SAP Ariba /\\\

Feature at a Glance
Ability to default withholding taxes from supplier record in non-PO invoices

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THE BEST RUN **SAP**

Feature at a Glance

Introducing: Ability to default withholding taxes from supplier record in non-PO invoices

Customer challenge

Today, SAP Ariba Buying does not have a way to default taxes based on the vendor – which is typically the way that withholding taxes are defined. This means that when a user manually create a non-PO invoice for a vendor subject to withholding tax, the system does not provide this information, which leads to a lot of additional manual effort and risk.

Meet that challenge with
SAP Ariba

This feature provides the capability to default withholding taxes on invoices based on a combination of the remittance location and the company code.

This feature applies to manually created non-PO invoices in the SAP Ariba Buying and Invoicing solution.

Applicable withholding taxes at vendor remittance location will be automatically integrated to SAP Ariba Buying and Invoicing from SAP ERP.

Experience key benefits

This feature provide defaulting of withholding taxes on manually created invoices based on the vendor, which improves automation and reduce risk for invalid invoices.

Solution area

SAP Ariba Buying and Invoicing

Implementation information

To have this feature enabled, please have your Designated Support Contact (DSC) submit a **Service Request (SR).**

- Application.Invoicing.WithholdingTaxesFromRemittanceLocation.Default set to Yes for enabling the feature
- Application.Invoicing.WithholdingTaxesFromRemittanceLocation.IgnoreAutoGenerated
- Application.Invoicing.WithholdingTaxesFromRemittanceLocation.RestrictTaxTypes

Prerequisites and Restrictions

- This feature is only available for customers integrated to SAP ERP using CIG
- The defaulting only applies to manually created non-PO invoices.
- During invoice reconciliation. changing the remittance location or company code will not re-trigger auto-creation of withholding taxes and may result in erroneous taxes and issues when the invoice is integrated to the ERP.

Feature at a Glance
Configuring: **Prerequisites and Limitations**

- This functionality is only available for customers using SAP ERP

- This feature only applies to manually created non-PO invoices

- This feature requires SAP Ariba Supplier Management to be suite integrated with SAP Ariba Buying and Invoicing

- SAP Ariba Cloud Integration Gateway, CIG, is configured for use with your SAP Ariba Buying and Invoicing site

- Tax functionality using SAP Ariba Buying and Invoicing local tax functionality should be enabled

- The tax types of the withholding taxes must be configured at the invoice level in the backend ERP solution, as only these withholding taxes will be sent from your vendor master system to SAP Ariba Buying and Invoicing

- The Withholding Tax Code must have at least one tax component. It can be associated with a zero-tax rate component if withholding tax amount calculation is not intended to be done in SAP Ariba Buying and Invoicing

- Both the Withholding Tax Type and the Withholding Tax Code must be present in the remittance location in the ERP

- The withholding tax types configured in your backend system must match the ones configured in your SAP Ariba Buying and Invoicing

Feature at a Glance
Configuring: **Parameters**

Parameter	Description
Application.Invoicing.WithholdingTaxesFromRemittanceLocation.Default *Note: Required to True for below parameters to be applicable.*	Specifies whether header-level withholding taxes in the invoice should be defaulted from the remittance location. • If True; all the withholding taxes present in the remittance location for a given remittance location and company code combination will be defaulted in the invoice. Also, during the reconciliation process the withholding taxes present in the remittance location will be considered as a source for header-level withholding tax calculation logic and exception handling.
Application.Invoicing.WithholdingTaxesFromRemittanceLocation.**IgnoreAutoGenerated**	Specifies whether header-level withholding taxes that are auto-generated from the remittance location in the invoice reconciliation should be ignored when they are being sent to ERP. • If True, the withholding taxes that are auto-generated from the remittance location in the invoice reconciliation document will <u>not</u> be sent to ERP. • If False (default), all withholding taxes defaulted will be sent to ERP.
Application.Invoicing.WithholdingTaxesFromRemittanceLocation.**RestrictTaxTypes**	Specifies what header-level withholding tax types should be available in Add Withholding Tax pop up; • If True, then <u>only</u> those withholding tax types that are present in the chosen remittance location, but not present in the invoice, will be available for selection. • If False (default), then all the withholding tax types present in the Ariba system will be available for selection.