

Excluding GST – Including GST

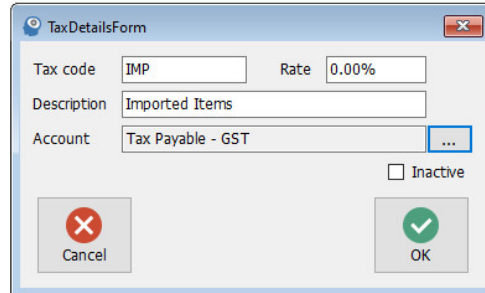
This document will outline how to handle purchasing items that have no GST (*Exempt*) attached to them but when selling those items you need to add GST.

In this example we will setup the necessary tax code, purchase, create and sell the item then run a tax detail report to confirm the process, the item in this example will be referred to as a Widget.

Setup Tax Code:

Go to Lists - Tax Codes – New fill out tax code form as per image below.

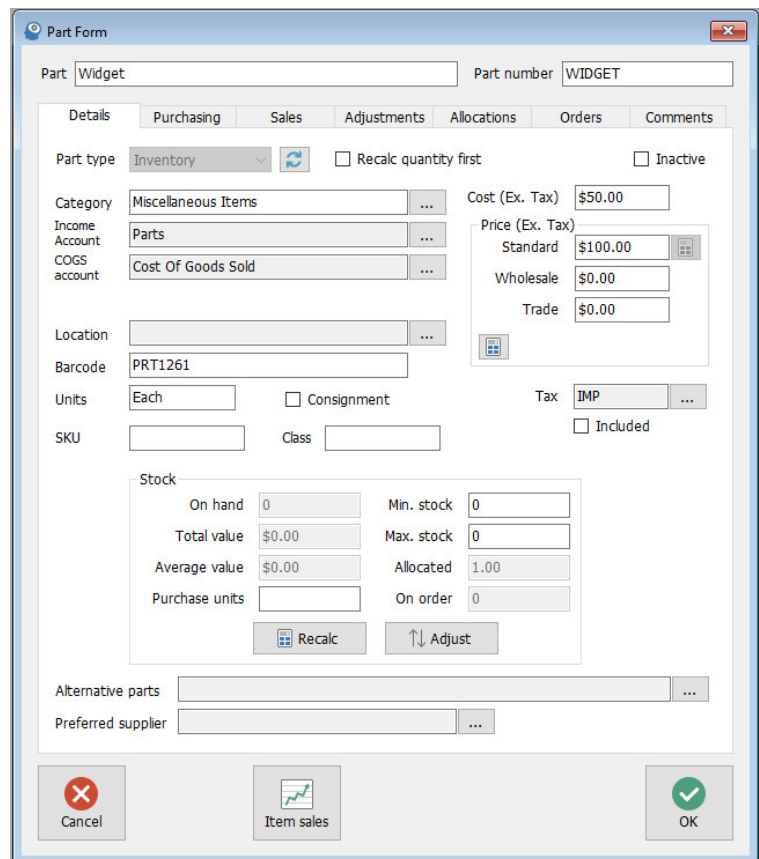
1. Tax Code = IMP.
2. Rate = 0.00%.
3. Description = Imported Item.
4. Account = Tax Payable – GST.
5. OK to Save.



Purchasing:

Go to Purchasing – New – Choose Supplier – Enter Invoice # - Adjust Date – Add Inventory – New.

1. Part = Description.
(Sample Widget)
2. Part No = Part Number.
(Sample WIDGET)
3. Category = Your Choice.
4. Cost (Ex Tax) = Item Cost.
5. Standard (Ex Tax) = Sell Price.
6. Tax = IMP.
7. Included checkbox = Blank.
8. OK to Save.
9. OK to place on Purchase/Bill.
10. Assign to Job/Service if Needed
11. Change Quantity if Needed.
12. Receipt Payment if purchased using cash or click OK to process Purchase if Supplier is on account.



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Purchase Screen:

Details

☒ Bill ☐ Credit ☐ Purchase order

Date: 06/11/24 Invoice/Re: 1254545

Supplier: NAPA Auto Parts Comments: For Job #95.

Terms: 30 days EOM Bill due: 31/12/24

☐ Repeat

Items

Item	Description	Type	Job	Service	Location	Purchase units	Quantity	Rate	Total (Ex.)	Tax amt	Tax code	Total (Inc.)
WIDGET	Widget	Inventory	0	0		0	1	\$50.00	\$50.00	\$0.00	IMP	\$50.00
									\$50.00	\$0.00		\$50.00

Bill ☐ Update parts

Selling Item:

Add the Widget to a Job, Charge Invoice or Cash Sale, adjust the quantity if required then change the Tax Code from IMP to GST. GST will be added to the Widget.

Close Job, Charge Invoice or Cash Sale as normal.

NOTE:

If you wish to run a Tax Detail report to see the entries please be aware that prior to both bill and invoice being paid you must run the report on Accrual basis, once the bill and invoice have been paid you can run the report on a Cash basis.