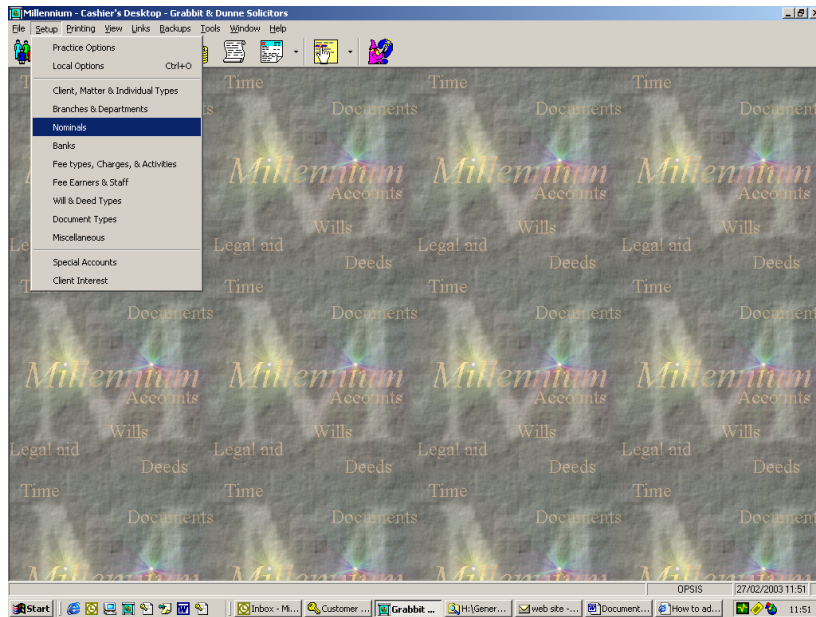


Adding a VAT code for Ireland VAT Rate change

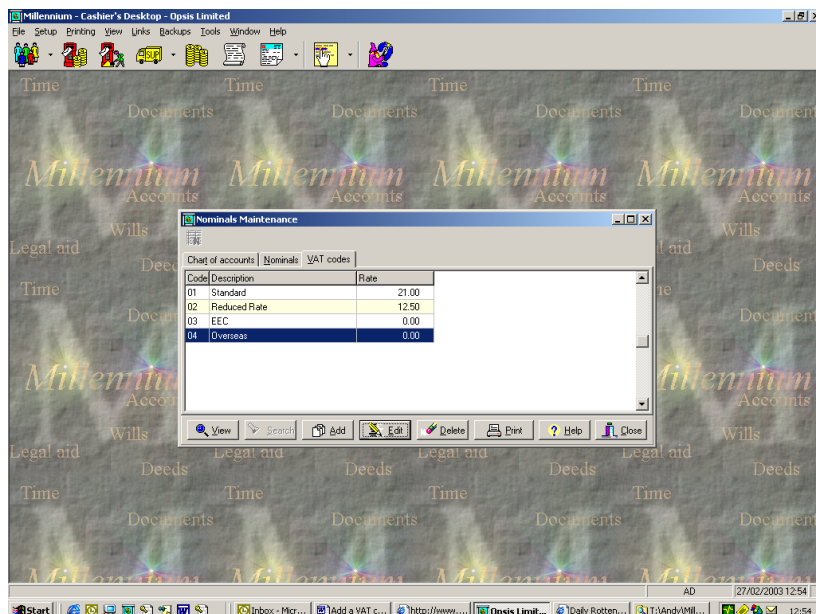
The following example is shown to assist customers in Ireland with setting up a new VAT rate to cater for the change of Reduced Rate VAT from 12.5% to 13.5%. Since the VAT code is stored against a transaction whenever a posting is made, you should not change the Reduced Rate VAT code percentage value, but instead add a new code that has the higher percentage rate and use this from now on.

Note that if you accidentally use the incorrect code you must reverse the posting, then re-post using the correct VAT code.

Click on Setup at the top of the screen, then on Nominals.

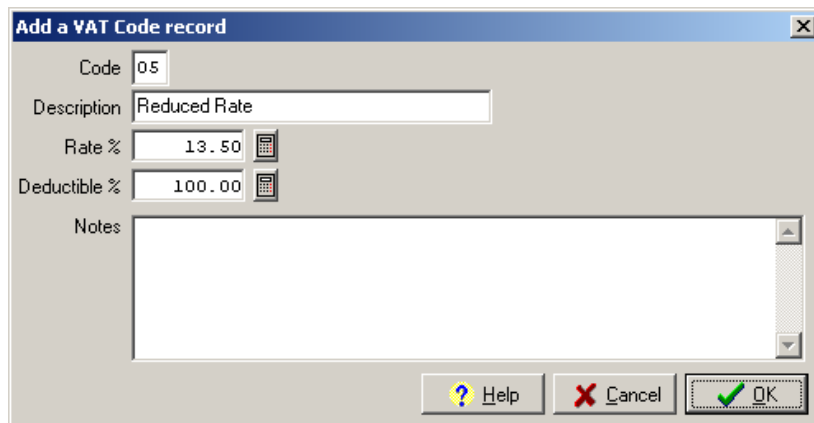


The Nominal Maintenance screen will appear. Here, you need to click on the VAT codes tab.



Click on the **Add** button to add another VAT code. Then enter the details of the new VAT code. For instance, the **code** field will be 1 more than the highest code so far. The **description** that you enter will be displayed on the postings screens for you to choose a VAT rate from when making postings. In this

example, the description is “Reduced Rate”. The **rate** is the percentage of VAT charged. The **Deductible %** field is the amount of the VAT that is deductible for revenue purposes. This is usually 100%. The **notes** field is for your own purposes, you may use this to store any notes you may wish to record about this VAT code.



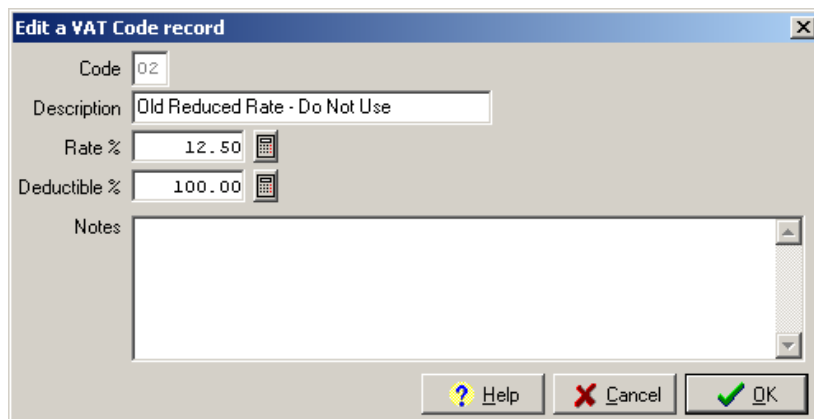
The screenshot shows a dialog box titled "Add a VAT Code record". It contains the following fields and values:

Field	Value
Code	05
Description	Reduced Rate
Rate %	13.50
Deductible %	100.00
Notes	

Buttons: ? Help, X Cancel, OK

Now click on OK to save the record.

If you wish to change the description of the old reduced rate code of VAT, you can do this by clicking on the rate itself to select it and then clicking on **Edit**. Once you are editing the record, the **description** can be amended to indicate that it is no longer to be used for postings, e.g.



The screenshot shows a dialog box titled "Edit a VAT Code record". It contains the following fields and values:

Field	Value
Code	02
Description	Old Reduced Rate - Do Not Use
Rate %	12.50
Deductible %	100.00
Notes	

Buttons: ? Help, X Cancel, OK

Click on OK to save the old VAT rate record.

You now have a new VAT rate under which to post VAT that will be included in your VAT report and VAT returns, and the old VAT rate now has a description to prevent people using it.