

Microsoft Dynamics™ AX

Features for Latvia

White Paper

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Introduction

This information provides setup instructions and an overview of the features for Microsoft Dynamics™ AX that are specific to users in Latvia. It includes a description of each feature and the procedural information to use the feature. You must select the Latvia configuration key to activate the Latvian functionality.

For information about regional features that also apply to Latvia, refer to the *Common features for Eastern Europe* white paper here: <http://mbs.microsoft.com/public/axwhitepapers>.

Refer the following topics for detailed information about each feature:

- [Financial report generator](#)
- [Preview journal transactions before posting](#)
- [Verify voucher numbers](#)
- [Tax exempt numbers](#)
- [Client records for cash orders and payments](#)
- [State invoices numbering](#)
- [Sales invoice printing](#)
- [Inventory internal transfer slips](#)
- [Inventory counting list](#)
- [Foreign trade](#)
- [Bank payment order](#)
- [Cash management](#)
- [Fixed assets accounting for tax purposes](#)
- [Fixed asset reports](#)
- [VAT Reports](#)
- [Customer\Vendor settlement transactions](#)

Financial report generator

You can view the financial information about ledger accounts and dimension codes using the Financial report generator. The report creates and stores the reports created using Word and Excel® templates.

For more information about this feature, refer to the **Financial report generator** topic in the **Features for the Russian Federation (General ledger)** white paper here: <http://mbs.microsoft.com/public/axwhitepapers>.

Preview journal transactions before posting

You can view the transaction details of an entire journal in a Journal transaction report, or the details for a single voucher in a Voucher transaction report. You can print previews of journal transactions in General ledger, Accounts receivable, and Accounts payable before they are posted.

Print transactions for a journal or for a journal voucher

1. Click **General ledger > Journals > General journal**
–or–
Accounts receivable > Journals > Payment > Payment journal
–or–
Accounts payable > Payment > Payment journal.
2. Press **CTRL+N** to create a new journal or select an existing journal that is not posted.
3. If the journal does not contain lines, click **Lines**, and in the **Journal voucher** form, press **CTRL+N** to create a new line and enter the required details.
4. Close the **Journal voucher** form without posting.
5. In the **Journal** form, click **Post > Transactions preview** to open the **Transactions preview** form.
6. To print all journal transactions, click **Print > Print journal** to open the **Ledger journal transactions** form.
–or–
To print transactions for the selected voucher, click **Print > Per voucher** to open the **Ledger journal transactions** form.
7. Click **OK** to print the journal.

Verify voucher numbers

If number sequences are not set up correctly, a number that is already in use might also be assigned to a voucher that is not posted. To avoid this, you can run a periodic job to assign only unused numbers to vouchers that are not posted.

Run periodic job to verify voucher numbers

1. Click **General ledger > Periodic > Voucher number check**.
2. Click **OK** to run the periodic job for voucher number check.

Tax exempt numbers

The tax exempt number is a company identification number that is issued and managed by a tax authority for a country/region.

You can enter a tax exempt number manually and attach it to the record of a customer or vendor.

Refer to the following topics for more information:

- [Basic setup for this feature](#)
- [Transactions using the tax exempt number](#)

Basic setup for this feature

- [Configuration setup](#)
- [Set up a tax exempt number](#)

Configuration setup

1. Click **Administration > Setup > System > Configuration**.
2. Expand the **General ledger** node and select the **Sales tax** configuration key.
3. Select the **Sales tax exempt number table** configuration key.
4. Click **OK**.

Set up a tax exempt number

Tax exempt numbers that you set up will be available in the following forms:

- **Vendors** form (**Accounts payable > Vendors > Setup** tab)
- **Customers** form (**Accounts receivable > Customers > Setup** tab)
- **Business relations** form (**CRM > Business relations > Setup** tab)
- **EU sales list** form (**Basic > Periodic > Foreign trade > EU sales list > Overview** tab)
- **Intrastat parameters** form (**Basic > Setup > Foreign trade > Intrastat parameters > Agent** tab)
- **Project quotation** form (**Project > Project quotation > Setup** tab)

Note: Since the tax exempt numbers are based on countries/regions, only the tax exempt numbers that are set up for specific countries/regions are displayed in the **Tax exempt number** field.

1. Click **General ledger > Setup > Sales tax > External > Tax exempt numbers**.
2. Press **CTRL+N** to create a new tax exempt number.
3. In the **Country/region** field, select the name of the country/region.
4. In the **Tax exempt number** field, enter the tax exempt number.
5. In the **Company name** field, enter the name of the company.
6. Press **CTRL+S** or close the form to save the settings.

Client records for cash orders and payments

The records of the customers that are not entered or invoiced in the **Customers** form and the records of the vendors that are not entered or invoiced in the **Vendors** form can be saved so that the information can be used in cash orders and payments. You can enter and save these records in General ledger.

Refer to the following topics for more information:

- [Set up an account for a person or company receiving payments](#)
- [Create a bank payment order](#)

Set up an account for a person or company receiving payments

1. Click **General ledger > Receivers > Overview** tab.
2. In the **Code** field, enter the code for the receiver.
3. In the **Name** field, enter a name for the receiver.
4. In the **Tax exempt number** field, enter the tax exemption number of the receiver.

5. Click the **General** tab. The information of the receiver on the **Overview** tab is displayed in the **Code** field, **Name** field, and the **Tax exempt number** field. Under the **Bank** field group, enter the bank details of the receiver.
6. In the **Bank** field, enter the name of the bank.
7. In the **Routing number** field, enter the routing number of the bank.
8. In the **Bank account number** field, enter the bank account number.
9. In the **Sub account number** field, enter the sub account number.
10. In the **Swift code** field, enter the bank identification code.
11. In the **Address** field, enter the address.
12. Click the **Address** tab and enter the address in the **Address** field. Select the country code in the **Country code** field. Select the **Resident** check box if the receiver is the resident of the country.
13. Press **CTRL+S** or close the form to save the settings.

Create a bank payment order

1. Click **General ledger > Journals > General journal**
 –or–
Bank > Journals > Slip journal.
2. Press **CTRL+N** to create new journal or select an existing journal.
3. Enter the required details and click **Lines** to open the **Journal voucher** form.
4. Click the **Overview** tab and enter the required details.
5. In the **Journal voucher** form of the general journal, click the **Payment** tab
 –or–
 In the **Journal voucher** form of the slip journal, click the **Cash order** tab.
6. In the **Representative type** field, select the **Other** option.
7. In the **Representative** field, select the code of the representative. The information of the representative is displayed in the **Employee name** field.
8. Click **Print > Print payment order** in the **Journal voucher** form of the general journal
 –or–
 Click **Print > Cash report** option in the **Journal voucher** form of the slip journal.
9. Click **OK** to print the payment order or the cash report.

State invoices numbering

In Latvia, tax authorities issue preprinted sales invoice forms. During the sale of goods, the sales invoices should be printed in the invoice forms issued by the tax authorities. All business transactions involving the sale of goods must use the state invoice forms.

Note: According to the Latvian legislation, preprinted sales invoice forms will not be used from the beginning of 2008.

Each state invoice form has a unique number printed on it and the numbers on the invoice forms are in a series.

The details of the number of state invoice forms received, used, canceled, and the number of unused forms should be provided in a unified way to the tax authorities on a regular basis.

You can enter the range of numbers of invoice forms received from the tax authorities and receive the information about the number of forms used and canceled. You also can print a report that shows the summary of the number of state invoice forms received from the tax authority, the number of forms used, and the number of forms canceled.

Refer to the following topics for more information:

- [Basic setup for this feature](#)
- [Posting invoices](#)
- [Cancel state invoices](#)
- [Print the state invoice blanks usage report](#)

Basic setup for this feature

1. Click **Accounts receivable** > **Setup** > **Forms** > **Form setup** > **Invoice** and select the **Latvian format** option in the **Country-specific form** field.
2. Click **Accounts receivable** > **Periodic** > **State invoice** > **State invoice blanks**.
3. In the **Date** field, specify the date that the batch of state invoice forms were received.
4. In the **Smallest** field, enter the number that is displayed on the first invoice form of the batch.
5. In the **Largest** field, enter the number that is displayed on the last form of the batch.
6. In the **Format** field, enter the number format for the batch of invoice forms.
7. Select the **Updated** check box to indicate that the batch of invoice forms is received from the tax authority.
8. Press **CTRL+S** or close the form to save the settings.

Post invoices

- [Sales invoices](#)
- [Free text invoices](#)

Sales invoices

1. Click **Accounts receivable** > **Sales order**.
2. Create a sales invoice with the required details.
3. Click the **Posting** button > **Invoice**.
4. In the **Posting invoice** form, select the **State invoice** check box to track the number of the state invoice forms received from the tax authority.
5. In the **Invoice** field in the lower pane of the form, enter the state invoice number. The invoice number that you enter should be registered as received and should be according to the format specified in the **State invoice blanks** form.
6. Post the sales invoice.

The value in the **In use** field in the **State invoice blanks** form is increased by one each time that you post an invoice using the number from the interval.

Free text invoices

1. Click **Accounts receivable** > **Free text invoice**.
2. Select the **State invoice** check box to track the number of the state invoice forms received from the tax authority.
3. In the **Invoice** field, enter the state invoice number. The invoice number that you enter should be registered as received and should be according to the format specified in the **State invoice blanks** form.
4. Post the free text invoice.

The value in the **In use** field in the **State invoice blanks** form is increased by one each time that you post an invoice using the number from the interval.

Cancel state invoices

It might be necessary to cancel an invoice. For example, a form might be damaged or a customer might reject an order. You can register all the state invoices that are canceled in the **Canceled state invoices** form.

1. Click **Accounts receivable** > **Periodic** > **State invoice** > **Canceled state invoices**.
2. In the **Invoice** field, enter the number displayed in the state invoice form.
3. In the **Invoice date** field, enter the date that the invoice was canceled. This date must be later than the date specified in the **State invoice blanks** form.
4. In the **Amount** field, enter the invoice amount.
5. Select the **Post** check box to confirm the cancellation of the invoice. When you select the **Post** check box you cannot modify the value in the **Amount** field.
6. Press **CTRL+S** to save the settings and close the form.

The value in the **In use** field in the **State invoice blanks** form decreases by one and the value in the **Voided** field increases by one.

Print the state invoice blanks usage report

You can print the summary of the total number of state invoice forms that are received, used, and canceled for a specified period.

1. Click **Accounts receivable** > **Reports** > **State invoice** > **State invoice blanks**.
2. Enter the starting date of the period that the report is generated for in the **Start** field under the **Parameters** field group.
3. Enter the ending date of the period that the report is generated for in the **End** field.
4. Click **OK** to generate the report.

Sales invoice printing

In accordance with the Latvian tax legislation the details of sales must be printed on the invoice. The invoice layout is designed to include the following details on the invoices:

- Bank information.
- Customers and vendors Value-added tax (VAT) registration numbers.
- The addresses of the receiver and the supplier.
- The total amount in figures and in words in both the invoice currency and the default company currency (if the invoice is posted in a currency that is different from the default company currency).
- The different rates of VAT applied to the items in the sales invoice and the totals for each rate.
- Vendor credit note for the return of goods.

For more information, refer to the following topics:

- [Basic setup for this feature](#)
- [Print sale transactions with bank account details](#)

Basic setup for this feature

1. Click **Basic > Setup > Company information > Contact information** tab to set up the VAT registration number of the company.
2. In the **Tax exempt number** field, enter the VAT registration number.
3. Press **CTRL+S** or close the form to save the settings.

Print sale transactions with bank account details

- [Print sales invoices or sales credit notes](#)
- [Print free text invoices or free text credit notes](#)

Print sales invoices or sales credit notes

1. Click **Accounts receivable > Sales order**.
2. Press **CTRL+N** to create a new sales order. The **Create sales order** form opens. In the **Customer account** field, select the customer account and enter other required details.
Note: The tax registration number details of a customer should be defined in the **Customers** form (**Accounts receivable > Customers > General** tab > **Identification** field group).
3. In the **Sales order** form, click **OK** to create a sales order.
4. Click the **Setup** tab (header-level) and in the **Tax exempt number** field, select the tax exempt number.
5. In the **Bank account** field, click the **Price/Discount** tab. Select the bank account of the company.
6. In the **Bank code for additional currency** field, select the bank account for the additional currency that the company will use.
7. In the **Customer bank account** field, select the bank account of the customer.
8. Click the **Lines** tab and create item lines.
9. Click **Posting > Invoice** to post the sales order.
10. Click **Inquiries > Invoice > Show > Original** to view and print the sales invoice.

Note: To create a sales credit note, click **Functions > Create credit note**.

Print free text invoices or free text credit notes

1. Click **Account receivable** > **Free text invoice**.
2. Press **CTRL+N** to create a free text invoice. In the **Customer account** field, select a customer account and enter other required details.

Note: The tax registration number details of a customer should be defined in the **Customers** form (**Accounts receivable** > **Customers** > **General** tab > **Identification** field group).

3. Click the **Payment** tab. In the **Bank account** field, select the bank account of the company.
4. In the **Bank code for additional currency** field, select the bank account for the additional currency that the company will use.
5. In the **Customer bank account** field, select the bank account of the customer.
6. Click the **Invoice lines** tab and create invoice lines.
7. Click **Posting** > **Free text invoice** to post the free text invoice.
8. Click **Inquiries** > **Invoice** > **Show** > **Original** to view and print the free text invoice.

Note: To create a free text credit note, click **Functions** > **Create credit note**.

Inventory internal transfer slips

In accordance with the Latvian legal requirements, the companies in Latvia must print the transfer slip for the transfer of items between warehouses of the same company. You can print the transfer delivery note or internal transfer slip when the items are transferred from one warehouse to another warehouse of the same company. When the counting journals are created for items, you can print the counting list for the transactions.

For more information, refer to the following topics:

- [Warehouse setup for internal transfer of items](#)
- [Generate the transfer delivery note for the items](#)

Warehouse setup for internal transfer of items

1. Click **Inventory management** > **Setup** > **Inventory breakdown** > **Warehouses** > **Overview** tab.
2. Press **CTRL+N** to create a new warehouse and enter the required details.
3. Click the **Alt. address** button to open the **Alt. address** form to specify the alternate address for the warehouse.
4. Click the **Overview** tab and press **CTRL+N** to create a new line.
5. Enter the name for the address in the **Name** field.
6. In the **Address type** field, select **Delivery** as the address type.
7. Enter the address details and the contact information for the warehouse.
8. Press **CTRL+S** or close the form to save the settings.

Generate the transfer delivery note for the items

1. Click **Inventory management** > **Journals** > **Item transaction** > **Transfer** > **Overview** tab.
2. Press **CTRL+N** to create a new transfer journal and enter the required details.

3. Click the **Lines** button to open the **Journal lines, Inventory** form to create transfer lines for the items.
4. In the **Date** field, specify the date of the transaction.
5. In the **Item number** field, select the item for the transfer.
6. In the **Quantity** field, enter the quantity of the item to transfer.
7. Click the **Dimensions** tab, and in the **Warehouse** field in the **From inventory dimensions** group, select the warehouse that the item is transferred from.
8. In the **Warehouse** field in the **To inventory dimensions** group, select the warehouse that the item is transferred to.
9. Validate and post the journal for the item transfer.
10. Click **Transfer delivery note** to open the **Internal transfer delivery note** form.
11. Click the **General** tab. Select the **Do you want to print prices?** check box to print the unit price of the item in the transfer delivery note.
12. Click **OK** to print the transfer delivery note for the transaction.

Note: You also can print the transfer delivery note at the journal level in the **Transfer** form (**Inventory management** > **Journals** > **Item transaction** > **Transfer** > **Print** button > **Transfer delivery note** option).

Inventory counting list

The layout of the Inventory counting list complies with Latvian record keeping practices.

Print the inventory counting list

1. Click **Inventory management** > **Journals** > **Item counting** > **Counting** to open the **Inventory journal** form.
2. Select an existing inventory journal or press **CTRL+N** to create a new inventory journal and enter the necessary journal information.
3. Click the **Lines** button to open the **Journal lines, Inventory** form.
4. Press **CTRL+N** to create a new inventory journal line and enter the date, item number, and quantity.
5. Click the **Dimensions** tab, and in the **Inventory dimensions** group, select a warehouse.
6. Validate and post the journal for the item transfer.
7. In the **Inventory journal** form (**Inventory management** > **Journals** > **Item counting** > **Counting**), click **Print** > **Counting list** to open the **Counting list** form.
8. Select the **Print on-hand** check box to print the on-hand quantities.
9. Select the **Skip zero** check box to skip items with zero quantities.
10. Click **OK** to print the **Counting List** report.

Foreign trade

The movement of goods that takes place between the European Union (EU) member states must be declared in the Intrastat reports that are generated for Latvia. You can print the EU sales list using the Latvian report layout.

For more information, refer to the following topics:

- [Basic setup for this feature](#)
- [Print Intrastat report and EU sales list](#)

Basic setup for this feature

- [Set up the Intrastat for Latvia](#)
- [Set up Intrastat parameters](#)

Set up the Intrastat for Latvia

1. Click **Administration > Setup > System > Configuration**.
2. Expand the **Country/region-specific features** node and select the **Latvia** configuration key.
3. Expand the **Latvia** configuration key and select the **Intrastat** configuration key.
4. Press **CTRL+S** or close the form to save the settings.

Set up Intrastat parameters

1. Click **Basic > Setup > Foreign trade > Intrastat parameters**.
2. Define the required parameters on the **Intrastat** tab.
3. Click the **EU sales list** tab. Select the **Latvian** option in the **EU Sales List, Tax calculation** field to print the EU sales list using the Latvian report layout.
4. Press **CTRL+S** or close the form to save the settings.

Print Intrastat reports and EU sales lists

- [Transfer transactions and print Intrastat reports](#)
- [Print the EU sales list report](#)

Transfer transactions and print Intrastat reports

1. Click **Basic > Periodic > Foreign trade > Intrastat**.
2. Click the **Transfer-LV** button to open the **Intrastat** form, specify the selection criteria, and click **OK** to transfer the transactions.

Note:

- Only the transactions with countries that have the **Country/region type** option set to **EU** in the **Country/region** form (**Basic > Setup > Address > Country/region**) will be transferred.
 - The transfer of transactions is based on the setup of fields under the **Transfer** field group and **Check setup** field group in the **Intrastat parameters** form.
3. In the **Intrastat additional value** field, select an item and enter the statistical value of the item.

Note: This additional value is stored in an invoice journal (customer, vendor, or project) and is split by invoice lines equally. The information for the invoice journal comes from a sales order, a purchase order, or a project invoice, respectively.

4. Click the **Check items** button to verify that the items in the **Intrastat** form comply with the parameters that are set up in the **Check setup** group on the **Intrastat** tab in the **Intrastat parameters** form.

Note:

- The items that do not match the parameter setup are displayed in the **Check items** form. If you change the item details in the **Check items** form, the changes also will be reflected in the **Item** form (**Inventory management > Items**).
 - If all check boxes in the **Check setup** group are selected, click the **Check items** button to verify commodities, additional units, countries, and districts (states).
5. Click the **Check selected transactions** button to verify that the Intrastat report lines are in compliance with the parameters that are defined in the **Country/region** field, **Terms of delivery** field, **Transaction codes** field, and **Transport** field in the **Intrastat parameters** form.
 6. Click **Output > Form-LV** to print the Intrastat form report for Latvia.
 7. In the **From** field and **To** field, enter the period range to generate the Intrastat form report for.
 8. Select the type of item transaction direction in the **Direction** field. The options are:
 - **Arrivals-Intrastat-1A** – The company exceeded the determined threshold.
 - **Dispatches-Intrastat-2A** – The assimilation threshold has been reached.
 - **Arrivals-Intrastat-1B** – The assimilation threshold has been reached.
 - **Dispatches-Intrastat-2B** – The specific threshold has been reached.
 9. Click **OK** to print the Intrastat report.

Print the EU sales list report

1. Click **Basic > Periodic > Foreign trade > EU sales list**.
2. Click the **Transfer** button and specify criteria to transfer the transactions in the **EU sales list** form.
3. Click the **Validate** button to verify that the tax exempt number, the country/region, and the sales tax code are specified for each transaction. Correct or add the information, as needed.
4. Click **Output > Print** to open the **EU reporting** form and specify a reporting period, a responsible person, and a transaction level to select transactions for the EU sales list report.
5. Click **OK** to print the EU sales list.

Bank payment order

You must set up and validate bank account numbers, based on the account number format that is used in Latvia.

Refer to the following topics for more information:

- [Basic setup for this feature](#)
- [Create payment orders](#)

Basic setup for this feature

- [Set up the validation and numbering for bank account numbers](#)
- [Set up default bank accounts to create payment orders for customers or vendors](#)

Set up the validation and numbering for bank account numbers

1. Click **Bank > Bank accounts**.
2. Press **CTRL+N** to create a new bank account on the **Overview** tab and enter the required details. In the **Bank account number** field, enter the bank account number.
3. In the **Correspondence bank account** field, enter the correspondence bank account number if the bank has a correspondence bank account.
4. Click the **Setup** tab. In the **Payment order form** field, select the layout for the bank payment order:
 - **Local** – Print the payment order in local currency.
 - **Currency** – Print the payment order in foreign currency.
5. In the **P/O numeration** field, select the number sequence code for payment orders that are printed for the bank account.
6. On the **Overview** tab, select the **Default** check box to set up the bank account as the default bank account for a specific currency.

Note: Each currency can have one bank account as the default bank account.
7. Press **CTRL+S** or close the form to save the settings.

Set up default bank accounts to create payment orders for customers or vendors

1. Click **Accounts receivable > Customers > Setup** and select **Bank accounts** to open the **Customer bank accounts** form.

–or–

Click **Accounts payable > Vendors > Setup** and select **Bank accounts** to open the **Vendor bank accounts** form.
2. In the **Correspondence bank account** field, enter the correspondence bank account for the customer or vendor.
3. Select the **Default** check box to set up the bank account as the default bank account for the customer or vendor for a specific currency.
4. Press **CTRL+S** or close the form to save the settings.

Create payment orders

1. Click **General ledger > Journals > General journal**

–or–

Accounts receivable > Journals > Payment > Payment journal

–or–

Accounts payable > Payment > Payment journal.
2. Press **CTRL+N** to create a new journal. Enter the required details.

3. Click the **Lines** button to open the **Journal voucher** form and enter the required details.
4. Click **Print** button > **Print payment order** to open the **Approval of bank information** form.
Note: The fields that are displayed in this form are based on the payment order format and the source of transaction.
5. In the **Bank account** field, select the bank account.
6. In the **Intermediary bank account** field, select the intermediary bank account.
7. In the **Foreign bank commission payer** field, specify whether the receiver of the payment, that is, the vendor or customer, pays commission to a foreign bank.
8. Select whether the receiver of the payment pays commission to the bank in the **Payer of bank commission** field.
9. Enter the code for the current transaction in the **Group** field.
10. Enter the amount in the default currency in the **Amount** field to distribute the payment.
11. Click **OK** to print the payment order.

Fixed assets accounting for tax purposes

In accordance with the Latvian legal requirements, the income tax for business organizations is adjusted using the asset depreciation, and the income tax is calculated using tax depreciation method. The tax depreciation method is an extension of the reducing balance method, which is used in Latvia to determine the income tax for business organizations.

You can create a depreciation profile using the tax depreciation method, define the value models for fixed assets, assign categories for fixed assets based on value models, and calculate tax depreciation for an individual asset or category of fixed assets. You also can generate reports for the calculated tax depreciation.

For more information, refer to the following topics:

- [Basic setup for this feature](#)
- [Calculate the tax depreciation](#)
- [Generate the reports for tax depreciation](#)

Basic setup for this feature

- [Set up depreciation profile for tax depreciation](#)
- [Set up value model for tax depreciation](#)
- [Assign value models to fixed assets](#)

Set up depreciation profile for tax depreciation

1. Click **General ledger** > **Setup** > **Fixed assets** > **Depreciation profiles** > **Overview** tab.
2. In the **Depreciation profile** field, press **CTRL+N** to create a new row and enter an identification code for the depreciation profile.
3. In the **Name** field, enter the name for the depreciation profile.
4. In the **Method** field, select the **Tax** as the method of calculation for the depreciation.

Note: To change the value model, open the **Value models** form (**General ledger** > **Fixed assets** > **Value models** > **Functions** button > **Change** model) and specify a new value mode.

5. In the **Percentage** field, enter the rate of the depreciation.
6. Press **CTRL+S** or close the form to save the settings.

Note:

- The straight line method is used for depreciation calculation: $\text{Depreciation amount} = (\text{base amount}) * (2 * \text{percentage}) * (\text{number of periods}) / 12$.
- Periods are months. For example, a period from October 17, 2004 through December 13, 2005 equals 14 months.

Set up value model for tax depreciation

1. Click **General ledger > Setup > Fixed assets > Value models > Overview** tab.
2. Press **CTRL+N** to create a new value model and enter the required details.
3. Click the **General** tab and select the **Depreciation for category** check box to calculate the tax depreciation for the category of fixed assets attached to the value model.

Note: Periodic depreciation is calculated only for the value models that have the **Depreciation for categories** check box selected.

4. Press **CTRL+S** or close the form to save the settings.

Assign value models to fixed assets

1. Click **General ledger > Fixed assets**.
2. Create or select a fixed asset on the **Overview** tab.
3. Click the **Other** tab. In the **Category** field under the **Values** field group, select the value model for the fixed asset.
4. Press **CTRL+S** or close the form to save the settings.

Calculate tax depreciation on fixed assets

1. Click **General ledger > Periodic > Tax depreciation > Calculation date** tab.
2. Press **CTRL+N** to create a new calculation date for the tax depreciation. The current system date is displayed in the **Calculation date** field and you can change this date.
3. In the **Name** field, enter the name for the tax depreciation for the specified calculation date. The period status for the calculation date is displayed in the **Period status** field.

Note: If the period status is set to **Stopped**, you can change it to the **Open** status and recalculate the tax depreciation. However after the period has had a **Closed** status for a period, you cannot reopen the period and recalculate the tax depreciation for it.

4. Click the **Calculate** button to calculate the tax depreciation for the value models that the **Depreciation for category** check box is selected for.
5. Click the **Value** tab and review the calculation results. To review the results by tax categories, select a value in the **Category** field.
6. Modify the calculation results, if necessary.

Generate reports for tax depreciation

Generate the Tax depreciation report

1. Click **General ledger > Reports > Asset Reports > Tax depreciation** to open the **Tax depreciation** form.
2. Under the **Parameters** field group, enter the date range to generate the tax depreciation report for.
3. Click **OK** to generate the tax depreciation report for the specified date range.

You can view the initial asset value, tax depreciation, accumulated depreciation, and value adjustment for different categories for the select period range.

Generate the Tax depreciation – Details report

1. Click **General ledger > Reports > Asset Reports > Tax depreciation–Details** to open the **Tax depreciation** form.
2. Under the **Parameters** field group, enter the date range to generate the tax depreciation report for.
3. Click **OK** to generate the tax depreciation report for the specified date range.

You can view the net book value at the beginning of the period, value of the acquired assets, capital improvement, percentage of depreciation applied, calculated tax depreciation and net book value after the deduction of depreciated value from the specified period for different categories of assets.

Fixed asset reports

Accounting for fixed assets is done by generating reports to find out the value and the movement of the fixed assets during a specified period of time.

For more information, refer to the following topics:

- [Basic setup for this feature](#)
- [Types of fixed asset reports](#)

Basic setup for this feature

To generate the reports in accordance with the Latvian legal requirements, you must enter additional asset information in the fixed asset journal.

1. Click **General ledger > Journals > Fixed assets**.
2. Press **CTRL+N** to create a new journal and enter the required details for the new journal or select an existing open journal.
3. Click the **Lines** button to open the **Journal voucher** form and press **CTRL+N** to create a new line or select an existing line.
4. Click the **General** tab, and in the **Document**, **Responsible**, and **Location** fields in the **Internal transfer** group, specify the internal transfer details.
5. Enter the other line details, as necessary.
6. Press **CTRL+S** or close the form to save the settings.

Types of fixed asset reports

For more information, refer to the following topics:

- [Asset record report](#)
- [Fixed asset acquisition statement](#)
- [Fixed asset disposal statement](#)
- [Internal transfer statement](#)
- [Fixed asset counting statement](#)
- [Fixed assets movement report](#)
- [Tax depreciation – Details report](#)
- [Tax depreciation report](#)
- [Depreciation summary report](#)
- [Fully depreciated report](#)
- [Fixed asset disposals report](#)
- [Fixed asset note report](#)

Asset record report

The Asset record report displays the details of a specific fixed asset that is acquired or not acquired.

1. Click **General ledger > Fixed assets**.
2. Attach the fixed asset to a fixed asset group and enter the required details.
3. Press **CTRL+S** or close the form to save the settings.
4. Click **General ledger > Fixed assets > Print** button > **Asset record** option to open the **Asset form**.
5. Click the **General** tab and click the **Select** button.
6. Select the criteria that the report is generated on.
7. Click **OK** to generate the report.

Fixed asset acquisition statement

The Fixed asset acquisition statement is a list of the fixed assets acquired during a specified period.

1. Click **General ledger > Journals > Fixed assets > Lines** button.
2. On the **Overview** tab, enter the required details to acquire a fixed asset.
3. Click the **General** tab.
4. In the **Document** field in the **Internal transfer** field group, enter the number of the document that the voucher was generated from.

Note: You can also enter the number of the document in the **Document** field in lower pane on the **Overview** tab.

5. In the **Responsible** field, select the name of the employee who is responsible for the fixed asset.
6. In the **Location** field, select the location of the fixed asset.

7. Validate and post the journal.
8. Press **CTRL+S** or close the form to save the settings.
9. Click **General ledger > Fixed assets > Value models > Transactions > Print**.
10. Select the **Fixed asset acquisition statement** option to open the **Fixed asset Acquisition statement** form.
11. In the **Document number** field, enter the document number.
12. In the **Document date** field, select the date of the document.
13. Click **OK** to generate the report.

Fixed asset disposal statement

The Fixed asset disposal statement is a list of the fixed assets that are disposed either by sale or scrap.

1. Click **General ledger > Journals > Fixed assets > Lines** button.
2. On the **Overview** tab, enter the required details to dispose a fixed asset.
3. Click the **General** tab.
4. In the **Document** field in the **Internal transfer** field group, enter the number of the document.
5. In the **Responsible** field, select the name of the employee who is responsible for the fixed asset.
6. In the **Location** field, select the location of the fixed asset.
7. Validate and post the journal.
8. Press **CTRL+S** or close the form to save the settings.
9. Click **General ledger > Fixed assets > Value models > Transactions > Print**.
10. Select the **Fixed asset disposal statement** option to open the **Fixed asset disposal statement** form.
11. In the **Document number** field, enter the document number.
12. In the **Document date** field, select the date of the document.
13. Click **OK** to generate the report.

Internal transfer statement

The Internal transfer statement is a list of fixed assets that have been moved within the organization during a specific period.

1. Click **General ledger > Journals > Fixed assets > Lines** button.
2. On the **Overview** tab, press **CTRL+N** to create a new record.
3. In the **Transaction type** field, select the **Internal transfer** option and enter the required details.
4. Click the **General** tab.
5. In the **Document** field, enter the number of the document.
6. In the **Responsible** field, select the name of the employee who is responsible for the fixed asset.
7. In the **Location** field, select the location of the fixed asset.
8. Validate and post the journal.

9. Press **CTRL+S** or close the form to save the settings.
10. Click **General ledger > Fixed assets > Value models > Transactions > Print**.
11. Select the **Internal transfer statement** option to open the **Internal transfer statement** form.
12. In the **Document number** field, enter the document number.
13. In the **Document date** field, select the date of the document.
14. Click **OK** to generate the report.

Fixed asset counting statement

The Fixed asset counting statement displays the number of acquired fixed assets and their values.

1. Click **General ledger > Journals > Fixed assets > Lines** button.
2. On the **Overview** tab, enter the required details to acquire a fixed asset.
3. Click the **General** tab.
4. In the **Document** field in the **Internal transfer** field group, enter the number of the document that generated the voucher.
5. In the **Responsible** field, select the name of the employee who is responsible for the fixed asset.
6. In the **Location** field, select the location of the fixed asset.
7. Validate and post the journal.
8. Press **CTRL+S** or close the form to save the settings.
9. Click **General ledger > Reports > Asset Reports > Asset counting** to open the **Asset counting** form.
10. Click the **Select** button.
11. Select the criteria that the report is to be generated on.
12. Click **OK** to generate the report.

Fixed assets movement report

The Fixed asset movement report lists the movements of a specific fixed asset within the organization.

1. Click **General ledger > Reports > Asset reports > Asset Movement** to open the **Asset movement** forms.
2. On the **General** tab, click the **Select** button to open the **Asset movement – Report** form.
3. Select the criteria for generating the report.
4. Click **OK** to close the **Asset movement – Report** form.
5. Click **OK** in the **Asset movement** form to generate the report.

Tax depreciation – Details report

The Tax depreciation details report is a list of the details of the tax depreciation on the fixed assets.

1. Click **General ledger > Reports > Asset reports > Tax depreciation – Details** to open the **Tax depreciation** form.
2. In the **From date** field on the **General** tab, select the starting date.

3. In the **To** date field, select the ending date.
4. Select the **Details** check box to show the details of the tax depreciation in the report.
5. Click the **Select** button to open the **Depreciation calculation for tax purposes** form and select the criteria for generating the report.
6. Click **OK** to close the **Depreciation calculation for tax purposes** form.
7. Click **OK** in the **Tax depreciation** form to generate the report.

Tax depreciation report

The Tax depreciation report is a list of the tax depreciation on fixed assets.

1. Click **General ledger > Reports > Asset reports > Tax depreciation** to open the **Tax depreciation** form.
2. In the **From date** field on the **General** tab, select the starting date.
3. In the **To** date field, select the ending date.
4. Click the **Select** button to open the **Tax depreciation – Report** form and select the criteria for generating the report.
5. Click **OK** to close the **Tax depreciation – Report** form.
6. Click **OK** in the **Tax depreciation** form to generate the report.

Depreciation summary report

The Depreciation summary report is a summary of the depreciation on the fixed assets.

1. Click **General ledger > Reports > Asset reports > Depreciation summary** to open the **Depreciation summary** form.
2. In the **From date** field on the **General** tab, select the starting date.
3. In the **To** date field, select the ending date.
4. Click the **Select** button to open the **Depreciation summary – Report** form and select the criteria for generating the report.
5. Click **OK** to close the **Depreciation summary – Report** form.
6. Click **OK** in the **Depreciation summary** form to generate the report.

Fully depreciated report

The Fully depreciated report is a list of fixed assets that have been fully depreciated.

1. Click **General ledger > Journals > Fixed assets > Lines** button.
2. On the **Overview** tab, enter the required details to fully depreciate a fixed asset.
3. Click the **General** tab.
4. In the **Document** field in the **Internal transfer** field group, enter the number of the document that generated the voucher.
5. In the **Responsible** field, select the name of the employee who is responsible for the fixed asset.
6. In the **Location** field, select the location of the fixed asset.
7. Validate and post the journal.

8. Press **CTRL+S** or close the form to save the settings.
9. Click **General ledger > Reports > Asset Reports > Fully depreciated** to open the **Fully depreciated** form.
10. Click the **Select** button.
11. Select the criteria on which the report is to be generated.
12. Click **OK** to generate the report.

Fixed asset disposals report

The Fixed asset disposals report is a list of disposed fixed assets within a specified period of time.

1. Click **General ledger > Reports > Asset reports > Fixed asset disposals** to open the **Fixed asset disposals** form.
2. In the **From date** field on the **General** tab, select the starting date.
3. In the **To** date field, select the ending date.
4. Click the **Select** button to open the **List fixed asset disposal for a given range** form and select the criteria for generating the report.
5. Click **OK** to close the **List fixed asset disposal for a given range** form.
6. Click **OK** in the **Fixed asset disposals** form to generate the report.

Fixed asset note report

The Fixed asset note report is a list of fixed asset notes within a specific calendar year.

1. Click **General ledger > Reports > Asset reports > Fixed asset note** to open the **Fixed asset note** form.
2. In the **Closing date prior year** field on the **General** tab, select the starting date.
3. In the **Closing date this year** field, select the ending date.
4. Click the **Select** button to open the **Fixed asset note –Report** form and select the criteria for generating the report.
5. Click **OK** to close the **Fixed asset note – Report** form.
6. Click **OK** in the **Fixed asset note** form to generate the report on fixed asset notes.

VAT Reports

You can prepare and submit VAT reports including VAT return reports to the Latvian tax authorities.

Refer to the following topics for more information:

- [Basic setup for this feature](#)
- [Create a VAT report](#)

Basic setup for this feature

- [Set up VAT reporting codes](#)
- [Set up VAT reports](#)

Set up VAT reporting codes

1. Click **General ledger > Setup > Sales tax > LV settings > VAT reporting codes**.
2. Press **CTRL+N** to create a new line.
3. In the **Settlement period** field, select the code for the sales tax settlement.
4. In the **Reporting code** field, enter a code for the tax reporting.
5. In the **Percent** field, enter the percentage for tax base amount calculation. If this field is left blank, the tax value is used for calculation of VAT.
6. In the **Sum limits** field, enter the minimum amount of the transaction to print on a separate tax report attachment line.
7. Select the layout for the report in the **Report layout** field. The options for the layout are **Latvia** or **EU Member States**.
8. Press **CTRL+S** or close the form to save the settings.

Set up VAT reports

Create a new reporting code at the header level.

1. Click **General ledger > Setup > Sales tax > LV settings > VAT report setup**.
2. At the header level, press **CTRL+N** to create a new reporting code line. Enter the code for the sales tax settlement period in the **Settlement period** field. Enter a code in the **Reporting code** field.
3. In the **Percent** field, enter the percentage for tax base amount calculation. If this field is left blank, tax value is used for calculation of VAT.
4. In the **Sum limits** field, enter the minimum amount of the transaction to print on a separate tax report attachment line.
5. In the **Report layout** field, select the layout for the report. The options for the layout are **Latvia** or **EU Member States**.
6. At the line level, press **CTRL+N** to create a set of tax codes for the selected reporting code.
7. In the **Reporting code** field, select the reporting code.
8. In the **Sales tax code** field, select the sales tax code. The name of the sales tax code is displayed in the **Name** field automatically. The sales tax code that applies to the invoice after settlement is displayed in the **Payment sales tax code** field.
9. Select the **Debit** check box to report the debit transactions only. Select the **Credit** check box to report the credit transactions only.
10. Select the **Payment** check box to report only the tax payment transactions.
11. Press **CTRL+S** or close the form to save the settings

Create a VAT report

1. Click **General ledger > Periodic > VAT reporting**.
2. In the **Date** field, enter or select the date from which the transactions are to be reported.
3. In the **Settlement period** field, select the code for the settlement period for the report.
4. Click the **Create report** button and select the **Approve** check box to approve the printing of the report.

5. Select the **Expand** check box to print lines without the amount limit control.
6. In the **Version** field, select the version of the report to be printed.
7. Click **OK** to print the version of the report selected. At the lines level, the information of the report selected at the header level is displayed.
8. Click the **Report version lines** button to view the report version lines and the details of the voucher selected.
9. Click the **Posted sales tax** button to view the posted sales tax transactions and the itemization of each tax.
10. Click **Print report** to print the report.

Customer\Vendor settlement transactions

You can journalize and then view settlement transactions and also prepayment reversal transactions for customers and vendors.

To use this feature, the **Journalizing customer\vendor settlement transactions (CustVendJournalizeSettlementTrans_W)** key must be selected.

Refer to the following topics for more information:

- [View customer settlement transactions](#)
- [View vendor settlement transactions](#)

View customer settlement transactions

1. Open the **Accounts receivable parameters** form (**Accounts receivable** > **Setup** > **Parameters**).
2. Select the **Reverse on an invoice date** check box on the **Ledger and sales tax** tab to turn on journalizing of prepayment reversal transactions for customers.
3. Open the **Customer transactions** form (**Accounts receivable** > **Customers** > **Transactions** button) and select a customer transaction.
4. Click the **Transactions on settlement** button to open the **Transactions on settlement** form and review the transactions that were created during the settlement.

View vendor settlement transactions

1. Open the **Accounts payable parameters** form (**Accounts receivable** > **Setup** > **Parameters**).
2. Select the **Reverse on an invoice date** check box on the **Ledger and sales tax** tab to turn on journalizing of prepayment reversal transactions for vendors.
3. Open the **Vendor transactions** form (**Accounts receivable** > **Customers** > **Transactions** button) and select a vendor transaction.
4. Click the **Transactions on settlement** button to open the **Transactions on settlement** form and review the transactions that were created during the settlement.

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