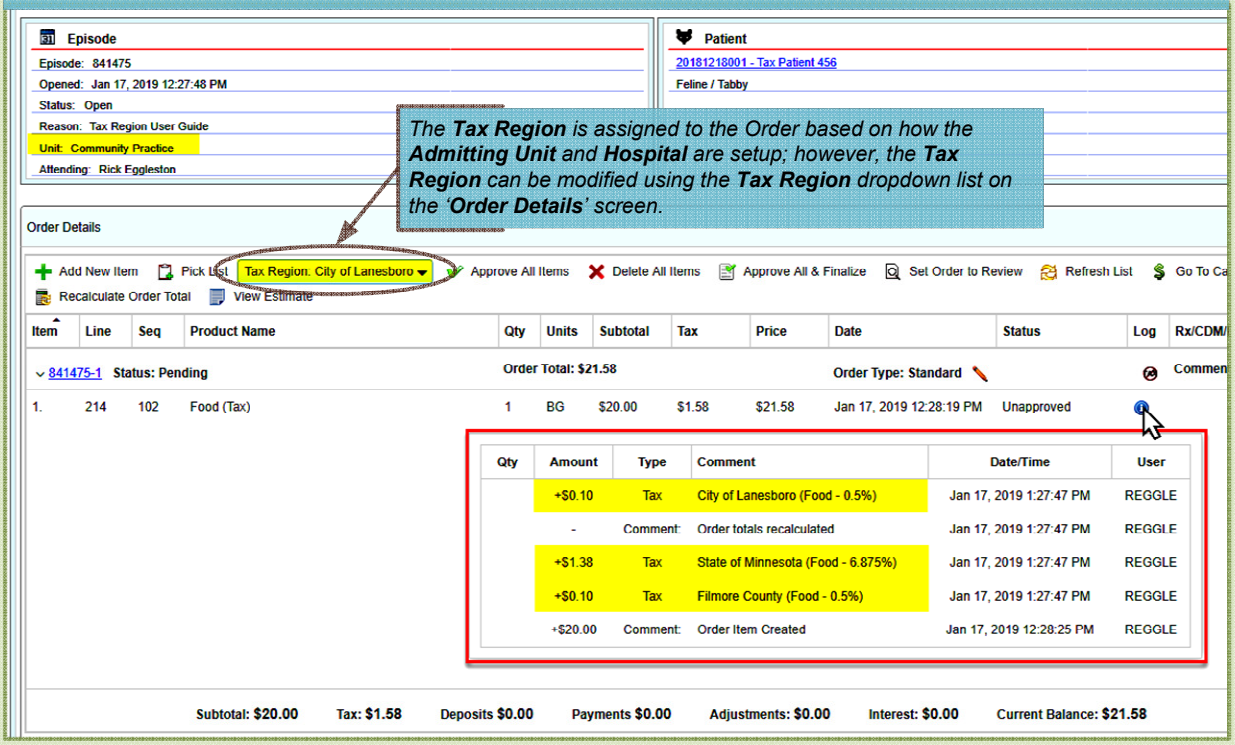
## *Order Details screen & Invoice report*

For this example, the following Tax Region, Jurisdictions, Product Tax Categories, and Tax Rates were configured:

The **Community Practice** Hospital Unit is associated to the **City of Lanesboro** Tax Region.
The **City of Lanesboro** Tax Region is linked to three Tax Jurisdictions with the following Tax Rates for the Product Tax Category = **Food**:

- City of Lanesboro 0.5000%
- Filmore County 0.5000%
- State of Minnesota 6.8750%

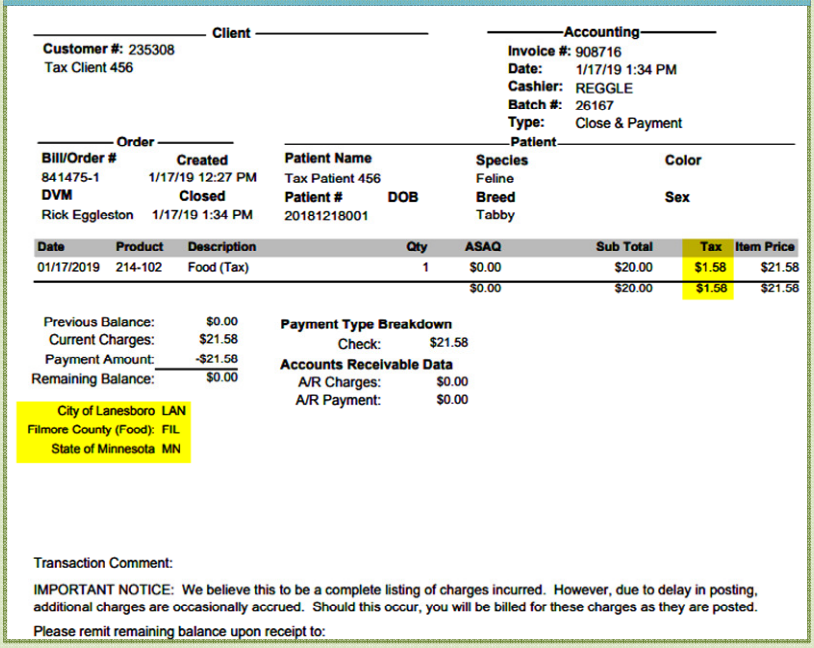
### *Order Details – Tax Transactions:*




**Note:**

- If an episode is checked into a Hospital Unit that is not associated to a Tax Region, the Hospital's Default Tax Region will be used.
- If an episode is transferred, the Tax Region associated to the Admitting Hospital Unit will be used for all taxes.
- If charges from a Hospital Unit that is not the Admitting Hospital Unit, the Tax Region of the Admitting Hospital Unit will be used to calculate taxes on the charge.
- If the Tax Region that is associated to the Admitting Hospital Unit is not correct, the correct Tax Region can be selected from the drop-down list on the Order Details screen. The selected Tax Region will be used to calculate tax on all taxable charges.

### *Invoice Report:*



# Tax Region Use

## Order Details screen & Invoice report – Client Tax Exemption

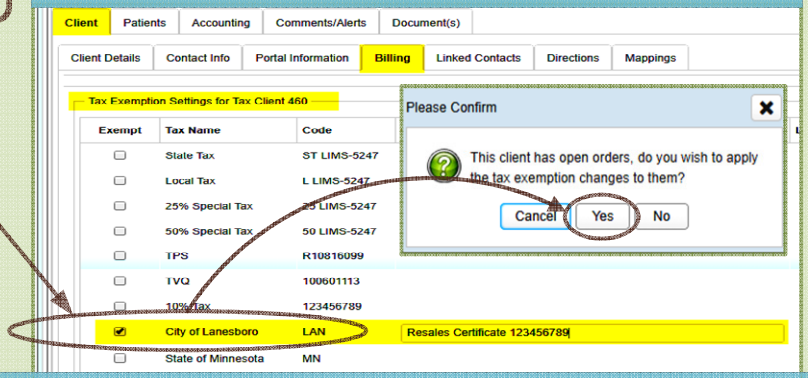
*Change the Client* ***Tax Exemptions***

### Client Setup – Billing tab – Tax Exemptions:

Clients may be exempt from certain tax jurisdictions.

When the Client's tax exemption status is modified (via the Client Setup screen), if there are open orders, a confirmation popup will appear.

The exemption status change can be applied to the charges on the open orders; or, the exemption status change can be cancelled, or saved without applying them to the open charges.



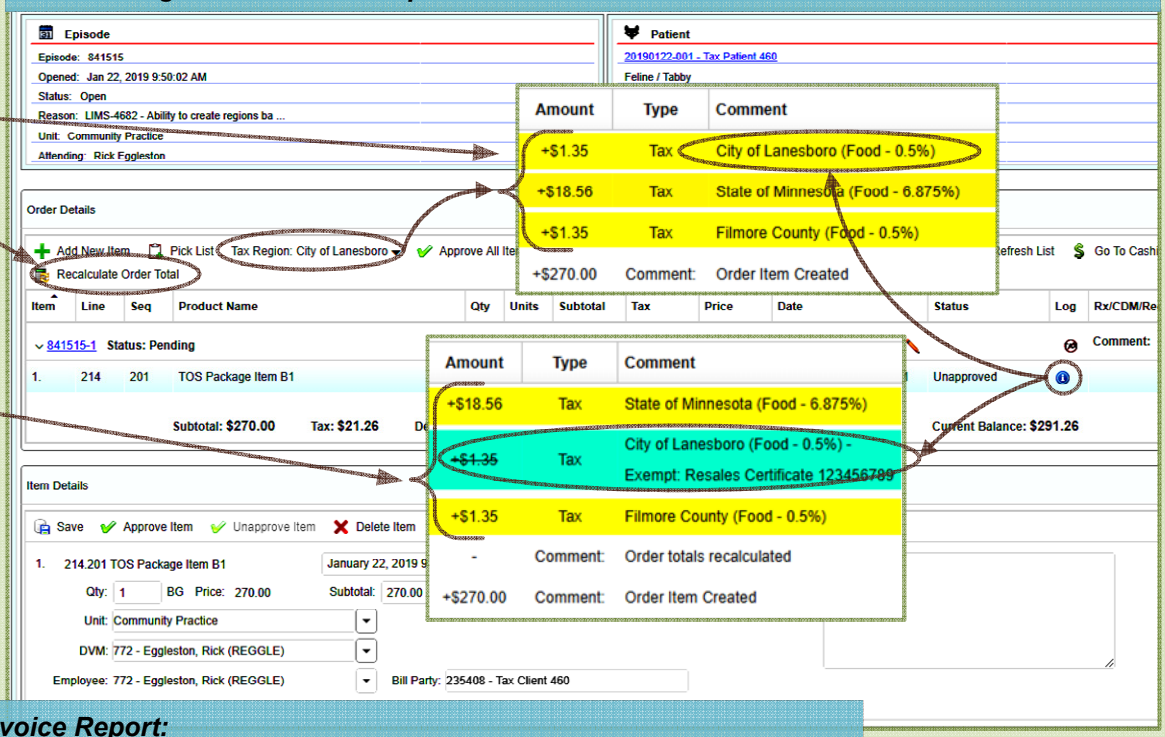

*Recalculate the order total*

### Order Management – Tax Exemptions

Before tax exemptions, this charge was subject to three jurisdiction taxes for the City of Lanesboro Tax Region.

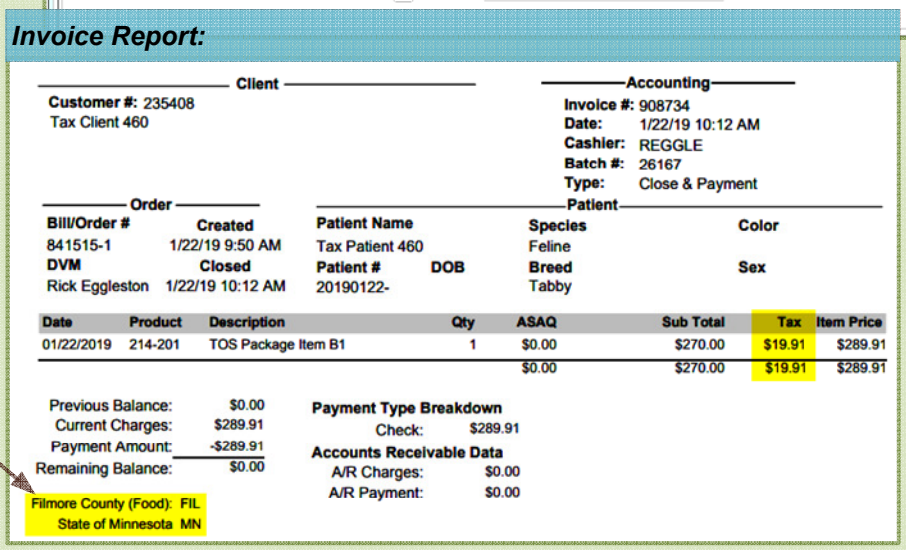
After changes are made to the Client's tax exemption status, the 'Recalculate Order Total' button will apply the changes resulting from the exemption.

After the order is recalculated, there will be a new transaction associated to the charge for the amount and jurisdiction for which taxes are exempt.




*Invoice after* ***Tax Exemptions***

### Invoice Report:

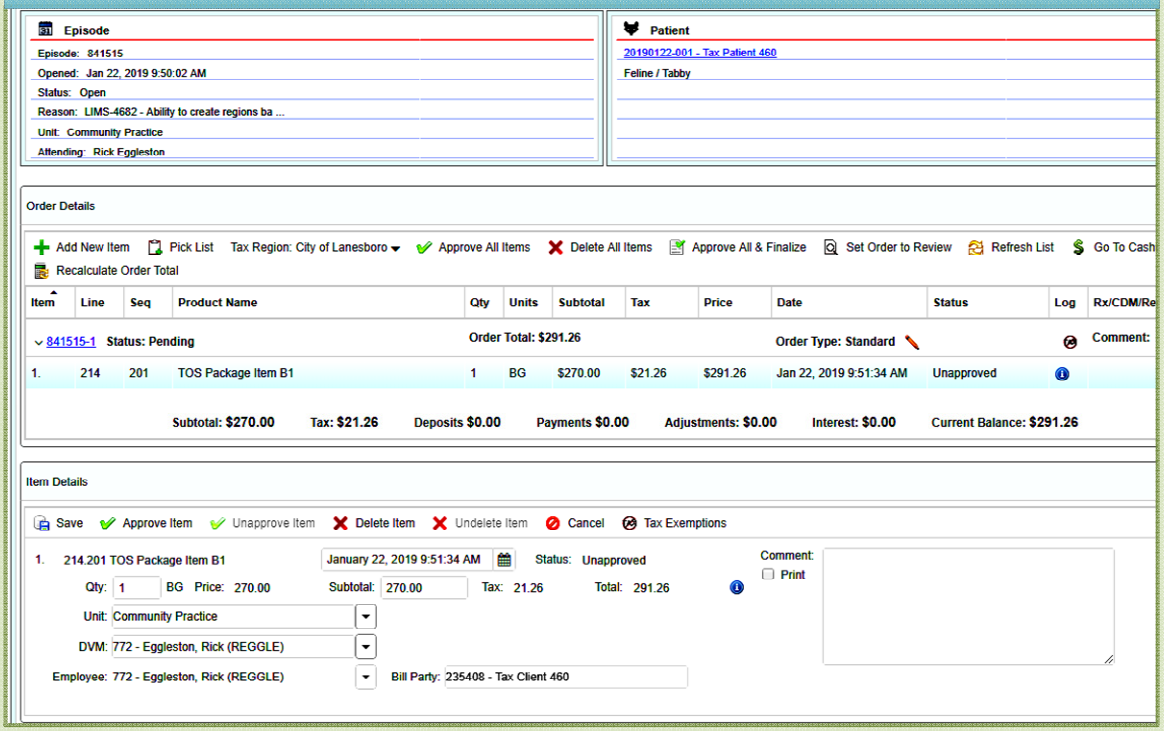


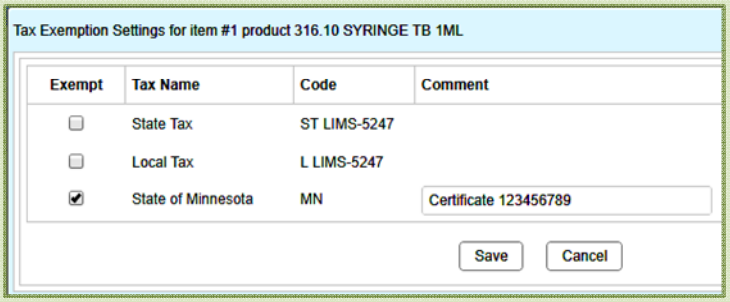

After the exemption, the exempted jurisdiction will not appear on the invoice.

# Tax Region Use

## *Order Details screen – Order and Order Item Tax Exemption*

### *Order Management – Tax Exemptions*



ERROR: syntaxerror
OFFENDING COMMAND: --nostringval--

STACK:

-mark-
/sfnts