

## SAP Based Tax Exemption Certificate Maintenance for TAXWARE Users

### The Problem:

Currently, tax exemption certificates are maintained with TAXWARE's PC based STEP client software. Once certificates are maintained on the PC, they need to be transferred via FTP to the central TAXWARE instance and then loaded into the central TAXWARE database, using TAXWARE's x Windows based Toolkit software. There are several disadvantages to this process:

- Certificates are not available to SAP in real-time. In other words, certificates don't become 'visible' to SAP unless the upload/import procedures are executed. The certificates are therefore not available immediately for the sales order/billing process. It is likely, that a CSR has to wait with the processing of orders/invoices, until the tax department has executed the steps mentioned above.
- The tax department needs to have additional software installed to maintain the certificates. In addition to the STEP client software (delivered by TAXWARE) the use of FTP and x Windows client software is required. Both are not part of TAXWARE and need to be purchased and maintained separately by your IT department. The use of FTP and x Windows typically requires changes by your network administrators to allow the underlying network protocols. These protocols are typically not granted to end users for network security reasons.
- Sending the certificate updates from the STEP front-end PC to the TAXWARE server is a manual task. In the event an incorrect or outdated steptran file is sent to the server, certificate information on the server could be updated with incorrect information, affecting production data.
- Tax exemption records are a vital part of your customer information. Yet the STEP front-end software stores certificate information on the local hard drive or a shared network drive. These drives are typically not protected against data loss, power outages or unauthorized access.
- Tax exemption certificates in TAXWARE are linked to a customer master record in SAP via the SAP customer number. The SAP customer number is entered manually in TAXWARE. In the event this customer number is not entered correctly in Taxware, the certificate will not be found during the tax calculation process. The end user creating the certificate also needs to know how the customer number is stored internally in SAP (how many leading zeros). Yet this information is not visible to the end user in the normal SAP customer master maintenance screens. This especially becomes a problem if you use multiple number ranges in SAP.
- In addition to the customer number, the remaining customer address information also has to be re-entered manually in STEP, even though this information is probably already available in SAP.
- If you perform data archiving of customer master records in SAP, the corresponding certificate information in TAXWARE will not be archived. This means that you will have certificate information in TAXWARE without corresponding customer master records in SAP.

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### The Solution:

TaxAutomation has developed a SAP based tax exemption certificate maintenance transaction. This transaction is fully integrated into SAP's customer master maintenance transaction via SAP's Business Transaction Events (new in SAP 4.6), therefore requiring no modification of standard SAP code. This transaction updates and queries TAXWARE's exemption certificate database in real time via RFC, providing the following advantages to SAP/TAXWARE users:

- Eliminates the need for STEP client software on workstations
- Eliminates the need to store certificate information locally or on a shared network drive and subsequent FTP this information to the TAXWARE server
- Upon data entry in SAP, certificates for billing and order transactions are available immediately.
- Offers the continued use of TAXWARE's STEP server functionality. Certificates are entered in SAP but stored in TAXWARE's STEP database on the server (using RFC technology). This allows for continued use of TAXWARE's certificate reports and access to the certificates during TAXWARE's tax calculation process.
- Presents more complete certificate information, since SAP customer address information is automatically defaulted into the TAXWARE tax exemption certificate record and does not have to be entered manually
- Provides automatic match of SAP customer number with TAXWARE's certificate record key information
- Offers the possibility to temporarily "deactivate" a certificate in SAP, therefore allowing posting of tax credit/debit transactions for customers holding a tax exemption certificate
- Provides full integration of tax exemption data into the server side backup, security, and archive procedures
- Offers the possibility to mass import tax exemption certificate information into SAP and TAXWARE using standard SAP batch-input or IDOC functionality.