



SAP Ariba 

# Feature at a Glance

## Tax calculation in external systems in partnership with Vertex

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CONFIDENTIAL

 **Run Simple**

# Feature at a Glance

## Introducing: Tax calculation in external systems in partnership with Vertex

Ease of implementation

● High-touch

Geographic relevance

● Global

### Customer challenge

Buyers procure a wide variety of goods and services from Suppliers 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. In order for a company to accurately reclaim tax for VAT and GST, it is also crucial to keep up to date with current local regulations in each country the buyer is tax registered.

### Meet that challenge with SAP Ariba

This feature enables integration between the SAP Ariba solution and Vertex, or alternative 3<sup>rd</sup> party tax provider (Open API), in addition to the integration with OneSource from Thomson Reuters. Buyers can choose either or both requisitions and invoice reconciliation documents as the approvable types for which taxes should be calculated using the external tax solution during following actions:

- Manually initiate tax calculation for a document
- Submit a document for approval
- Approve a document

### Experience key benefits

Now, SAP Ariba to provides easy integration with Vertex, in addition to OneSource from Thomson Reuters. The interface is an open API, enabling integration to any 3<sup>rd</sup> party tax data providers of Buyer's choice where they can leverage it for accurate tax information for all transactions.

### Solution area

- SAP Ariba Buying
- SAP Ariba Buying and Invoicing
- SAP Ariba Invoice Management

### Implementation information

This functionality is "Off" by default. To enable, please contact support to toggle following parameter:

- **Application.Procure.  
EnableTaxCalculationInExternalSystems**

### Prerequisites and Limitations

Buyer must have an agreement with the third-party tax provider organization to integrate with their systems to calculate taxes for requisitions and invoice reconciliation documents.

## Feature at a Glance

Summary: **Tax calculation in external systems in partnership with Vertex**

This feature introduces an Open API to integrate with 3<sup>rd</sup> party tax solutions. The feature has been developed in collaboration with Vertex. The SAP Ariba solution sends the data on requisitions and invoice reconciliation documents to the tax solution using SAP Ariba web services when buyers perform the following actions/hooks:

- Manually initiate tax calculation for a document before submitting or approving the document
- Submit a document for approval
- Approve a document

The integration is available for following documents;

- Requisition
- Invoice Reconciliation

# Feature at a Glance

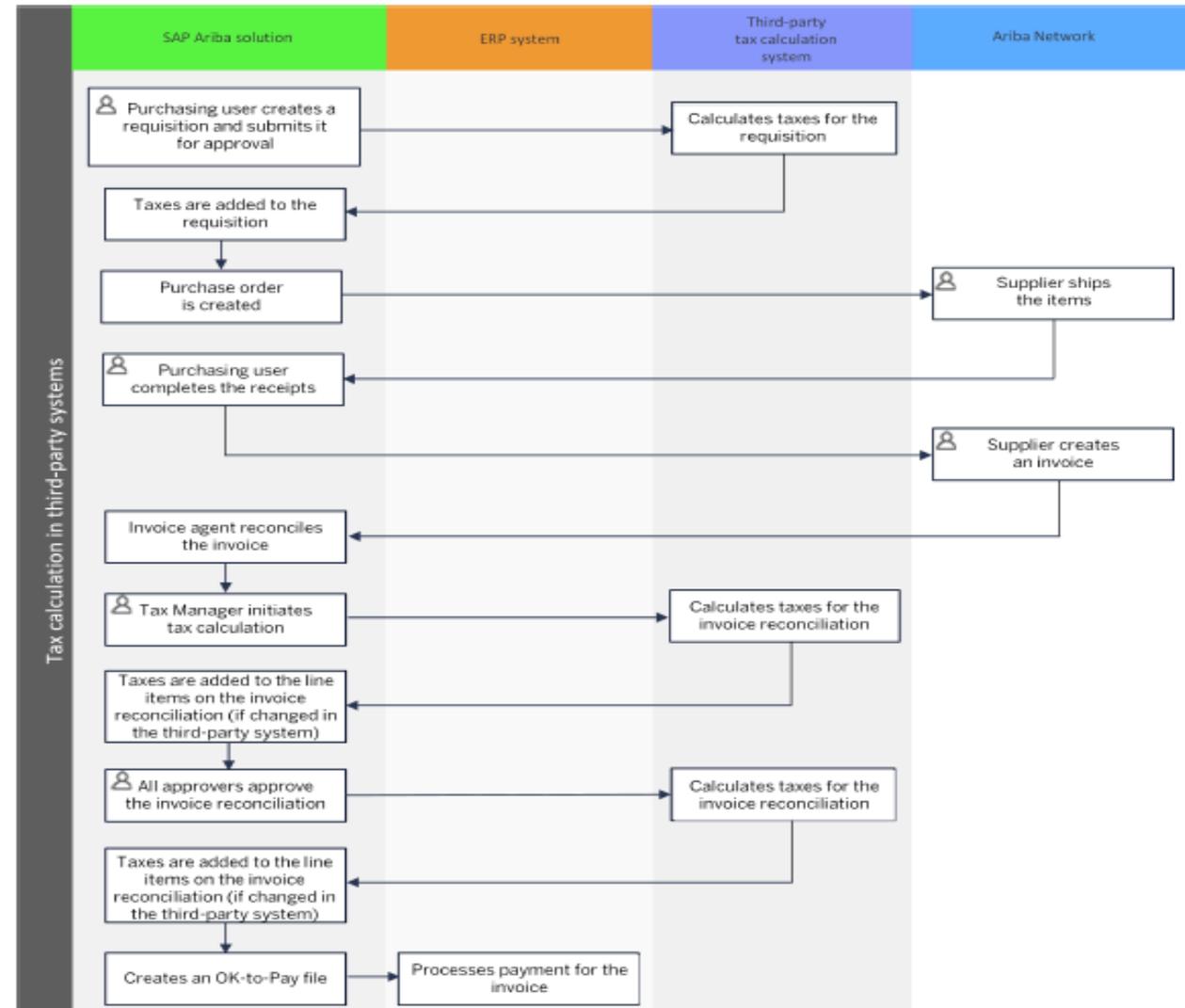
## Process: Requisition and Invoice Reconciliation workflow

On 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

On 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.



# Feature at a Glance

## Using: US to US tax

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

# Feature at a Glance

## Using: India to India Tax

Visible to Supplier

Attachments: [Add Attachment](#)

▼ Approval Flow

[Show Approval Flow](#)

▼ Line Items

2 Items Total

No.	Type	Description
<input type="checkbox"/> 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](#)

[Hide Details](#)

Taxes	Amount
113.40 INR	5,783.40 INR

# Feature at a Glance

## Using: US to Canada tax

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 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

Hide Details

Taxes	Amount
\$74.24 USD	\$816.59 USD

Actions Update Total

# Feature at a Glance

## Configuration: **Pre-requisites**

- Buyers must have an **agreement with Vertex, or any third-party tax provider** organization to integrate with their systems to calculate taxes for requisitions and invoice reconciliation documents.
- The SAP Ariba solution uses web services to export data on requisitions and invoice reconciliation documents to third-party systems for calculation of taxes. The API has been developed in partnership with Vertex.
- *Any other* **third-party tax providers must build their own integration to consume web services-based requests and responses.**
- A member of the SAP Ariba solution Integration Admin group should refer to the Data Dictionary and use the integration migration management utility in Ariba Administrator (Integration Manager>Data Definition workspace) to review and accept the data definition changes for this feature.
- You must have membership of the Tax Manager or the Tax Editor group to be able to manually initiate tax calculation on requisitions and invoice reconciliation documents.

# Feature at a Glance

## Configuration: Extending the interface

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

SAP Ariba Support can select this option in the 'Advanced' tab of any custom field to ensure that these fields are marked as *Tax Influencers* and be included in the interface to the 3<sup>rd</sup> party tax solution.