

Microsoft Dynamics™ AX

# Feature for India (Service tax and service tax on transactions with Goods Transport Agency)

White Paper

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## Introduction

This information provides an overview of the Service tax and service tax on transactions with the Goods Transport Agency feature for Microsoft Dynamics™ AX that is specific to users in India. It includes a description of the feature, a list of forms and fields used and added for the feature, and procedural information to use the feature. The feature is available only if the configuration key for India is selected.

## Service tax

Service tax is a tax levied on services that are provided. A customer must pay a service tax to a vendor or a supplier when the services are provided. Free services are not taxable. Under the Service Tax Act, all service providers are required to pay the taxes on the gross amount that they collect for services, to the government. There also are extra charges, which are different, depending on the categories of services.

Telephone service that is provided by a telegraph authority, advertising services provided by advertising agencies, and advice provided by consulting engineers are examples of services that are taxable.

In Microsoft Dynamics AX, you must set up the rate of service tax, the rate of abatement, and a validity period for a category of service in the **Service tax rates** form.

The calculation of service tax is based on a structure that is attached to the service tax transaction. The formulas for calculating the taxes are defined in a structure. The service tax financial entries are based on the posting profile that is attached to the service tax charge at the warehouse level in the **Setup warehouse charges** form.

### Credit of service tax and Education cess (E-Cess) on service tax under Central Value Added Tax (CENVAT)

Under the CENVAT credit rule (2004), a manufacturer can claim the CENVAT credit for the service tax paid on input services that are used directly or indirectly in the manufacturing of the finished goods.

While paying the service tax, you can use the credit only to the limit that is available as of the last day of the month or the quarter for which the service tax is to be paid. You can use the tax credit received for education cess on service tax to set off the education cess liability on output services or the excise duty payable on finished goods.

### Taxable value

Taxable value is the gross amount plus extra charges as defined in Section 67 of the Service Tax Act. The tax does not include the external expenditures that are incurred by the service provider when providing the service.

#### Note:

Sales tax, expenditure tax, and other tax charges are not included in the value of taxable service. However, Tax deducted at source (TDS) is deducted on the entire bill amount inclusive of service tax.

Refer to the following topics for more information:

- [Basic setup for service tax](#)
- [Service tax transactions](#)
- [Forms for this feature](#)
- [Forms that are modified for this feature](#)
- [Basic setup for service tax on transactions with the GTA](#)
- [GTA transactions](#)

- [Forms for this feature](#)
- [Forms that are modified for this feature](#)

## Basic setup for service tax

Refer the following topics to set up the service tax.

- [Create service tax accounts in the Chart of accounts](#)
- [Set up service tax vendor group and posting profile](#)
- [Set up a vendor authority account for service tax](#)
- [Set up structure for service tax](#)
- [Define service tax recoverable and payable accounts at the warehouse level](#)
- [Set up service tax rates](#)
- [Define service code for an item](#)

### Create service tax accounts in the Chart of accounts

1. Click **General ledger** > **Chart of accounts** > **Overview** tab.
2. Create service tax recoverable and payable accounts, and select the **Service Tax** option in the **Authority** field.

### Set up service tax vendor group and posting profile

3. Click **Accounts payable** > **Setup** > **Vendor groups** and create a vendor group for service tax.
4. Click **Accounts payable** > **Posting profiles** and set up the posting profile for service tax. Click the **Setup** tab and attach the service tax vendor group to the posting profile.

### Set up a vendor authority account for service tax

1. Click **Accounts payable** > **Vendors**.
2. Press **CTRL+N** to create a new vendor record and enter the required details. Select the vendor group that is created for the service tax in the **Group** field.
3. Click the **IND Localization** tab. Under the **Authority** field group, select the **Authority** check box and select the **TDS option** in the **Type** field.
4. Under the **TDS** field group, select the **Service Tax** option in the **TDS Group** field.

### Set up structure for service tax

You must define the service tax structures in the **Structures** form (**General ledger** > **Setup** > **Structures** > **Structures**). Attach the structures to a sales order and a purchase order for service tax calculations.

#### Note:

For more information, refer to the [Set up service tax rates](#) section.

### Define service tax recoverable and payable accounts at the warehouse level

1. Click **General ledger** > **Setup** > **Structures** > **Setup** > **Setup warehouse charges**.
2. Click the **Warehouse** tab and select a warehouse.
3. Click the **Charge groups** tab and select the tax charge group in the **Charge group** field.
4. Click the **Charge types** tab and select the **Service Tax** charge type in the **Charge types** field.
5. Click the **Charge details** tab to select a charge name.
6. Click the **Posting** tab. Select the order type, account type, and the posting accounts for the charge name that is selected.

**Note:**

The combination of order type, account type, and the posting account that is defined on this tab are used in three different types of scenarios. The three scenarios are discussed in the [Service tax transactions](#) section.

**Set up service tax rates**

1. Click **General ledger > Setup > Service tax > Service Tax**.
2. Click the **Services** tab. Press **CTRL+N** to create a service tax code record.
3. Enter the service code in the **Service code** field and a description of the code in the **Service description** field.
4. Click the **Service rates** tab and press **CTRL+N**. Enter the starting date of the validity period for the tax rate in the **From date** field and the ending date in the **To date** field.
5. Enter the abatement limit in the **Abatement limit** field, service tax in the **Service tax** field and E-Cess rate in the **ECess on service tax** field.

**Define service code for an item**

1. Click **Inventory management > Items > IND Localization** tab.
2. Select the service code for the item in the **Service code** field.

**Service tax transactions**

The calculation of service tax in a sales order and a purchase order is based on the structure and the service code that you attach to the item. The service tax is posted to the posting accounts that you define for the warehouse that is selected.

The three service tax scenarios and their posting profile setup on the **Posting** tab in the **Setup warehouse charges** form are discussed below.

**Service tax transaction scenarios**

**Scenario one:** The service tax recoverable and the service tax payable amounts are set off against each other. You must pay the balance amount in the service tax payable account to the authority and record the payment transaction in the **Payment journal** form. Service provider organizations use this scenario.

For this scenario, refer to the following table for the setup on the **Posting** tab:

Order	Account type	Posting account
Purchase order	Ledger	Service tax payable account
Sales order	Ledger or Vendor	Service tax payable account

1. Click **Accounts payable > Journals > Payments > Payment journal > Lines button**.
2. Select the vendor account and click **Functions > Settlement**.
3. Select the transactions that you need to settle in the **Open-transaction editing** form.
4. You can view the net amount of the transactions in the **Debit** column in the journal line. Select **Bank** in the **Offset account type** field.
5. Validate and post the journal.

When you select the **Ledger** account type on the **Posting** tab in the **Setup warehouse charges** form, attach the service tax payable account to the vendor authority. The steps for this are listed below.

1. Click **Accounts payable > Setup > Posting profiles**.
2. Click the **Overview** tab and create a new posting profile.
3. Click the **Setup** tab and select the account code and the account number for the service tax vendor authority. Select the same service tax payable account in the **Summary account** field in this form and in the **Posting Account** field in the **Setup warehouse charges** form.

**Scenario two:** The amount in the service tax recoverable account is settled against the service tax payable account which is the account for the vendor authority, and you settle the balance amount to the vendor authority using the **Payment journal** form.

For this scenario, refer to the following information to set up on the **Posting** tab.

Order	Account type	Posting account
Purchase order	Ledger	Service tax recoverable account
Sales order	Vendor	Service tax authority vendor account

The payable tax amount is in the vendor authority account. A list of service tax transactions for the period with amounts is provided for. To pay the service tax amount to the authority, determine the service tax transactions that need to be settled. You must use the **General journal** form (**General ledger > Journals > General journal**) to transfer the amount from the service tax recoverable account to the service tax payable account (Vendor authority) at the end of the month.

You must pay the net amount to the service tax authority using the **Payment journal** form. Refer the procedure under [Scenario one](#) to post the payments using the **Payment journal** form.

**Scenario three:** Settle the payable amount to the vendor authority using the **Payment journal** form. The amount in the service tax recoverable account is settled against the excise payable account.

For this scenario, refer to the following information to setup on the **Posting** tab

Order	Account type	Posting account
Purchase order	Ledger	Service tax recoverable account
Sales order	Vendor	Service tax authority vendor account

You must use the **Payment journal** (**Accounts payable > Journals > Payments > Payment journal**) to settle the payable amount to the vendor authority

The manufacturer can claim the CENVAT credit for the service tax credit amount. You must manually settle the service tax recoverable against the excise payable. The service tax credit transactions are settled against the excise payable liability at the end of the month or quarter, based on the confirmation of the receipt of service tax payment from the customers. You can use the excise journal in the **General journal** form to transfer the service tax recoverable amount to the excise recoverable account.

**Note:**

You must post a journal entry to transfer the service tax and E-Cess amount to the respective ECC number (Excise Control Code or Excise registration number) to claim the setoff benefit.

For more information about posting excise transactions in the **General journal** refer to the Feature for India\_Excise tax white paper.

## Forms for this feature

Refer to the following information for forms and fields you use in this feature.

Form name and locator	Description
<b>Service Tax</b> (form) General ledger > Setup > Service tax > Service Tax	Use this form to create service tax codes and define the service tax rates and validity period for the service tax codes.
<b>Service Tax</b> (form) General ledger > Setup > Service tax > Service Tax	<b>Service code</b> field Enter the service tax code. <b>Service description</b> field Enter a description for the service code.
<b>Service Tax</b> (form) General ledger > Setup > Service tax > Service Tax	<b>From date</b> field Enter the starting date of the validity period for the service tax rates. <b>To date</b> field Enter the ending date of the validity period for the service tax rates. <b>Abatement limit</b> field Enter the abatement limit percentage. The abatement limit that is entered is the percentage of the service tax amount payable after availing the abatement. <b>Service tax</b> field Enter the service tax rate percentage. <b>ECess on service tax</b> field Enter the percentage of E-Cess on service tax.
<b>Service Tax</b> (form) General ledger > Setup > Service tax > Service Tax	<b>Services</b> tab Create the service tax code and enter a brief description for the service code.
<b>Service Tax</b> (form) General ledger > Setup > Service tax > Service Tax	<b>Service rates</b> tab Set up the service tax rates and the validity period for the service code.

## Forms that are modified for this feature

Refer to the following information for additional forms and fields that you will use with this feature.

Form name and locator	Description
<b>Items</b> (form) Inventory management > Items > IND Localization tab	<b>Service code</b> field Select the service code to apply the service tax rates for the item.
<b>Purchase order</b> (form) Accounts payable > Purchase order > IND Localization tab (Row level)	<b>Service code</b> field Service tax code that is defined for the item.

## ***Service tax on transactions with Goods Transport Agency (GTA)***

For the services that are provided by a Goods Transport Agency (GTA), the customer must pay a service tax directly to the government. The service tax should be paid only when the GTA is a commercial organization that issues a consignment note for the transport of goods by road to a customer. The service tax is paid to the government by the person or business (either a consignor or a consignee) that makes the payment for the transportation service.

Example:

A GTA renders transport service to a corporate customer. The service tax rate is 10% and education cess tax rate on the service tax is 2%. The value of the transport service is INR.10, 000. The GTA is allowed an abatement of 75% on the value of the service and 25% of it is taxable.

The calculation of service tax is as shown in the following table.

Description	Amount (INR)
(A) Value of transport service	10,000.00
(B) Reduction: Abatement 75% (10000x75%)	(-) 7,500.00
Taxable Service = Value of transport service – Reduction	2,500.00
(C) Service tax@10% on INR.2, 500 [(Value of transport service -Reduction) x 10%]	250.00
(D) Education cess on service tax (2% on 250) [C x 2%]	5.00
Total service tax=(C+D)	255.00

In the above example, the GTA issues an invoice and consignment note of INR. 10255 (10000+255). The customer pays INR 10000 to the GTA and a service tax of INR 255 to the government directly.

### **Note:**

- A consignor or a consignee liable to pay the service tax must be registered under the Service Tax Act.
- You do not need to pay the service tax on octroi, entry tax, and demurrage paid by the GTA on behalf of the customer.
- A consignee who pays the service tax is eligible for CENVAT credit if services are in the Input service category.
- A consignor is eligible for CENVAT credit under the following scenarios:
  - Outward GTA service stock transfer
  - Outward GTA service input service
- An invoice, bill, or a challan that is issued by the GTA is a valid document to avail the CENVAT credit. However, do not use the available CENVAT credit for payment of GTA service tax for the current period.
- You must pay the service tax every month by the date prescribed by the authority using the TR-6 challan.

## **Basic setup for service tax on transactions with the GTA**

Refer here for more information:

- [Interim account setup](#)



- [Create service tax accounts in the chart of accounts](#)
- [Define the service tax registration numbers](#)
- [Set up service tax rates](#)
- [Define the service tax registration number for a warehouse](#)
- [Set up the posting account for freight charges](#)
- [Set up the service tax location and service tax registration number for the company](#)
- [Set up the bank account for service tax deposit](#)
- [Define the service code for an item](#)
- [Create structures for GTA transactions](#)
- [Set up the GTA vendor and GTA authority vendor accounts for service tax.](#)

### Interim account setup

A service tax liability is created when a consignor or a consignee makes a payment for the freight to the Goods Transport Agency. The service tax that is charged by the GTA in the freight invoice is posted to an interim account. Further, you can claim the service tax as CENVAT credit when paying the service tax to the government. The service tax recoverable amount is posted in the interim account and transferred to the service tax recoverable account when you pay the tax to the authority. In case of a consignor of goods, the service tax paid on behalf of the GTA moves to the expense account.

### Create service tax accounts in the chart of accounts

1. Click **General ledger > Chart of accounts**.
2. Create an Interim service tax recoverable account and a Service tax recoverable account to post the input credit to.
3. Create an Interim service tax payable account, Service tax payable account, and an expense account for service tax on GTA for outward services.
4. Click the **Overview** tab to select the **Service tax** option in the **Authority** field.

### Define the service tax registration numbers

The service tax registration number is a combination of the PAN (Permanent Account Number), service tax category of the company, and the warehouse.

1. Click **General ledger > Setup > Service tax > Service tax registration No.**
2. Click the **Overview** tab and press **CTRL+N** to open the **Service tax registration No** form.
3. Enter a three-digit warehouse number in the **Warehouse No** field and click **OK**. You can view the service tax registration number in the **Service tax registration No** field on the **Overview** tab.
4. Click the **Accounts** tab. Select the service tax account type in the **Service tax account type** field. Define the accounts for the service tax account type in the **Service tax account** field and **E-Cess on service tax account** fields.

### Set up service tax rates

Set up the service tax rates in the **Service tax** form (**General ledger > Setup > Service tax > Service tax**) for a service tax code. For the services that abatement is allowed, service tax is levied after the amount has been reduced by abatement percentage.

### Note:

Refer to the [Set up service tax rates](#) section under **Service tax** for information on service tax rates setup.

#### Define the service tax registration number for a warehouse

1. Click **Inventory management > Setup > Inventory breakdown > Warehouses**.
2. Click the **IND Localization** tab. Select the service tax registration number in the **Service tax registration number** field.
3. Select the account in the **Interim account** field for the GTA-freight charges for the inward freight, when you purchase the goods.

#### Set up the posting account for freight charges

1. Click **General ledger > Setup > Structures > Setup > Setup warehouse charges**.
2. Click the **Charge groups** tab and select the **Charges** charge group.
3. Click the **Charge types** tab and select the **Freight** charge type.
4. Click the **Charge details** tab and select the **Road freight** charge name.
5. Click the **Posting** tab and select the order type and the posting accounts.

#### Set up the service tax location and service tax registration number for the company

1. Click **Basic > Setup > Company information**
2. Click the **IND localization** tab. Under the **Service tax** field group, select the location of the company's warehouse in the **Location** field. You can view the service tax registration number for the location that is selected, in the **Service tax registration No** field.

#### Set up the bank account for service tax deposit

1. Click **General ledger > Setup > Bank for tax deposit**.
2. Press **CTRL+N** to create a new record. Select the **Service tax** option in the **Tax type** field.
3. Enter the bank name in the **Bank name** field and provide the bank description in the **Description** field.
4. Select the location in the **Location** field. You can view the service tax registration number for the selected location in the **Service tax registration No** field.

#### Define the service code for an item

1. Click **Inventory management > Items**.
2. Click the **Overview** tab and create an item that has a service type.
3. Click the **IND localization** tab. Select the service code for the item in the **Service code** field.

#### Create structures for GTA transactions

You can define the structures for GTA transactions in the **Structures** form (**General Ledger > Setup > Structure > Structure**). Refer to the Feature for India Structures white paper for information about setting up the structures.

#### Set up the GTA vendor and GTA authority vendor accounts for service tax

1. Click **Accounts payable > Vendors**.
2. Click the **Overview** tab. Press **CTRL+N** and create a new vendor and enter the required details.
3. Click the **IND Localization** tab and select the **GTA – Commercial vendor** check box.
4. For a GTA authority vendor, select the **Authority** check box and select the **Service tax GTA** option in the **Type** field.
5. When you select the **Service tax GTA** option, the **Service tax registration No** field is activated. The service tax registration number is displayed based on the warehouse that is selected on the

**Purchase order** tab for the specified record. You cannot modify the **Service tax registration No** field.

**Note:**

For a GTA authority account, create a separate vendor group and define the due date of the payment that will be deposited for the service tax on GTA with the government authorities.

## GTA transactions

You can create the following types of GTA invoices:

- Purchase invoice using a **Purchase order** form. (**Accounts payable** > **Purchase order** > **Posting** button > **Invoice**)
- Direct invoice using the **General journal** form. (**General ledger** > **Journals** > **General journal**)
- Direct invoice using the **Invoice journal** form (**Accounts payable** > **Journals** > **Invoices** > **Invoice journal**)
- Direct invoice using the **Invoice approval journal** form (**Accounts payable** > **Journals** > **Invoices** > **Invoice approval journal**)
- Direct invoice using the **Vendor payment journal** form (**Accounts payable** > **Journals** > **Payments** > **Payment journal**)

### Purchase invoice using a Purchase order form

1. Click **Accounts payable** > **Purchase order**
2. Press **CTRL+N** to create a new purchase order for a GTA vendor. Enter the required details.
3. Click the **IND Localization** tab at the row level and enter the details under the **Service tax** field group for all the items on the **Overview** tab
4. Select the **Abatement declaration form** check box to apply the abatement percentage on service tax to an item in the GTA invoice.
5. Enter the abatement certificate number in the **Abatement certificate No.** field. This field is activated when you select the **Abatement declaration form** check box.
6. Enter the consignment note number in the **Consignment note No** field. You must generate separate invoices for item lines that have different consignment note numbers.
7. You must complete the following setup in the **Parameters** form. Click **Accounts payable** > **Setup** > **Parameters** form > **Summary update** tab. Select the **Invoice** check box under **Split based on delivery information** field group to split the invoice on the basis of consignment note number, warehouse, and address.
8. Select a GTA service category in the **GTA service category** field.
  - **Inward GTA service:** When you purchase goods from a supplier
  - **Outward GTA service-Inter unit:** When there is a transfer of goods between two units of the same company such as the manufacture of goods at one unit and packing at another unit of the same company.
  - **Outward GTA service-Input service:** When there is a transfer of goods from a company to a subcontractor for further processing of the goods.
  - **Outward GTA service:** When you sell goods to a buyer. The first three options allow you to claim the service tax and E-Cess on service tax, which is paid on behalf of GTA as a CENVAT credit. However, on outward delivery of goods, you cannot claim these taxes as CENVAT credit. You must debit the service tax paid to an expense account.

**Note:**

- A payment voucher is posted automatically when you post the purchase invoice in the **Purchase order** form if you select the **Automatic posting** option in the **Method of payment** form that is attached to the **Purchase order** form.
- To post a payment voucher to a GTA vendor automatically, you should complete the following setup. Click the **Accounts** tab in the **Service tax registration No** form and set up the service tax payable account along with the interim service tax recoverable account and the interim service tax payable account.

**Invoice using a General journal**

1. Click **General ledger > Journals > General journal > Lines** button.
2. Select **Vendor** option in the **Account type** field and specify the GTA vendor account in the **Account** field.
3. Select **Ledger** for the **Offset account type** field and specify the offset account in the **Offset account** field. The **Service tax applicable** button is activated when you select a GTA vendor.
4. To apply service tax, select the **Service tax applicable** check box. This activates all the fields that are related to service tax on the **IND localization** tab.
5. Enter the service tax details. Validate and post the journal

**Note:**

The steps to create an invoice using other journals are similar to creating an invoice in **General journal** form.

**Payment to GTA Vendor**

After payment of GTA invoice, the amount in the interim service tax payable account is transferred to the service tax Payable account.

1. Click **Accounts payable > Journals > Payments > Payment journal**.
2. Press **CTRL+N** to create a new journal.
3. Click **Lines** to open the **Journal voucher** form
4. Select the GTA vendor account in the **Account** field.
5. Click **Functions > Settlement**. In the **Open transaction editing** form select all the GTA vendor transactions to settle to the GTA.
6. Close the form. You can view the total amount in the **Debit** field in the **Journal voucher** form. Select the offset account in the **Offset account** field.
7. Validate and post the voucher.
8. Click **Inquiries > Voucher** to view the financial entries that are posted for the transaction.

**Payment to GTA Authority**

You must generate a payment voucher and enter the challan details to deposit the service tax on transportation to the GTA authorities.

1. Click **Accounts payable > Journals > Payments > Payment journal**.
2. Press **CTRL+N** to create a new journal.
3. Click **Lines** to open the **Journal voucher** form
4. Select the GTA authority account in the **Account** field.
5. Click **Functions > Settlement**. In the **Open transaction editing** form, select all the GTA service tax transactions you want to settle to the GTA authority.

6. Close the form. You can view the total amount in the **Debit** field in the **Journal voucher** form. Select the offset account in the **Offset account** field.
7. Validate and post the voucher.
8. Click **Inquiries > Voucher** to view the financial entries that are posted for the transaction.
9. Click **Challan information > GTA** and enter the details for the Service tax deposit challan. The **Challan info** form has the following fields:
  - **Challan No:** Enter the challan number.
  - **Date:** Enter the date of service tax deposit in the bank.
  - **Voucher:** View the transaction voucher number.
  - **Bank name:** Select the name of the bank to deposit the service tax amount to.

After you have made a payment to the GTA authority, the amount in the interim service tax recoverable account is transferred to the service tax recoverable account (for the GTA service categories, Inward GTA Service, Input service and Inter unit) and transferred to the expense account for outward GTA service.

**Note:**

You cannot use the feature of automatic posting to a GTA authority vendor.

**Pending abatement certificate report**

An abatement certificate is issued by the government to the GTA. Use the **Pending abatement certificates** form (**Accounts payable > Inquiries > Pending abatement certificates** form) to view all the GTA transactions where the **Abatement declaration form** check box is selected and the abatement certificate details are not entered.

**Forms for this feature**

Refer to the following information for forms that you will use with this feature.

Form name and locator	Description
<b>Service tax registration No</b> (form) General ledger > Setup > Service tax > Service tax registration No	Use this form to define the service tax registration numbers for the warehouse.
<b>Service tax registration No</b> (form) General ledger > Setup > Service tax > Service tax registration No > Overview tab	<b>Service tax registration No</b> field Define the service tax registration number. It is a combination of the PAN (Permanent Account Number), Service tax category of the company, and the warehouse.
<b>Service tax registration No</b> (form) General ledger > Setup > Service tax > Service tax registration No >Accounts tab	<b>Service tax account type</b> field Select the service tax account type from the list. The options are: <b>Interim service tax recoverable account - GTA</b> <b>Interim service tax payable account - GTA</b> <b>Service tax recoverable account - GTA</b> <b>Service tax payable account – GTA</b> <b>Service tax paid (Expense) account - GTA</b> <b>Service tax account</b> field Select the ledger account to post the service tax to. <b>E-Cess on service tax account</b> field Select the ledger account to post the E-Cess on service tax to.

Form name and locator	Description
<b>Service tax registration No</b> (form) General ledger > Setup > Service tax > Service tax registration No	<b>Overview</b> tab Create service tax registration numbers.  <b>Accounts</b> tab Select the service tax account type and assign the ledger accounts for service tax and E-Cess on service tax.
<b>Challan information</b> (form) Accounts payable > Journals > Payment > Payment journal > Lines button > Challan info button > GTA	Use this form to enter the challan details for the service tax deposit.
<b>Challan information</b> (form) Accounts payable > Journals > Payment > Payment journal > Lines > Challan info button > GTA	<b>Challan No</b> field Enter the challan number.  <b>Date</b> field Enter the date of the service tax deposit in the bank.  <b>Voucher No</b> field Transaction voucher number.  <b>Bank name</b> field Select the name of the bank to deposit the service tax amount to.

## Forms that are modified for this feature

Refer to the following information for additional forms and fields you use in this feature.

Form name and locator	Description
<b>Warehouses</b> (form) Inventory management > Setup > Inventory breakdown > Warehouses > IND Localization tab	<b>Service tax</b> field group <b>Service tax registration No</b> field Select the service tax registration number for the warehouse that is selected on the <b>Overview</b> tab.
<b>Company information</b> (form) Basic > Set up > Company information > IND Localization tab	<b>Location</b> field Select the location of the company's warehouse. <b>Service tax registration No</b> field The service tax registration number of the selected company location.
<b>Vendors</b> (form) Accounts payable > Vendors > IND Localization tab	<b>Service tax</b> field group <b>GTA – Commercial vendor</b> check box Select this check box if the vendor is a Goods Transport Agency. <b>Service tax registration No</b> field The service tax registration number of the selected warehouse.
<b>Purchase order</b> (form) Accounts payable > Purchase order > IND Localization tab (Row level)	<b>Service tax</b> field group <b>Service tax registration No.</b> field The service tax registration number that is attached to the warehouse. <b>Abatement declaration form</b> check box Select this check box to apply the abatement percentage for the GTA Commercial vendor set up in <b>Service tax</b> form.

Form name and locator	Description
	<p><b>Abatement certificate No.</b> field Enter the abatement certificate number. This is a certificate that is issued by the government to the GTA.</p> <p><b>Consignment note No.</b> field Enter the consignment note number.</p> <p><b>GTA service category</b> field Select a GTA service category from the predefined options given below.</p> <p><b>Inward GTA service:</b> When you purchase goods from a supplier</p> <p><b>Outward GTA service-Inter unit:</b> When there is a transfer of goods between two units of the same company such as the manufacture of goods at one unit and packing at another unit of the same company.</p> <p><b>Outward GTA service-Input service:</b> When there is a transfer of goods from a company to a sub contractor for further processing of the goods.</p> <p><b>Outward GTA service:</b> When you sell goods to a buyer.</p>
<p><b>Journal voucher</b> (form) General ledger &gt; Journals &gt; General journal &gt; Lines button &gt; IND Localization tab Lines button Accounts payable &gt; Journals &gt; Invoices &gt; Invoice approval journal &gt; Lines button &gt; IND Localization tab (Row level) Accounts payable &gt; Journals &gt; Invoices &gt; Invoice journal &gt; Lines button &gt; IND Localization tab Accounts payable &gt; Journals &gt; Payments &gt; Payment journal &gt; Lines button &gt; IND Localization tab</p>	<p><b>Location</b> field Select the location of the company's warehouse.</p> <p><b>Service tax registration No.</b> field The service tax registration number for the selected location.</p> <p><b>Service code</b> field Select the service code. The service tax rates are defined for the service code in the <b>Service tax rates</b> form</p> <p><b>Structure name</b> field Select from the list of tax structures. Tax structures for service tax are setup in the tax <b>Structure</b> form.</p> <p><b>Consignment note No.</b> field The consignment note number of the goods</p> <p><b>GTA service category</b> field Select a GTA Service category from the predefined options given below.</p> <p><b>Inward GTA service:</b> when you purchase goods from a supplier</p> <p><b>Outward GTA service-Inter unit:</b> When there is a transfer of goods between two units of the same company such as the manufacture of goods at one unit and packing at another unit of the same company.</p> <p><b>Outward GTA service-Input service:</b> When there is a transfer of goods from a company to a subcontractor for further processing of the goods.</p> <p><b>Outward GTA service:</b> When you sell goods to a buyer.</p> <p><b>Abatement</b> check box Select this check box to apply the abatement percentage for the GTA Commercial vendor set up in the <b>Service tax</b> form.</p> <p><b>Abatement certificate No.</b> field Enter the abatement certificate number. This is a certificate that is issued by the government to the GTA.</p>
<p><b>Journal voucher</b> (form) General ledger &gt; Journals &gt; General journal &gt; Lines button &gt; Overview tab</p>	<p><b>Service tax applicable</b> button Apply the service tax calculation for the transaction.</p>

Form name and locator	Description
<p>Lines button Accounts payable &gt; Journals &gt; Invoices &gt; Invoice approval journal &gt; Lines button &gt; Overview tab</p> <p>Accounts payable &gt; Journals &gt; Invoices &gt; Invoice journal &gt; Lines button &gt; Overview tab</p> <p>Accounts payable &gt; Journals &gt; Payments &gt; Payment journal &gt; Lines button &gt; Overview tab</p>	
<p><b>Open transaction editing</b> (form)</p> <p>Accounts payable &gt; Journals &gt; Payments &gt; Payment journal &gt; Lines button &gt; Functions button &gt; Settlement &gt; Overview tab</p>	<p><b>Location</b> field</p> <p>Location of the company's warehouse.</p> <p><b>Service tax registration No</b> field</p> <p>The service tax registration number of the company's warehouse.</p>
<p><b>Pending abatement certificates</b> (form)</p> <p>Accounts payable &gt; Inquiries &gt; Pending abatement certificates</p>	<p>Use this inquiry form to view a list of the GTA transactions for which the abatement declaration check box is selected and that abatement certificate details are not entered.</p>
<p><b>Pending abatement certificates</b> (form)</p> <p>Accounts payable &gt; Inquiries &gt; Pending abatement certificates</p>	<p><b>Invoice type</b> field</p> <p>Select the type of invoice to view the pending abatement certificates. The options are:</p> <p><b>Purchase order</b></p> <p><b>Invoice approval journal</b></p> <p><b>Invoice journal</b></p> <p><b>General journal</b></p> <p><b>Payment journal</b></p> <p><b>All</b></p> <p>You can view all the invoices that the <b>Abatement certificate number</b> field is activated for and have not been entered in the <b>Purchase order</b> form or in the <b>Journal voucher</b> form.</p> <p><b>Document reference number</b> field</p> <p>The purchase order ID of the transaction when the invoice is generated using a purchase order.</p> <p>The invoice number for the transaction when the invoice is generated using a <b>Journal</b> form.</p> <p><b>Date</b> field</p> <p>The invoice date</p> <p><b>Vendor account</b> field</p> <p>The GTA vendor account</p> <p><b>Item number</b> field</p> <p>The identification number of the service that is provided by the GTA. You can view this field when the invoice is generated using a <b>Purchase order</b> form.</p> <p><b>Item name</b> field</p> <p>The name of the service that is provided by the GTA. You can view this field when the invoice is generated using a <b>Purchase order</b> form.</p> <p><b>Amount</b> field</p> <p>The invoice amount that the service tax is calculated for.</p> <p><b>Abatement percentage</b> field</p> <p>The abatement percentage that is applied to the service tax for the specified service.</p>



Form name and locator	Description
	<p><b>Abatement amount</b> field</p> <p>The abatement that is received on the service tax for the specified service.</p> <p><b>Abatement certificate No.</b> field</p> <p>Enter the abatement certificate number for the invoice.</p>
<p><b>Pending abatement certificates</b> (form)</p> <p>Accounts payable &gt; Inquiries &gt; Pending abatement certificates</p>	<p><b>Update</b> button</p> <p>Update the abatement certificate numbers in the <b>Purchase order</b> forms or journal invoices. Enter the abatement certificate number(s) in the <b>Pending abatement certificates</b> form before you update it in the forms or journals.</p>
<p><b>Pending abatement certificates</b> (form)</p> <p>Accounts payable &gt; Inquiries &gt; Pending abatement certificates</p>	<p><b>Overview</b> tab</p> <p>View the list of invoices for a GTA vendor that the abatement certificate number has not been entered for. The invoices are displayed on the basis of the type of invoice that is selected.</p>

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