Sales Tax Reporting Guide

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USING THIS GUIDE

This guide is both a complete and quick reference for Sales Tax Reporting preparers. Quickly jump to specific topics using the table of contents (above) or the bookmarks in the navigation pane of your Adobe Reader. This guide also contains hyperlinks to other Sales Tax Reporting help documents/forms and related web pages. If you are viewing a hardcopy print of the guide, see your Sales Tax Reporting Home page for links to all Sales Tax Reporting related documents.

Individuals seeking authorization to prepare sales tax reporting should review the complete guide, and must be able to demonstrate an appropriate level of understanding of the system before being granted User security access.

OVERVIEW

What is Sales Tax Reporting?
A web-based system that provides for all-electronic sales tax submission and department reporting history.

- The Sales Tax Reporting web application contains:
  - Sales Tax data entry;
  - Department Reports;
  - Links to help documentation, Accounting Calendar, Utah Tax Rates, Utah Tax Forms.
- Export to Excel option.
- Generation of a journal file to book sales tax paid to the State in the general ledger.

Purpose
The Sales Tax Reporting system replaces the manual entry for submitting sales tax. Submitting via the Sales Tax Reporting Entry system can significantly reduce the time it takes to process sales tax by:

- Eliminating delivery time
- Eliminating dual-data entry
- Reducing the need for corrections – the system has several built-in checks that ensure correct calculation, contains valid chartfield combinations, and more.

The Business Process

The *electronic* Sales Tax Reporting business process introduces a *new medium* for creating and processing sales tax, and therefore changes a few steps in the process, but <u>the policies and guidelines governing the sales tax reporting have not changed</u>. Like the paper process, the Sales Tax Reporting business process involves multiple people fulfilling various functions including data entry, tax return preparation, and posting of the sales tax entry to the General Ledger. The process is described below:

1. The Reporter reports the sales tax data by:
    a. filling out the sales tax entry page (tax type, chartfields, amounts, etc)
    b. verifying the information entered is correct and valid (the system automatically runs checks for sales tax calculation, chartfield combinations are valid, etc,)
    c. submitting the data entry page.
2. Central Administration reviews/approves the submitted data.

<u>GETTING STARTED</u>

User Roles

Reporter – initiates/reports sales tax.
Central Administrator – approves departmental data, prepares the journal entry, preparers the Tax Return for submission to the State.

Preliminary Requirements

Users must meet some preliminary requirements in order to use the Sales Tax Reporting application.

- Must have current CIS (Campus Information Services) login credentials.
- Must have and maintain a valid email address & work phone # on his/her employment record.

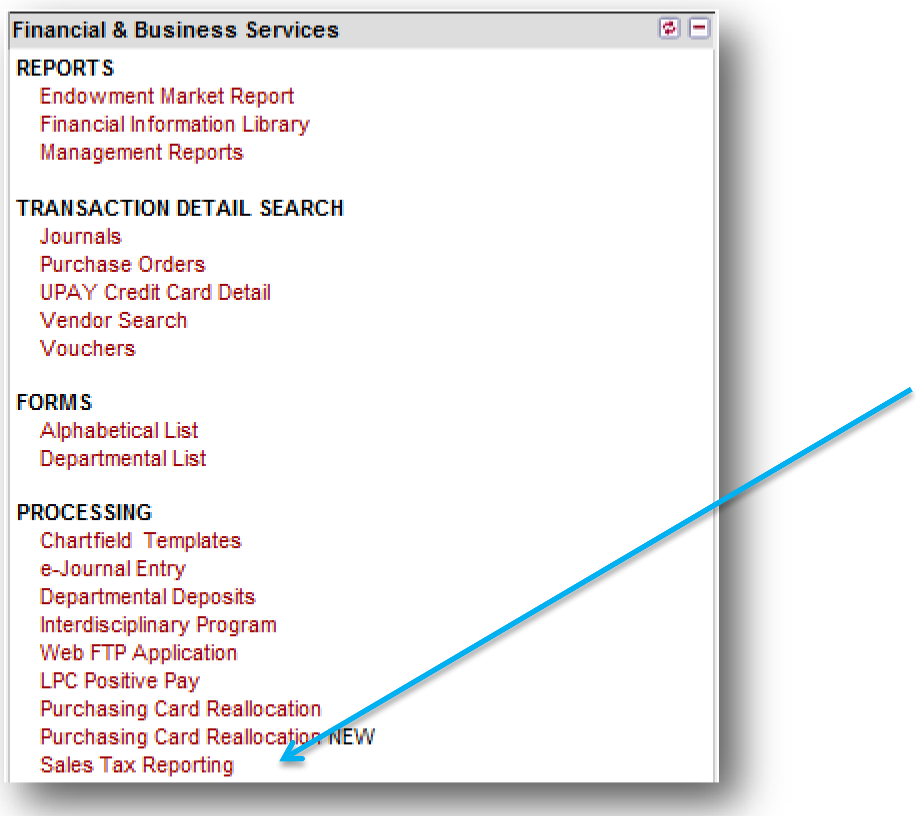
To verify the email address and work phone # an employee has on record, use the Campus Directory employee search. Follow the instructions on “How to Update Your Directory Listing”, provided in the Campus Directory side bar, as needed.

THE WEB APPLICATION

New Users Quick Tour
This section provides a quick tour of the application so new users can get the lay of the land. Details will be explained later. It is recommended that you open the Sales Tax Reporting application and click through the pages and features as they are being described to get a hands-on feel of the application:

Navigation to the Sales Tax Reporting application

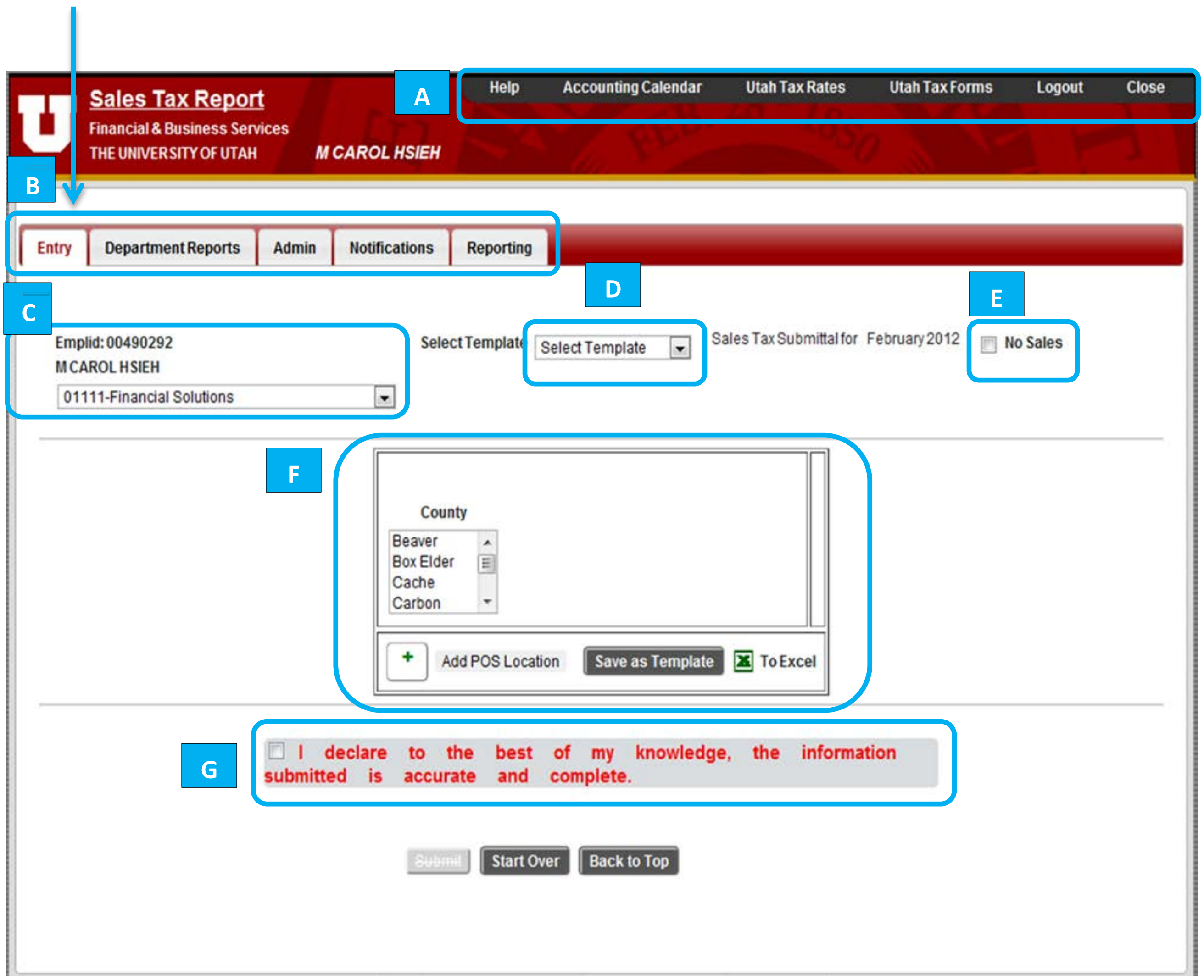
- Log on to the CIS (Campus Information Services).
- Locate the Financial & Business Services pagelet (you may need to add it using the Content link in the upper right corner of the CIS).
- Select the Sales Tax Reporting link under the PROCESSING heading.



Sales Tax Reporting Home

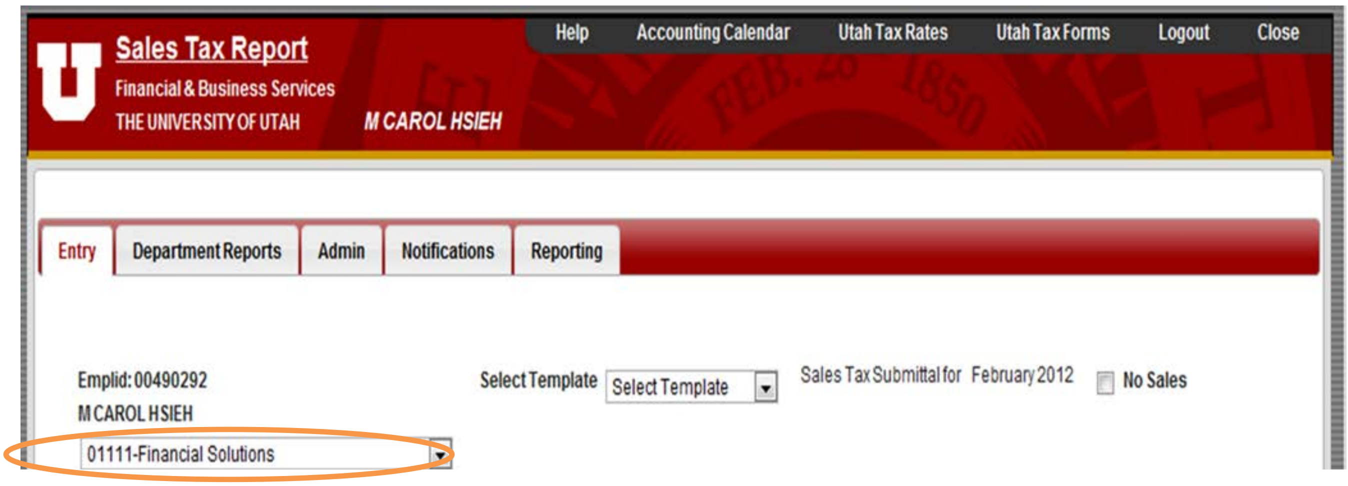
The application will open to your Home page, which contains seven different sections:

A. Help Tabs – various resources provided.
B. Top menu bar – Departmental users have links to 2 pages in the application: Entry and Department Reports. Central Administration users have links to 5 pages in the application: Entry, Department Reports, Admin, Notification, and Reporting.
C. Department List – list of departments for which users report sales tax.
D. Template List – list of templates available once saved.
E. No Sales Check Box - check to indicate NO sales for the department for the reporting month.
F. Location List – list of the locations.
G. Declaration Check Box – user declares data entered is accurate and complete.



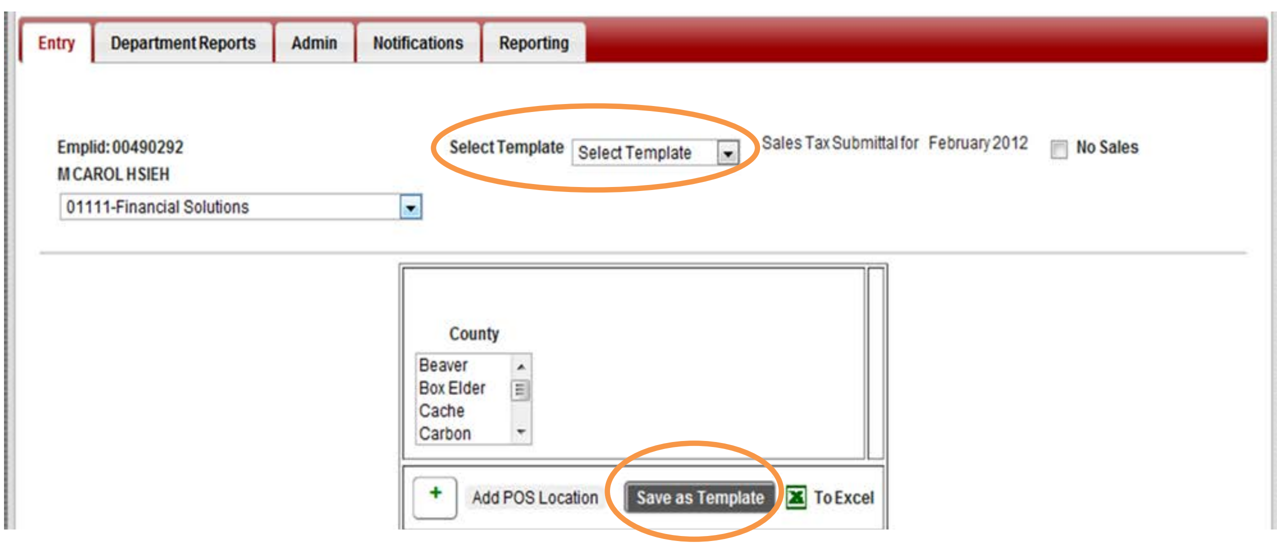
Preparing an Entry
This section provides a step by step guide to reporting sales tax, describing each of the application tools in detail and discussing best practices.

Step 1: Initiating a New Entry
When the Sales Tax Report page first opens, you'll find some values are pre-populated in the drop down box under your Emplid and Name (circled in orange below). Start by selecting the department for which sales tax is being reported.



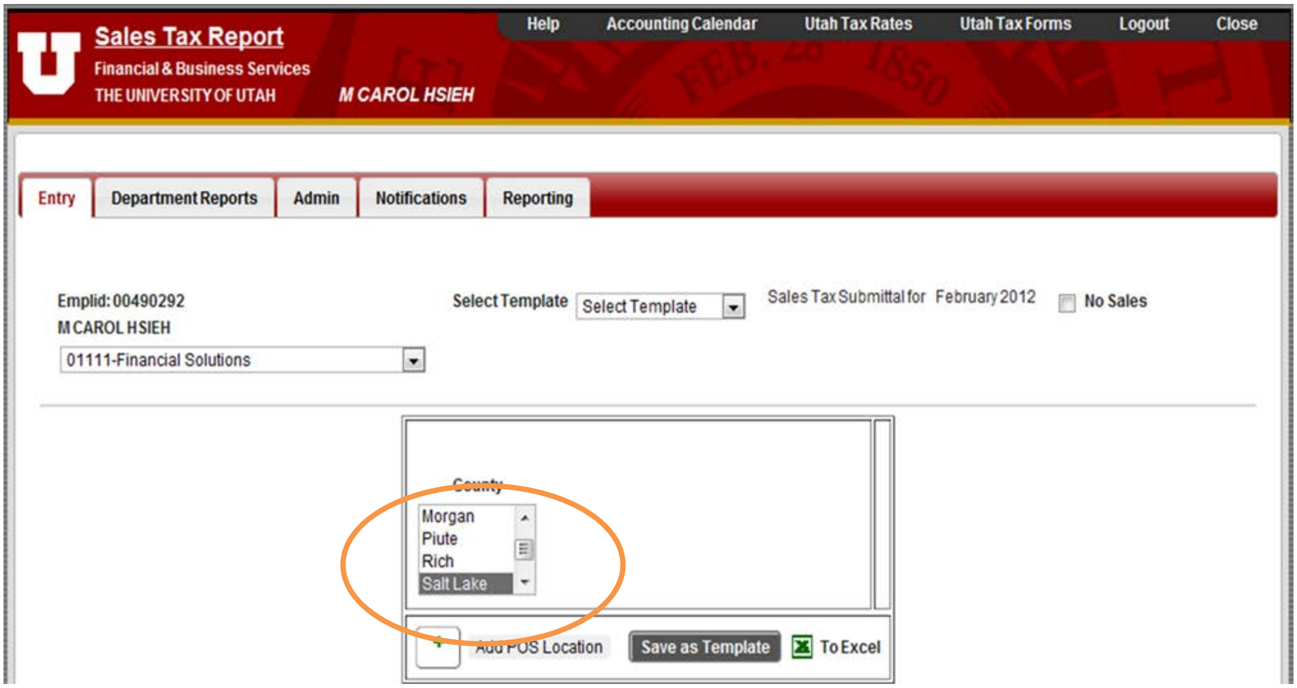
Step 2: Selecting a Template
There will not be a template drop down box for the first time users. The "Select Template" drop down will only appear once a template is saved (circled in orange below). More than one template may be created for each combination of User and reporting department. Select the template for the sales tax data you wish to enter.

If not templates are available, skip to Step 3.

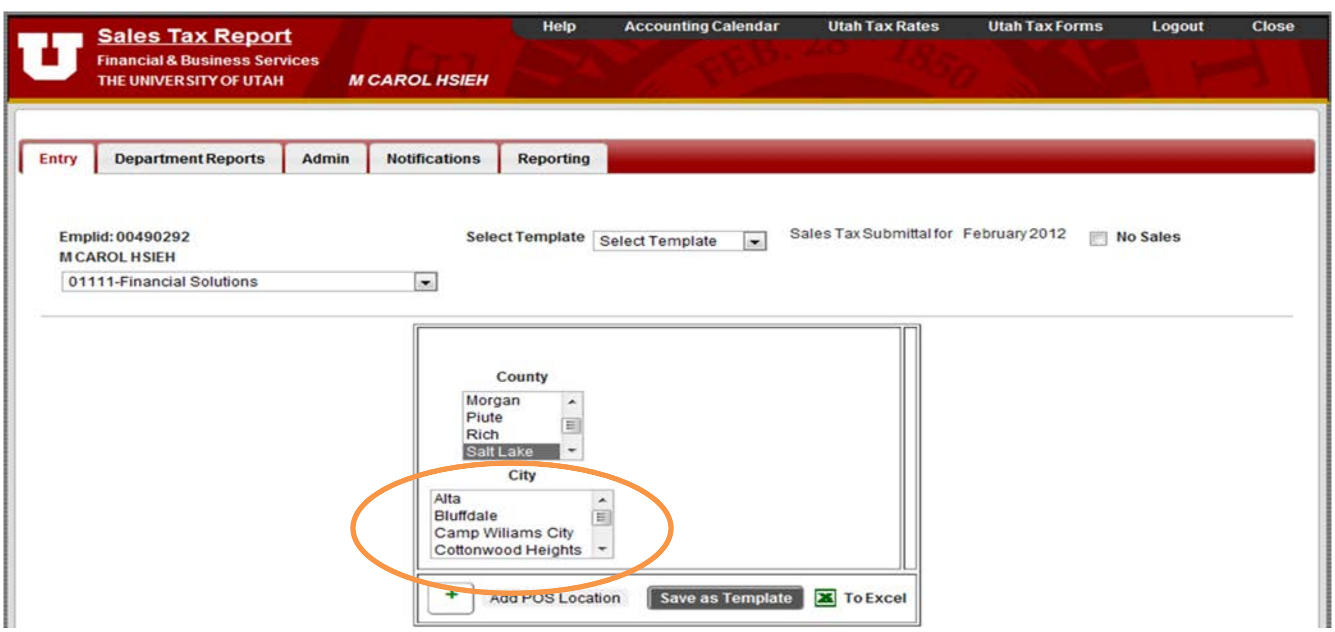


Step 3: Selecting a Location

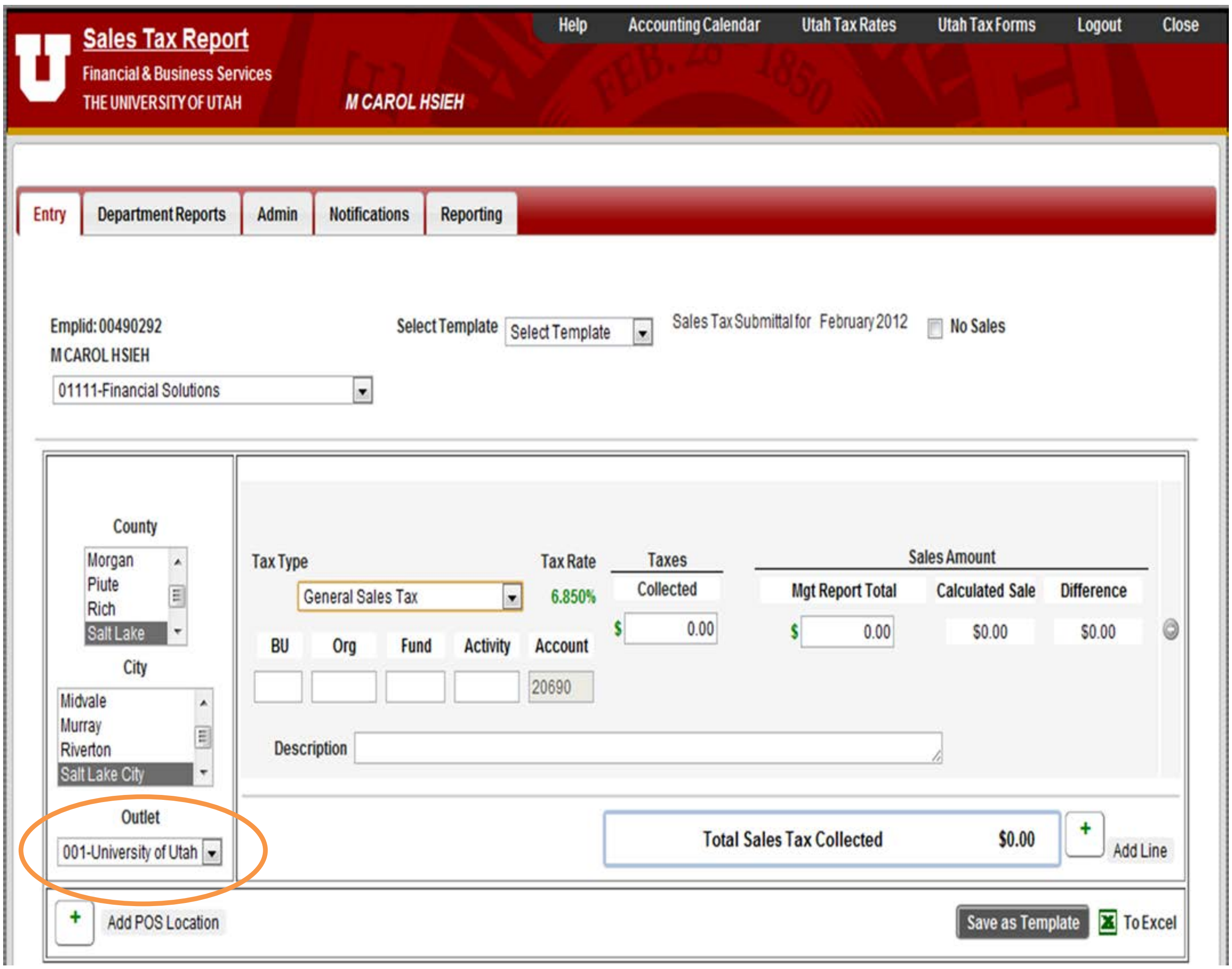
First select a county from the County drop down box (circled in orange below).



Once the county is selected, a City drop down box should appear (circled in orange below). Select a city.



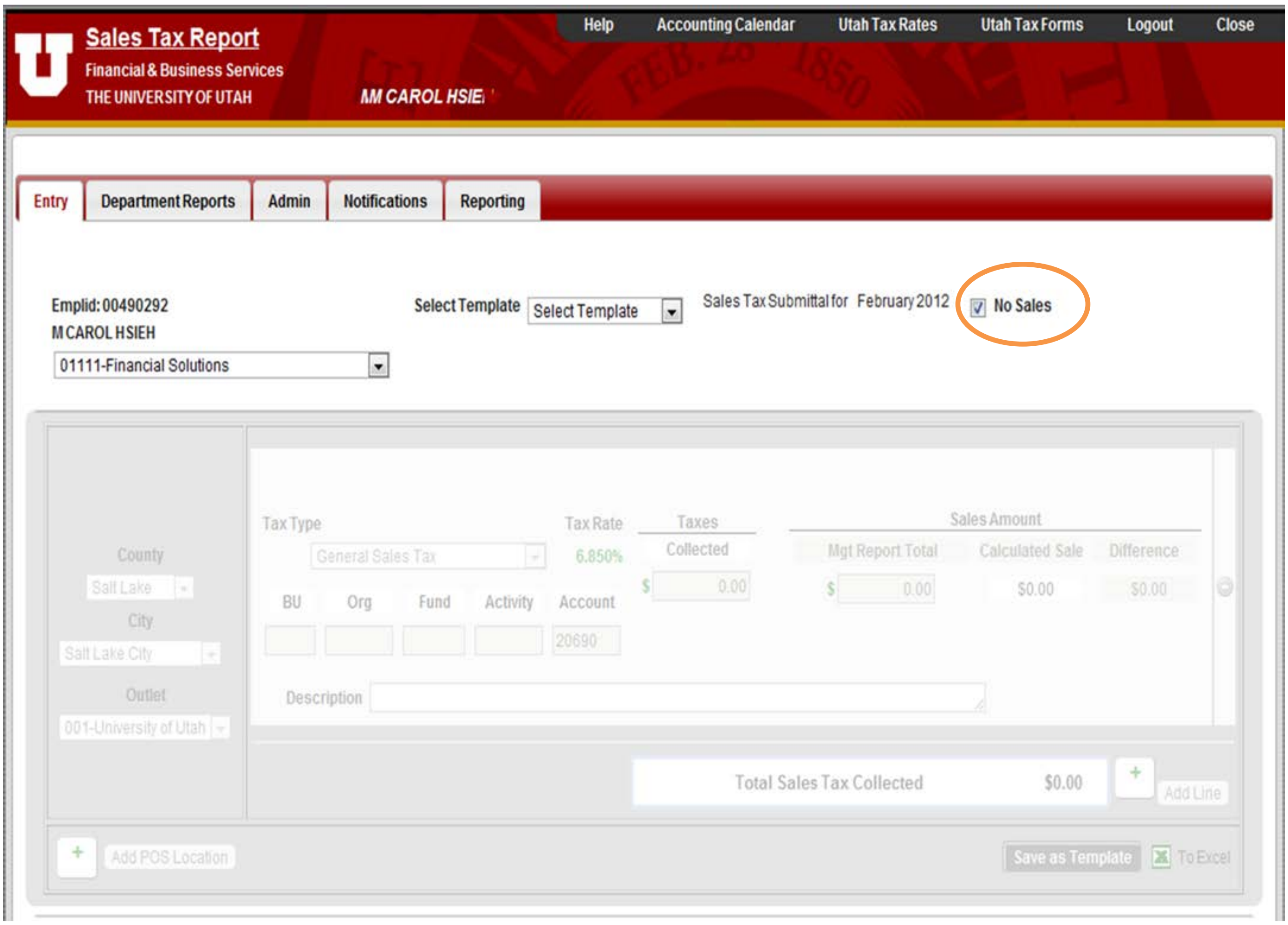
Once the city is selected, an Outlet drop down box should appear (circled in orange below). The application pre-selects an Outlet for each city. Select the appropriate outlet from the drop down box if the default outlet is not applicable.



Step 4: Sales or No Sales?

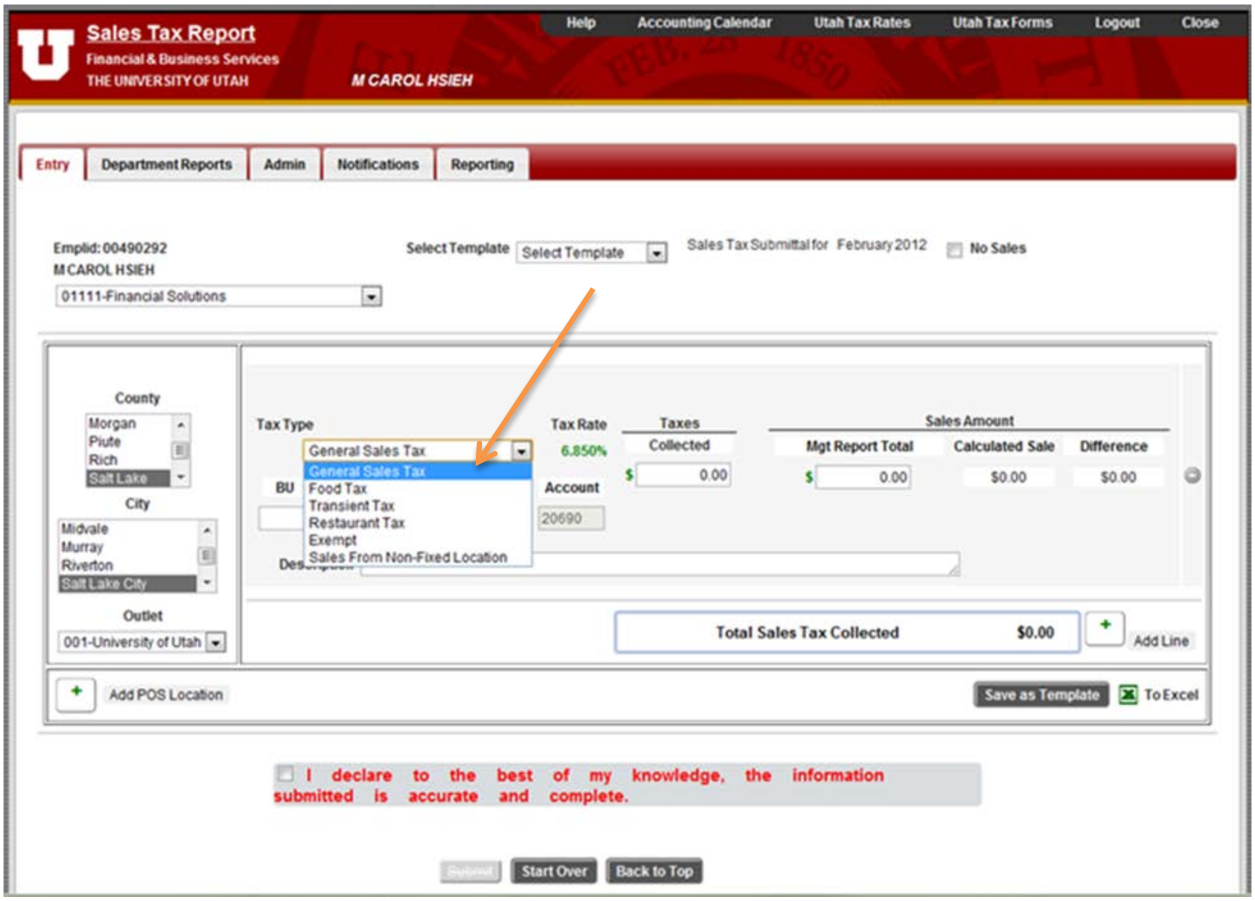
No Sales:

Check “No Sales” box if there is no sales tax to report during the reporting month (circled in orange below). Please note that at least one County/City for the reporting department must be chosen for “No Sales” reporting.

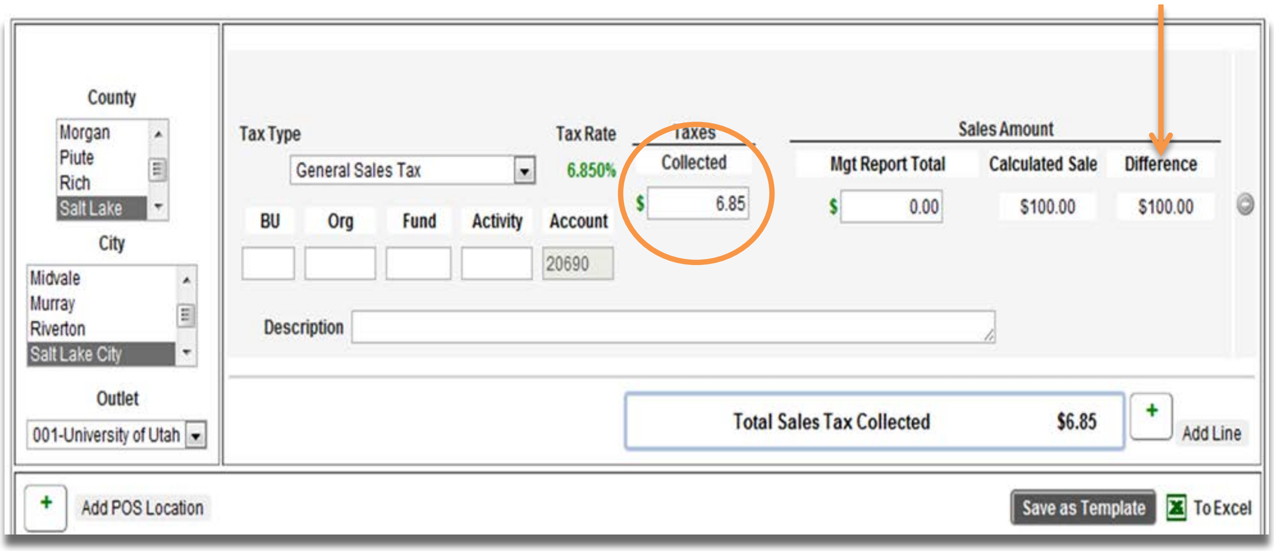


Sales:

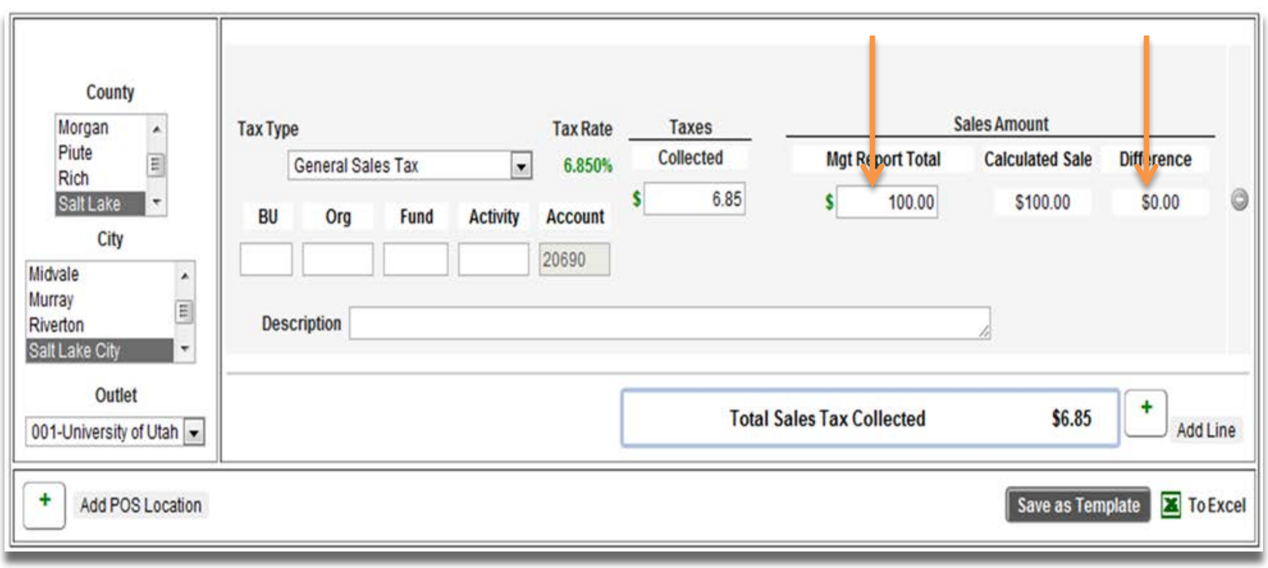
Select a tax type from the Tax Type drop down box. There are six different tax types: General Sales Tax, Food Tax, Transient Tax, Restaurant Tax, Exempt, and Sales From Non-Fixed Location. The Tax Rate will pre-populate based on your selection.



Next, enter taxes collected amount which should agree with the balance on your Management Report(s). The sales amount to be reported on the tax return is calculated automatically for you and displayed as the “Calculated Sales” amount.

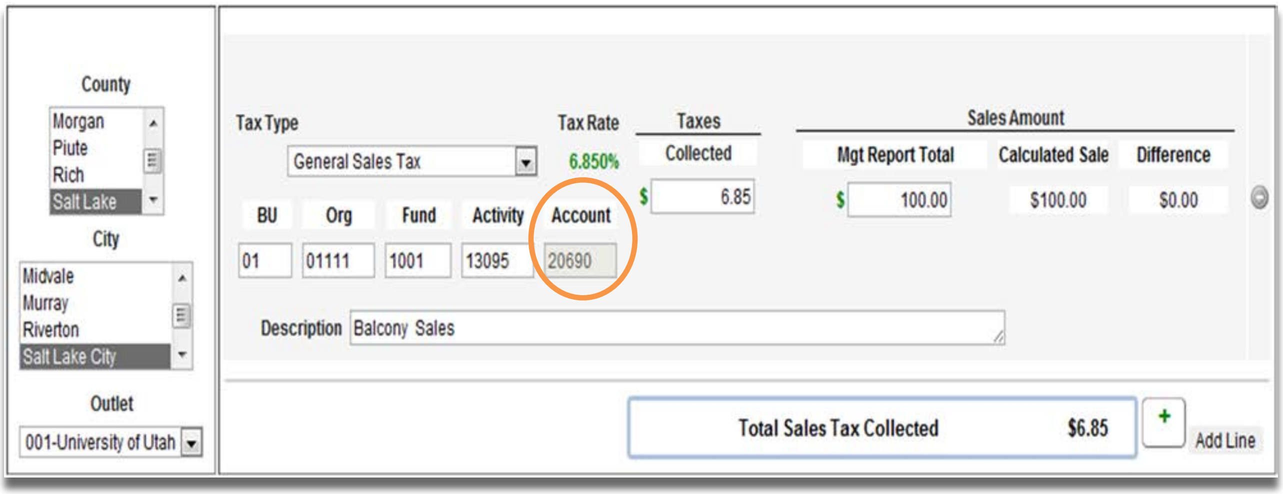


Next, enter sales amount reported on the Management Report(s), The system will calculate the sales amount to be reported on the Tax Return based on the Tax Rate and the Tax Collected amount. The system also calculates the difference between the Management Report Total sales and the Calculated Sales amount. If the Difference is more than a few cents either the Taxes Collected amount or the Management Report Total sales amount are wrong.

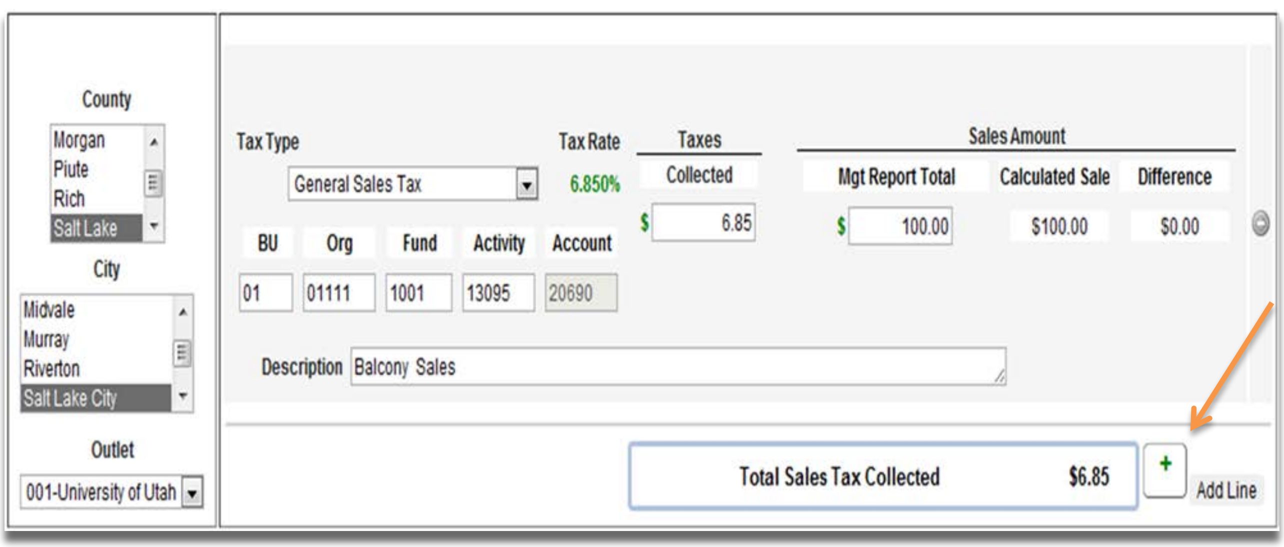


Next, enter chartfields. Please note: Sales Tax is not an expense or a reduction of revenue but rather is a liability payable to the State and, therefore, should be accounted for in a dedicated Account code (20690), which is pre-populated for you.

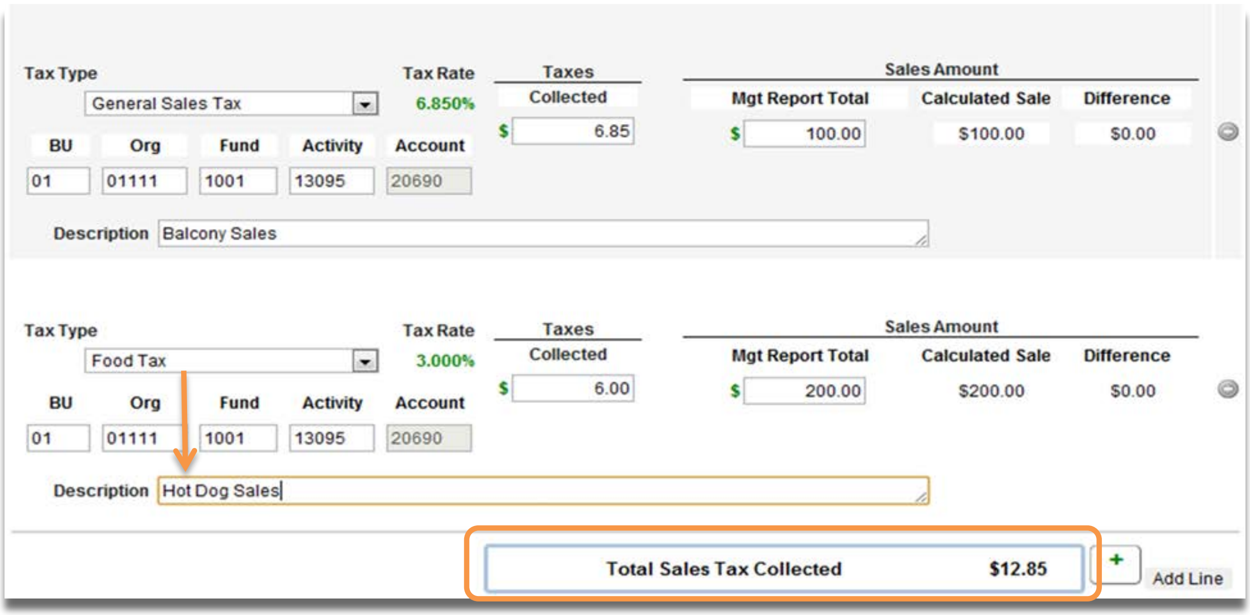
Entering text in the Description field is optional. The description is limited to 100 characters and will only appear on departmental sales tax reports.



If your department has multiple tax types, you may add a line by clicking on the "+" next to the "Total Sales Tax Collected".

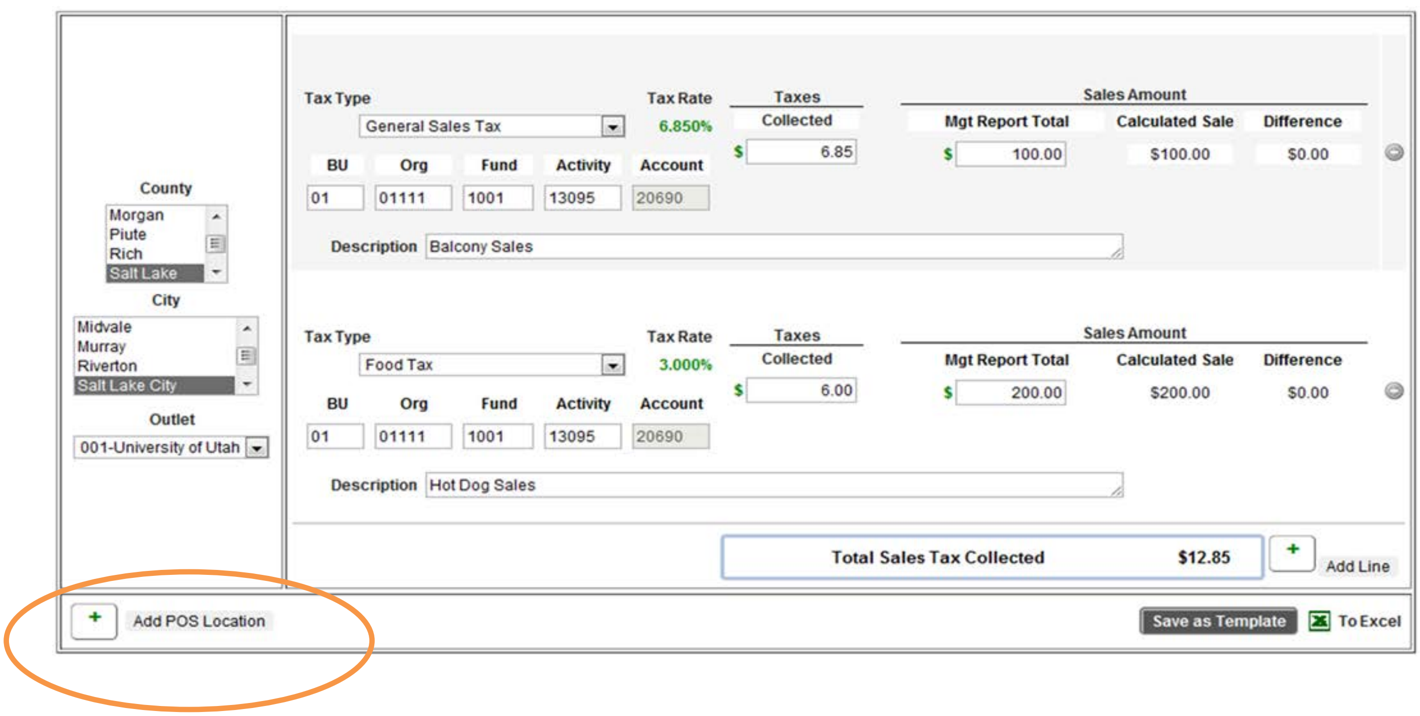


Enter a different Tax Type and repeat the steps mentioned above. The “Total Sales Tax Collected” amount will be updated once you put in the Taxes Collected.



Additional Locations:

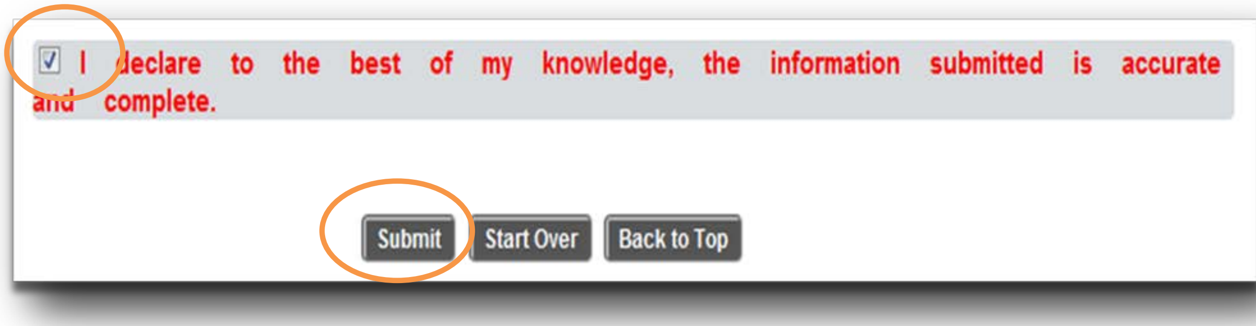
You may add an additional Point of Sales location by clicking on “Add POS Location” sign.



Multiple Tax Types can be reported for each location but each Tax Type can only be reported ONCE for each location.

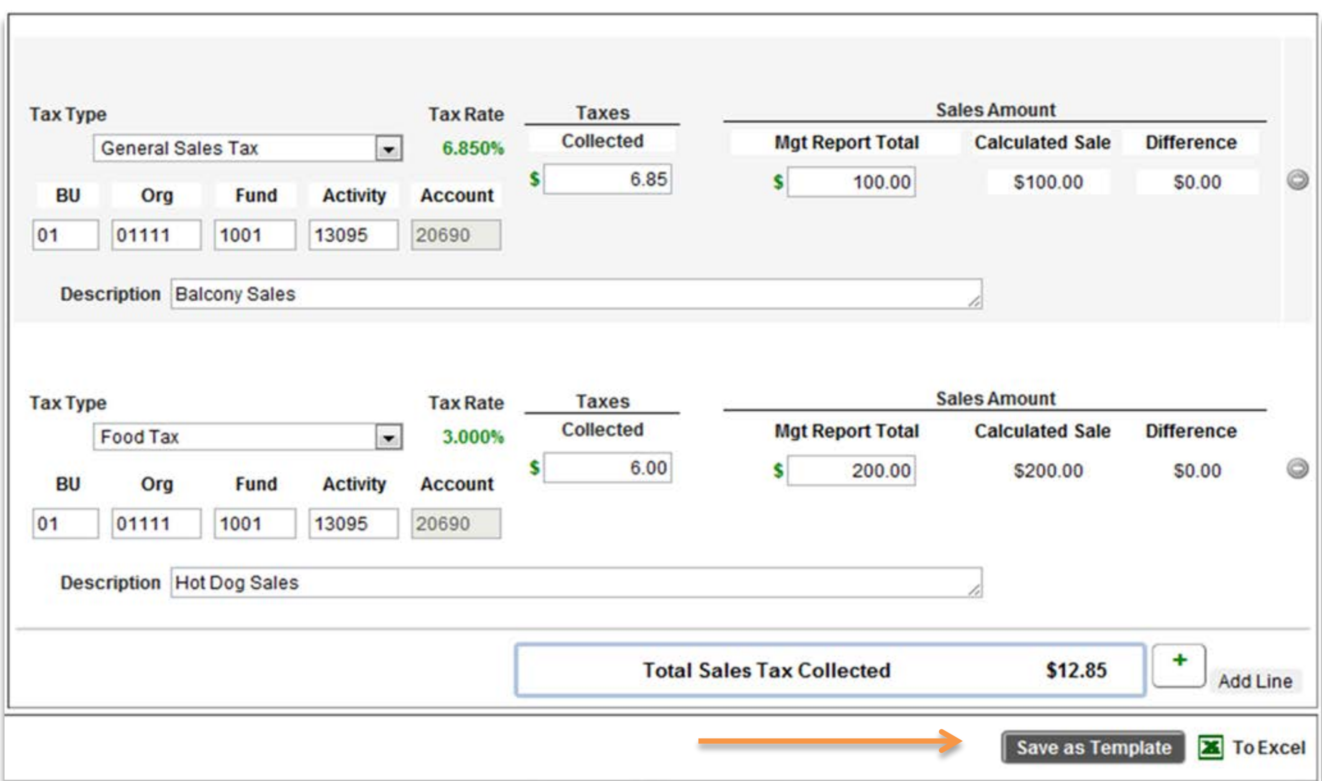
Submit:

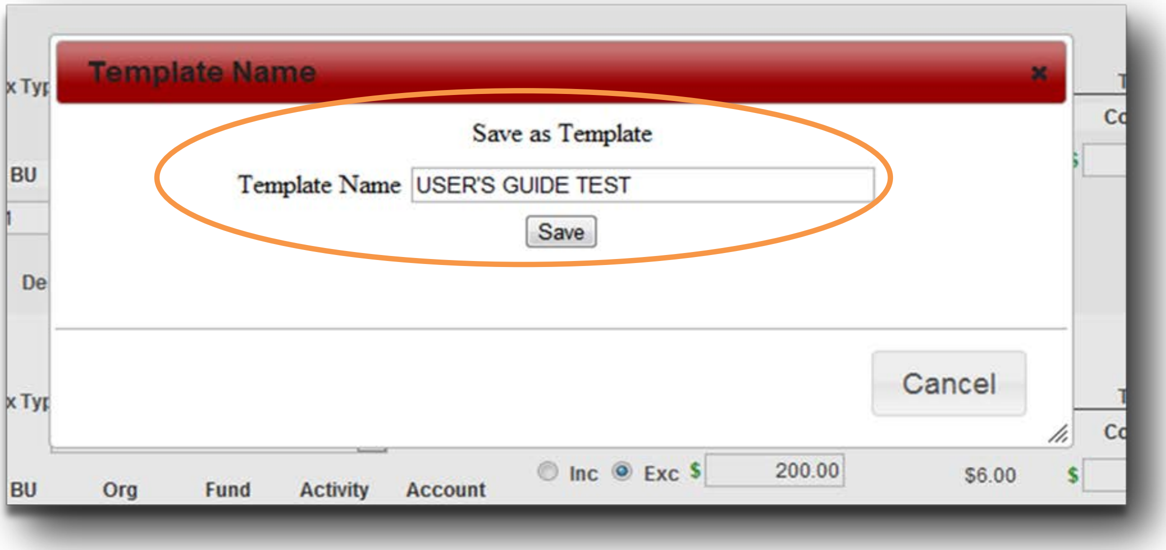
When you are ready to submit, check the declaration box, so that "Submit" becomes available. Click "Submit" to report the sales tax.



Additional Functions:

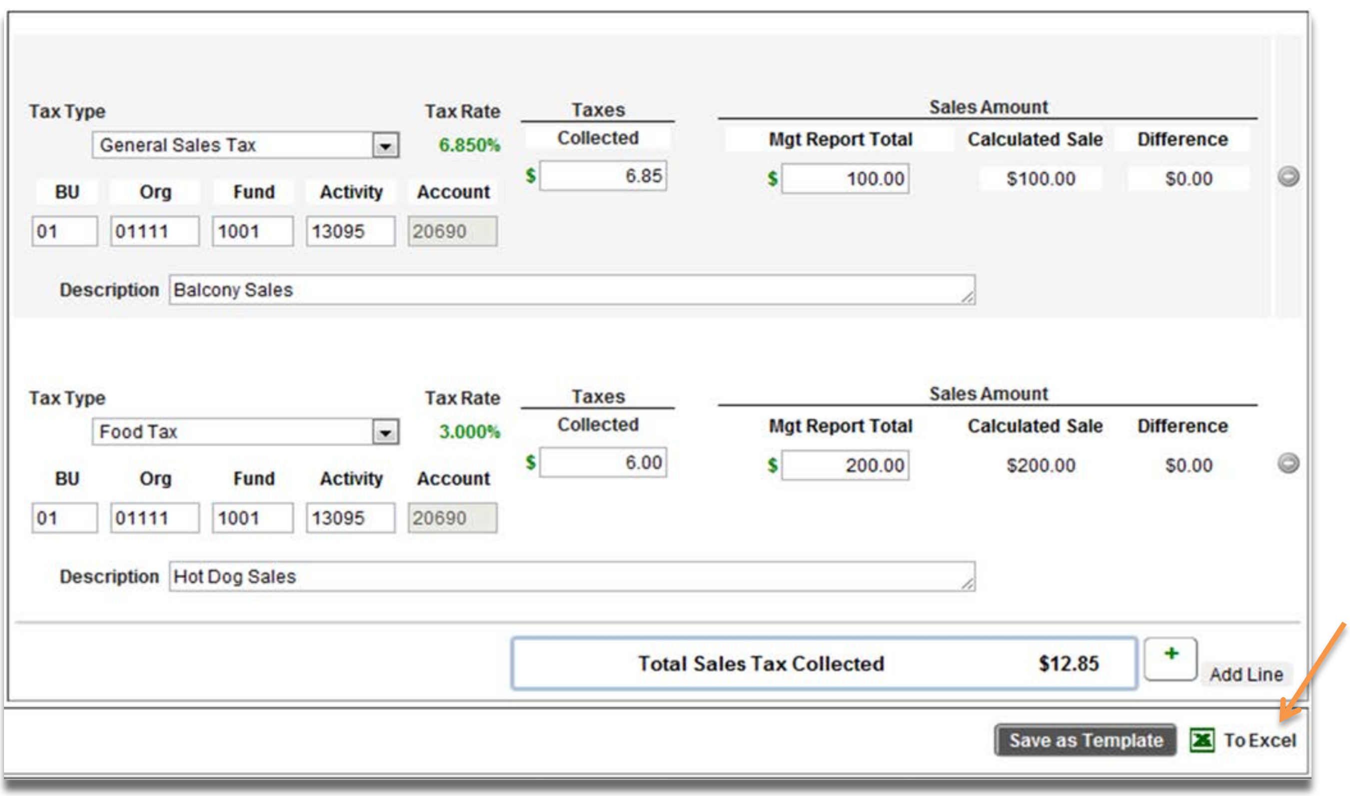
Save as Template
Click on "Save as Template" if you wish to use this setting as a master template. Name your template with a name that is meaningful for the sales & tax being reported using that template. Be sure to "SAVE" the template.





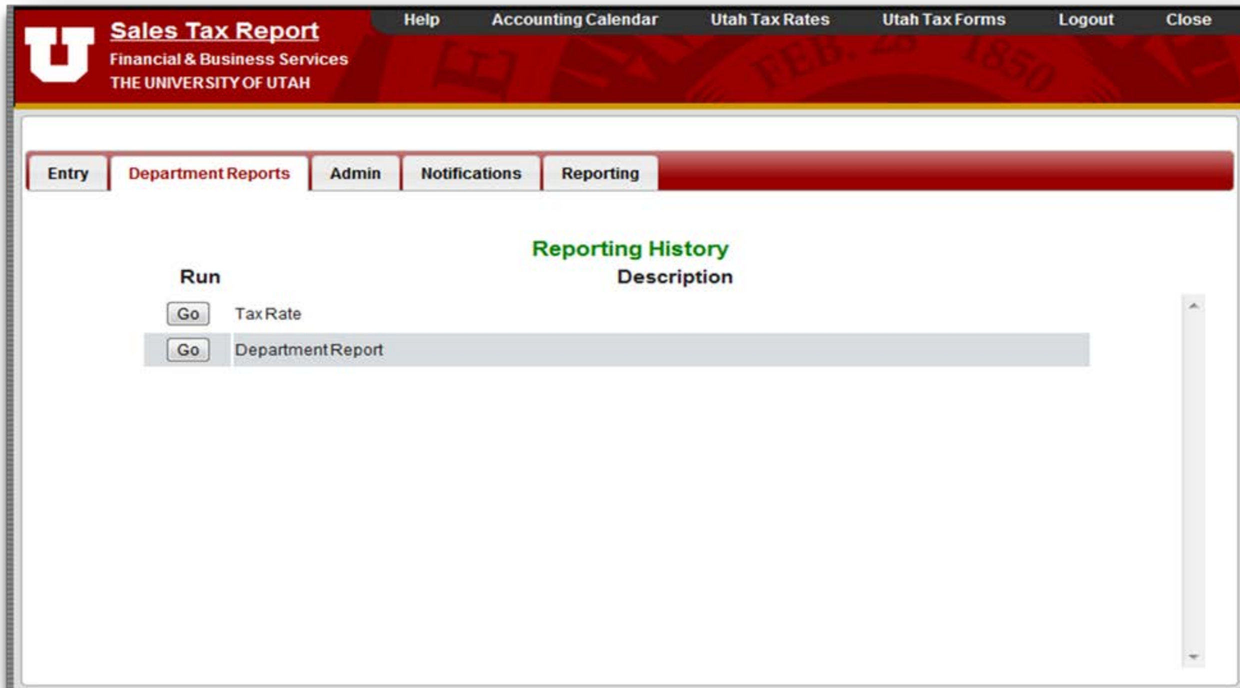
Export to Excel

Click on “To Excel” if you wish to export the data to an Excel spreadsheet. Retain the Excel spreadsheet and any back up documentation used to report your sales tax. Documents should be retained for 7 years.

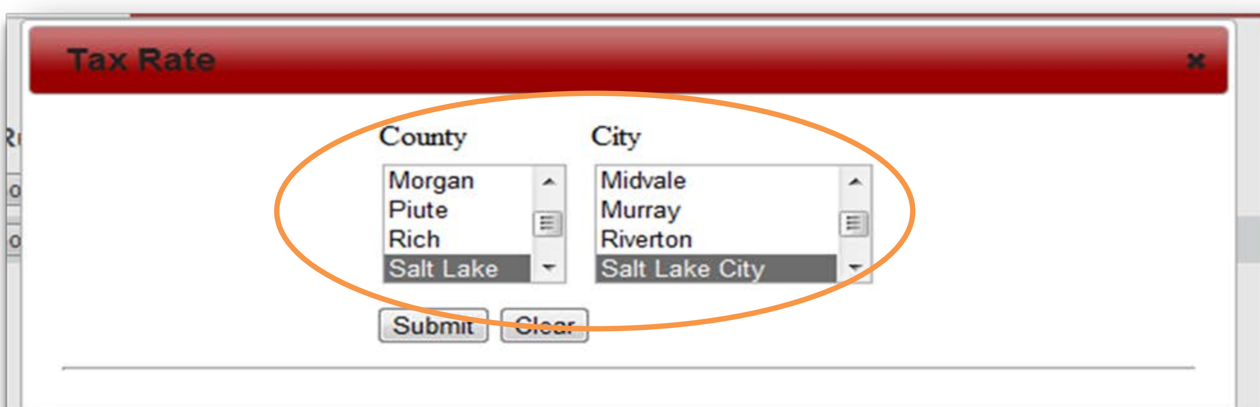


Department Reports

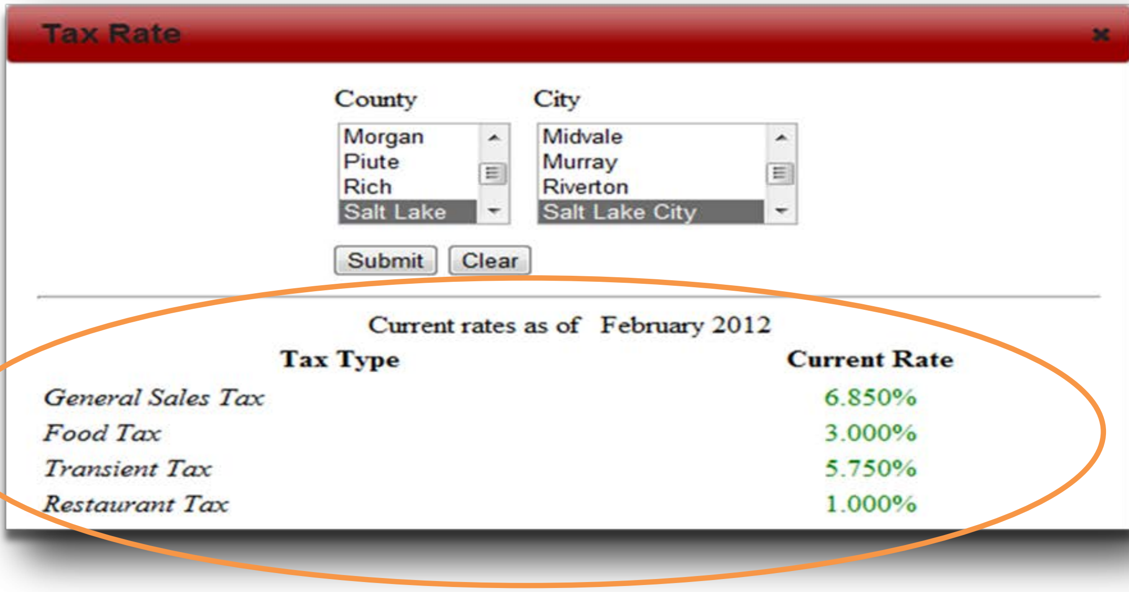
This section provides a quick reference to current tax rates, reporting history and current month report.



<u>Tax Rate</u>
To get current tax rates, select a county and a city from the drop down boxes.



Current Tax Rates should appear for the selected location.



Department Reports

Click on “Department Reports” to get the report history. You may navigate to previous reports by clicking “Previous Page”. To export the data to an Excel spreadsheet, click on “To Excel”.

Department Reports

Emplid:00490292

M CAROL HSIEH

01111-Financial Solutions

Detail Monthly Sales Tax - February 2012

Location					Chartfield Combo					Taxes		Sales		
County	City	Outlet	Tax Type	Descr	BU	Org	Fund	Activity	Account	Tax Rate	Collected	Mgt Report Total	Calculated	Difference
Salt Lake	Salt Lake City	999	General Sales Tax		01	01111	1001	13095	20690	6.850%	$6.85	$100.00	$100.00	$0.00
Salt Lake	Salt Lake City	999	Food Tax		01	01111	1001	13095	20690	3.000%	$6.00	$200.00	$200.00	$0.00
										Total	$12.85	$300.00	$300.00	$0.00

To Excel