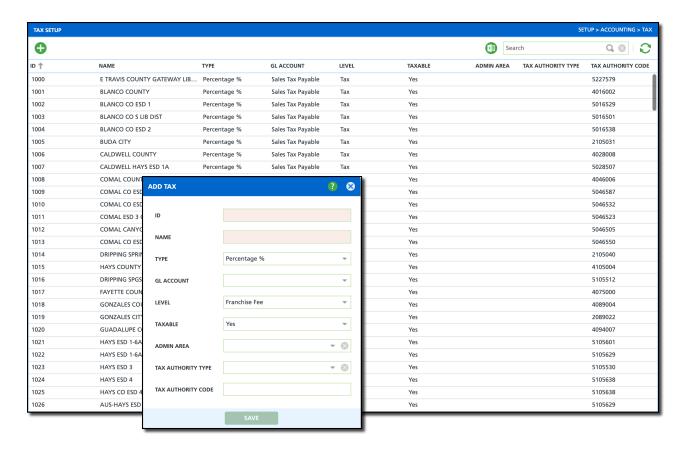# Tax Setup

Last Modified on 05/21/2024 12:58 pm EDT

This article provides tax setup information and covers the following screens in Navusoft: Tax Setup, Tax Region, and Tax Rate.

Tax

Pathway: *Setup > Accounting > Tax*

Tax Setup identifies the taxes (City, State, Franchise, etc) that are applicable to accounts. Taxes added here are not individually assigned to accounts/sites and must be added to a Tax Region for application.

Permission

The following permission is required to view and edit in the Tax Setup screen:

Permission ID	Permission Name
22	Setup \ Accounting

Tax Setup Field Descriptions

Fields	Descriptions
ID	The ID of the Tax.
Name	The Name of the Tax.

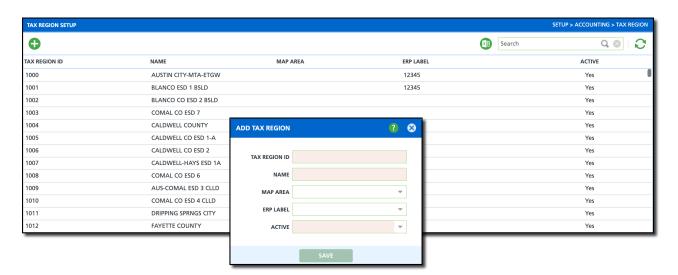|	
Type	Identifies how the tax is calculated in billing.
GL Account	Displays a list of available GL accounts. If a tax is related to a GL Account, select it here.
Level	Select the level the Tax is identified with. • Franchise Fee • Tax • Tax (on Tax)
Taxable	Controls if the tax will be applied.
Admin Area	Select the state administration that this tax applies too.
Tax Authority Type	Indicates the geographic or administrative regions the tax is specific to.
Tax Authority Code	Code that is used by the Tax Region for tax verification purposes.

Add Tax

1. Click the **green +** icon to open the Add Tax editor.
2. Complete the following required fields:
   - Enter an **ID** for the tax.
   - Enter a **Name** for the tax.
3. Complete additional fields based on your company's setup procedures.
4. Click **Save** when finished.

Tax Region

Pathway: *Setup > Accounting > Tax Region*

Tax Region Setup is used to identify the geographic area where a specific set of taxes apply. When the Tax Region is assigned to an account/site, the taxes it includes are applied to the account during billing.
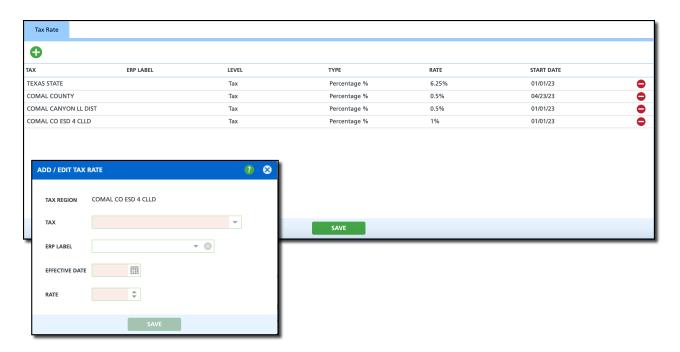
Add Tax Region Field Descriptions

Field	Descriptions
Tax Region ID	The Tax Region ID.
Name	The name of the Tax Region that displays in the Tax Region drop down when an account/site is added or edited.
Map Area	The geographic area of the tax region.
ERP Label	Label or ID for external ERP integration mapping.
Active	Controls if the tax region is available for selection in the Tax Region drop down field.

Setup: Add Tax Region

1. Click the **green +** to to open the Add Tax Region tool
2. Complete the following required fields:
   - Enter the **Tax Region ID**.
   - Enter a **Name** for the Tax Region
   - Select the **Active** status for the Tax Region.
3. Complete additional fields based on your company's setup procedures.
4. Click **Save** when finished.

Tax Rate

After a Tax Region has been created, use the **Tax Rate tab** to add each tax it should include.

Add/Edit Tax Rate Field Descriptions

Fields	Descriptions

Tax Region	Identifies the region the tax is for.	
Tax	Identifies the tax assigned to the tax region.	
ERP Label	Label or ID for external ERP integration mapping.	
Effective Date	Indicates the start date the tax is applicable. If an account is billed on a date that is before the taxes start date, the tax will not be applied.	
Rate	Identifies the percentage the account/site is taxed.	

Setup: Tax Rate

1. Select the Tax Region you would like to add a tax to.
2. Click the **green +** to open the Add/Edit Tax Rate Window.
3. Complete the following required fields: **These steps need to be updated as the fields changed**.
   - Select which **Tax** you would like to add to the Tax Region.
   - Select the ERP label if one applies.
   - Enter the **Start Date** the tax becomes applicable.
   - Enter the **Rate** accounts will be taxed at for the tax.
4. Click **Save** when finished.