

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

Avinash Moodabidri- Sr.Product Manager

Confidential

## Important notice

This information reflects the status of SAP Ariba solution planning as of January 2018. All such information is the Confidential Information of SAP Ariba (per the contract between or companies), and must not be further disclosed, as stated in the confidentiality clause of that contract. This presentation contains only intended guidance and is not binding upon SAP Ariba to any particular course of business, product strategy, and/or development. Its content is subject to change without notice. SAP Ariba assumes no responsibility for errors or omissions in this document. SAP Ariba shall have no liability for damages or any kind including without limitation direct, special, indirect, or consequential damages that may result from the use of these materials.

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

## ■ Business Problem

- As we know, a huge volume of commercial transactions happen through the Ariba Procurement Solution on a daily basis. Our Buyers procure a wide variety of goods and services from vendors spread across the globe. To ensure that buyers meet budgeting and compliance requirements, buyers need to have an accurate idea of the taxation requirements of each transaction that they undertake.
- Keeping track of ever-changing taxation laws in around 200 countries of the world to come up with an accurate tax information for each transaction is perhaps best left to specialist tax data providers. With this goal in mind. Ariba wants to provide easy integration with third party tax data providers so that Ariba Buyers can leverage accurate tax information for all their transactions

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

## ■ Proposed Solution Overview

- Provide the ability for Ariba Buying customers to use Third Party tax engines to get tax calculations.
- For our initial release, Ariba has partnered with Thomson Reuters' OneSource Tax Determination solution to enable tax calculation for Ariba documents via OneSource.
- Ariba will utilize the newly introduced Open API infrastructure to route the Tax Request and Response Payloads to the external tax engines.
- In line with our strategy of building a vendor agnostic Tax API, Ariba will provide a standard field set in our Tax Request. It will be up to the tax data provider to build a proxy/mapper/adaptor that will massage Ariba out of the box fields and map them accordingly
- While the first cut of our product only supported SAP ERP, this latest feature also supports non SAP ERP backend. We have made changes in our WSDL to accommodate the same.

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

- We have provided specific hooks in various workflows in the Ariba P2P system where the Tax API will be called in the Requisitions and Invoice Reconciliation documents.
- In the Requisition, the Tax call to third party tax engine will be made:
  - Upon clicking on the 'Submit' button during Initial Requisition Submission.
  - Upon Clicking the 'Update Tax Info' button (which has to be newly introduced) in the Requisition irrespective of the Requisition status
  - Upon clicking on the 'Save' button for requisitions.
  - Upon Clicking on the 'Approve' button during subsequent Requisition Approval process.
  - Essentially all positive actions on a Requisition
- In the Invoice Reconciliation, the Tax Call to third party tax engine will be made:
  - As soon as IR document is created upon Invoice Approval the Tax API will have to be called.
  - Tax API will have to be called whenever a re-reconciliation is triggered.
  - Upon user clicking on the Recalculate Tax Button.

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

## ■ Support for 'Tax Influencer' Custom Fields

- Ariba Buyers will have the ability to request for any custom field to be marked as Tax Influencer custom field.
  - For example if Start-ups are given a tax break in a specific country, companies might introduce a custom field called 'Start Ups' and would want the tax engine to consider the value in this field for tax calculation.
- Ariba will ensure that the 'Tax Influencer' custom fields will be added to the Tax Request Payload so that the tax engine can consider this attribute while calculating taxes.
- The custom field introduction into tax calculation will of course have to be worked out in tandem with all three entities – the Buyer company, Ariba and the third party Tax engine.

# Enhancements to Integrate PeopleSoft and Generic ERP-Integrated Sites with Third-Party Tax Solution Providers

## Applicable to the Following:

- SAP Ariba Buying
- SAP Ariba Buying & Invoicing

## Change Management for GA:

- This feature can be turned on by raising an SR to have the parameter enabled.

## Using this Feature:

### Enabling

- Contact Ariba for turning on the Feature for you through a Parameter.
  - EnableTaxCalculationInExternalSystems
- AND/OR Trading partner impacts and actions
  - NA

### Prerequisites

- NA.

### Limitations

- NA

### Importing and Exporting Data

- NA

### Changes to Existing Functionality or User Interface

- NA

# Feature Screenshots

SAP Ariba 





# New Parameter Introduced

Parameter	Value	Default Value		
Application.Expense.Tax.ExpenseTaxCodeBasedTaxServiceProvider.LegalEntityPath	<input type="text"/>		<a href="#">Reset</a>	<a href="#">Details</a>
Application.Invoicing.CXML.SendTaxCodeInIRCXML	<input type="radio"/> Yes <input checked="" type="radio"/> No	No	<a href="#">Reset</a>	<a href="#">Details</a>
<b>Application.Procure.EnableTaxCalculationInExternalSystems</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No	No	<a href="#">Reset</a>	<a href="#">Details</a>

The newly introduced parameter - **EnableTaxCalculationInExternalSystems** controls the availability of this feature for each customer realm

# Adding Custom Fields to the Tax Payload

Edit Normal Field

General Conditions **Advanced**

<input type="checkbox"/> Transaction Push Field ⓘ	<input type="checkbox"/> Optional search field ⓘ	<input type="checkbox"/> Refresh screen on value change ⓘ
<input type="checkbox"/> Has Custom Chooser Group ⓘ	<input type="checkbox"/> Include field in approval email notifications ⓘ	<input type="checkbox"/> Allow field to define Catalog item level constraints. ⓘ
<input type="checkbox"/> Do Not Include for Print ⓘ	<input type="checkbox"/> Allow label to wrap in forms ⓘ	<input checked="" type="checkbox"/> Include field for external tax calculation. ⓘ
<input type="checkbox"/> View in shipping details ⓘ	<input type="checkbox"/> Chooser Field ⓘ	<input type="checkbox"/> Don't wrap in tables ⓘ
<input type="checkbox"/> Display in Mobile App as a column in Requisition line item table ⓘ	<input type="checkbox"/> References large dataset ⓘ	<input type="checkbox"/> Display label on a separate row ⓘ
<input checked="" type="checkbox"/> Value Copied Over in Object Duplication ⓘ	<input type="checkbox"/> Hidden ⓘ	<input type="checkbox"/> Chooser search minimum length ⓘ
<input type="checkbox"/> Hide Label ⓘ	<input type="checkbox"/> External Field ⓘ	<input checked="" type="checkbox"/> Enabled for Auditing ⓘ
<input type="checkbox"/> Use in budget definition, validation and checking ⓘ		

OK Cancel

Ariba Support can select this option in the 'Advanced' tab of any custom field to ensure that these fields are marked as Tax Influencers.

# Tax – US to US

Approval Flow

Show Approval Flow

Line Items

Items Total

No.	Type	Description	Quantity	Unit	Price	Currency	Net Price	Gross Price
1		Adapter DB9F/MD6F Logitech Trackman						
2		Adapter DB9F/MD6F Logitech Trackman	15	each	\$10.25	USD	\$153.75 USD	\$167.59 USD

Incoterms Code: (no value)  
 Incoterms Location:  
 Contact: 0000000100  
 Supplier Part #: AD961L 1  
 Commodity Code: Computer data i  
 Material Group: 012 (Hardware)  
 Purch Org: 3000 (IDES USA  
 Vendor: 0000000100 (JC  
 Line Item Text:  
 Special Economic Zone: No ⓘ

Hide Details

Taxes

Taxes	Amount
\$0.92 USD	\$11.17 USD

Tax Amount: \$0.92 USD

OK

Tax Details for Line Item 1 - Adapter DB9F/MD6F Logitech Trackman

Tax Code:

Tax Components

Name	Is Deductible	Rate	Applied On	Amount
Consumer's Use Tax	No	6.25%	\$10.25 USD USBG2: Buyer-assessed consumers use tax applies.[9970]P	\$0.64 USD
Consumer's Use Tax	No	1.0%	\$10.25 USD USBG2: Buyer-assessed consumers use tax applies.[9971]P	\$0.10 USD
Consumer's Use Tax	No	0.5%	\$10.25 USD USBG2: Buyer-assessed consumers use tax applies.[9971]P	\$0.05 USD
Consumer's Use Tax	No	1.25%	\$10.25 USD USBG2: Buyer-assessed consumers use tax applies.[9971]P	\$0.13 USD

# Tax – India to India

Visible to Supplier

Attachments: [Add Attachment](#)

▼ Approval Flow

[Show Approval Flow](#)

▼ Line Items

2 Items Total

No.	Type	Description
1		3M, RECYCLED POST-IT NOTE A

Incoterms Code: (no value)  
 Incoterms Location:  
 Contact: 0000001000  
 Supplier Part #: A2C-316  
 Commodity Code: Message holders or dispensers  
 Material Group: 1001 (Message holders or dispensers)  
 Purch Org: 3001 (India)  
 Vendor: 0000001000 (John Woodman (Manual))

**Tax Details for Line Item 1 - 3M, RECYCLED POST-IT NOTE AND TAPE FLAG 6-PACK**

Tax Code: V1, Tax

**Tax Components**

Name	Is Deductible	Rate	Applied On	Amount
CST Registered Dealer Rated	No	2.0%	5,670.00 INR INBGCST3: Central sales tax in the Ship From location.[5004]P	113.40 INR

Tax Amount: 113.40 INR

[OK](#)

Taxes	Amount
113.40 INR	5,783.40 INR

[Hide Details](#)

# Tax – US to Canada

Approval Flow

Show Approval Flow

Line Items

1 Item Total

No.	Type	Description
1		Elegant Wishes

Incoterms Code: (no value)  
 Incoterms Location:  
 Contact: 000005000  
 Supplier Part #: 3395  
 Commodity Code: Office Equipme  
 Material Group: 123 (Office Equ  
 Purch Org: 4000 (IDES Ca  
 Vendor: 000005000 (1  
 Line Item Text:  
 Special Economic Zone: No ⓘ

**Tax Details for Line Item 1 - Elegant Wishes**

Tax Code: V1, Tax

**Tax Components**

Name	Is Deductible	Rate	Applied On	Amount
GST	No	5.0%	\$742.35 USD GCBG2: Import GST in Ship To location.]10000 P	\$37.12 USD
GST	No	5.0%	\$742.35 USD GCBG3: Recovery of import GST in Ship To location.]10000 P	\$37.12 USD

Tax Amount: \$74.24 USD

OK

Taxes	Amount
\$74.24 USD	\$816.59 USD

Hide Details

Actions | Update Total

# THANK YOU