

Sales Tax Set Up

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This guide is intended for Duggal Visual Solutions general users specifically. Information herein may contain customizations and particulars specific to the Duggal aACE system. Click this [link](https://aace5.knowledgeowl.com/help) (<https://aace5.knowledgeowl.com/help>) for the General aACE Software aACE 5 Knowledge Base.

Settings to Capture Sales Tax Appropriately in aACE

Steps for AvaTax Integration

aACE+ Avalara AvaTax integration addresses your sales tax challenges with a cloud-based service that calculates sales and use tax, manages exemption certificates, files returns, and remits payments across North America and beyond.

For more in depth information on AvaTax integration with aACE, go to

<http://aace5.knowledgeowl.com/help/setting-up-avatax> (<http://www.google.com/url?q=http%3A%2F%2Faace5.knowledgeowl.com%2Fhelp%2Fsetting-up-avatax&sa=D&sntz=1&usg=AOvVaw2Tq12SAFMx9U4mXpNvzbtV>) . For

your aACE+ AvaTax integration, proceed with the following steps:

1. Create your AvaTax account (*done*)
2. Configure aACE accounting preferences (*done*)
3. Configure aACE office settings
 1. AvaTax Co Code set to 'DEFAULT' for all offices (This coincides with our sandbox account. **We will need to set this to 'DVS' for the live system.**)
4. Configure aACE tax profiles - (*see below for Duggal-specific details*)
5. Configure aACE line item code settings
 1. All Line Item Codes have Shipping Enabled (*done*)
 2. Presently Line Item Codes ILMA and LB223 need to have Enable Avatax checked. All others are enabled.
 3. The Optional Code is blank for all Line Item Codes except six installation-related codes populated with SI020000:

Record: 6 of 6

Line Item Codes *Unsorted*

Type	Code	Description	Rec Type	Dept	Task Group
> INSTL- 02 DUGGAL	DSI	Installation	ASMBL	490-1	Installation
> VI- 01 VENDOR	VI	OS -Vendor Installation	ASMBL	490-1	Installation
> INSTL- 02 DUGGAL	site	Site Survey	ASMBL	490-1	Installation
> VI- 01 VENDOR	Vsite	OS -Vendor Site Survey	ASMBL	490-1	Installation
> INSTL- 02 DUGGAL	MVI	Manhattan Vendor	ASMBL	490-1	Installation
> INSTALL	INSTALLVAL	Install Value	ITM		

List Totals

Preferences

- Show in entry list.** Causes the code to appear in order, estimate, quote, and invoice value lists.
- Enforce rate card billing.** Prevents users from changing the price at entry.
- Enable AvaTax.** Sends order and invoice items to AvaTax. Optional code:
- Send financial oversight a notification if sold with a margin less than:**
- Split** **of revenue with department:**
- Split revenue account:**

(Information icon and star icon visible at the bottom of the preferences panel)

Configure Tax Profiles

Proposal

1. Create new Tax Profile: **AVA**. This Profile will be Avatax Enabled and eventually set as the Default.
2. Keep active Tax profile **RES00** used for Resale/ Exempt Companies.

The **Tax Profiles** that are to use Avatax to calculate rates should have the **AvaTax** checkbox checked.

Record: 1 of 1 | New + | Edit | Delete x | Print | Actions

Tax Profile: AvaTax (AVA) ACTIVE

Tax Profile Details | Notices | Emails | Docs

General Info | Default | Use Tax | EU | **AvaTax** | Description

Start Date: | End Date: | Description:

Tax Setup | **Default Rates**

Label	GL Account
Tax 1	
Tax 2	
Tax 3	
Tax 4	

Line Item Type:			
Item (Products)			
Expense			
Time (Service)			
Other			

Exceptions

Line Item Code	Code Description

Other **Profiles** may be kept in use and NOT use AvaTax to determine sales tax rates. If AvaTax is not checked, the **Profile's** default rate logic is used. If applied in an Order, the default profile rate will be applied.

We want to fully separate tax reporting for Orders using legacy tax profiles (and reporting via the methods previously in use) and Orders using AvaTax tax profiles (and reporting directly to Avalera).

aACE will not support both the old way profiles calculate tax and the new shipping workflows being instituted in late spring 2026. In early summer 2026, open orders will be wound down (not using shipping in aACE) and as orderwriters are more and more comfortable with shipping, they will change the Tax profile for orders they are working on, open or new, to use the AvaTax enabled AVA code (and use aACE shipping).

Record: 1 of 1 | New + | Edit | Delete x | Print | Actions

Tax Profile: CA: Albany (01001) ACTIVE

Tax Profile Details | Notices | Emails | Docs

General Info | Default | Use Tax | EU | **AvaTax** | Description

Start Date: | End Date: | Description: Alameda County

Tax Setup | **Default Rates**

Label	GL Account
Tax 1: State	> 12685000001 Sales Tax Payable-CA
Tax 2	
Tax 3	
Tax 4	

Line Item Type:	State		
Item (Products)	9.7500%		
Expense	9.7500%		
Time (Service)	9.7500%		
Other	0.0000%		

Exceptions

Line Item Code	Code Description	State

RESALE/EXEMPT PROFILE (ZERO RATE) (<https://www.google.com/url?>)

[q=https%3A%2F%2Fsites.google.com%2Fduggal.com%2Fduggal-wiki%2Forderwriting%2Fsales-tax%3Fauthuser%3D0%23h.p_6wBY2A7Z7yF-&sa=D&sntz=1&usq=AOvVaw1F-9tyCZ11MduRIRZkic7\)](https://www.google.com/search?q=https%3A%2F%2Fsites.google.com%2Fduggal.com%2Fduggal-wiki%2Forderwriting%2Fsales-tax%3Fauthuser%3D0%23h.p_6wBY2A7Z7yF-&sa=D&sntz=1&usq=AOvVaw1F-9tyCZ11MduRIRZkic7)

If a Company has a Tax profile assigned to it, the profile will override any default logic upon creating the Order. Setting a Company record's Tax Profile should be limited to Resale and Exempt clients. AvaTax requires the Company record also include the Exemption Code. If this is blank, "F" - Other is automatically entered for AvaTax reporting. The documentation to set these profiles is managed in the Accounting Department.

Even though these invoices have no tax, tax reports via Avalera must include these exempt invoices.

OUT OF STATE PROFILE (ZERO RATE)

If the Tax Profile: OUT - "OUTOFSTATE" is used, the rate set in this Profile is zero, so no tax is added to the order. Use of the AVA code should

EXCEPTIONS

Exceptions in Tax Profiles are Line Item Codes that are taxed differently than the "default rate" of that Profile. **Avatax plus the Avatax code assigned to the Line Item Code should replace this for Avatax enabled Profiles.** Fixed Rate Profiles still require this table to be entered and kept up-to-date.

Tax Profile: DEFAULT TAX PROFILE (NYC) (DEF) ACTIVE

Tax Profile Details Notices Emails Docs

General Info Default Use Tax EU AvaTax Description

Start Date: 01/01/10 End Date: 12/31/10

Tax Setup

Label	GL Account
Tax 1: State	> 126800000001 Sales Tax Payable-NY
Tax 2:	
Tax 3:	
Tax 4:	

Default Rates

Line Item Type:	State
Item (Products)	8.8750%
Expense	8.8750%
Time (Service)	8.8750%
Other	0.0000%

Exceptions

Line Item Code	Code Description	State
ADJ	Adjustments A/R dept. only	8.8750%
> ADJADJ	Adjustments	8.8750%
> ADJNT	Adjustments A/R dept. only NON TAXABLE	0.0000%
> discount	DO NOT USE. Discount A/R dept. only!!!!!!!!!!!!	0.0000%
> FCT	Finance Charge	0.0000%
> TAXADJ	TAX ADJ.	0.0000%
> trade	Trade A/R dept. use only	0.0000%
WIRE	Wire Transfer Fee	0.0000%
> XCOLLECT	Collection A/R dept. use only	0.0000%

Legacy Tax Profiles

FIXED RATE PROFILES

Prior to AvaTax being activated, the fixed rate Tax Profiles: DEF, NY Counties, and CA zip codes/counties were used. If a Profile was assigned to an Order or Order Line Item, tax would be calculated based on the fixed rate in the Profile. This will still work and if one of these Profiles is used, it will override any default or avatax logic.

With AvaTax, these are no longer required and should be avoided except in special circumstances.

Record: 1854 of 1925

Tax Profile: DEFAULT TAX PROFILE (NYC) (DEF)

Tax Profile Details

General Info Default Use Tax EU AvaTax **Description**

Start Date: 01/01/10 End Date: 12/31/10

Tax Setup

Label	GL Account
Tax 1 State	> 126800000001 Sales Tax Payable-NY
Tax 2	
Tax 3	
Tax 4	

Default Rates

Line Item Type:	State
Item (Products)	8.8750%
Expense	8.8750%
Time (Service)	8.8750%
Other	0.0000%

Tax Profile: CA: Shingle Springs (9998SH)

Tax Profile Details

General Info Default Use Tax EU AvaTax **Description**

Start Date: End Date:

El Dorado County

Tax Setup

Label	GL Account
Tax 1 State	> 126800000001 Sales Tax Payable-CA
Tax 2	
Tax 3	
Tax 4	

Default Rates

Line Item Type:	State
Item (Products)	7.2500%
Expense	7.2500%
Time (Service)	7.2500%
Other	0.0000%

Record: 1852 of 1925

Tax Profile: Central Valley NY (CV)

Tax Profile Details

General Info Default Use Tax EU AvaTax **Description**

Start Date: End Date:

Tax Setup

Label	GL Account
Tax 1 STATE	> 126800000001 Sales Tax Payable-NY
Tax 2	
Tax 3	
Tax 4	

Default Rates

Line Item Type:	STATE
Item (Products)	8.1300%
Expense	8.1300%
Time (Service)	8.1300%
Other	0.0000%

Any record linked to a tax profile that has the AvaTax flag marked will be processed through AvaTax. Make sure the tax profile is linked to an appropriate GL Account to receive the tax values that come back from AvaTax.

The simplest implementation is often to have a single, default tax profile with AvaTax enabled, but additional tax profiles can be useful if:

- You want the tax values calculated by AvaTax to be tracked in the general ledger (GL) using various criteria. For example, you may want a different GL Account for taxes for each state you do business in. This would require [setting up a tax profile](https://aace5.knowledgeowl.com/help/setting-up-tax-profiles) (<https://aace5.knowledgeowl.com/help/setting-up-tax-profiles>) for each of these states and connecting those Profiles with that state's Postal Codes. (See below.)
- You want the AvaTax tax calculation to be *disabled* for a certain group of companies, such as jurisdictions for which your AvaTax account is not set up to calculate.

TAX PROFILES AND POSTAL CODES (optional set-up)

Tax Profiles can be added to an Order automatically based on the zip code used in the ShipTo Address.

Postal Codes are entered into the aACE database. Each postal code can be associated to a Tax Profile.

aACE can use this relationship to determine if Avatax is called for a Sales Tax Rate, or a Profile's set rate is used instead.

The AVA Tax Profile has the Avatax checkbox checked. This means when an Order references this Profile, Avatax is called to determine the appropriate Sales Tax Rate (based on the location of delivery and line item code categorization).

Other Tax Profiles that do NOT have the Avatax checkbox checked use their default rates instead of calling Avatax.

Record: 1856 of 1925

Tax Profile: DEFAULT (NY) (DEFNY)

Tax Profile Details

General Info Default Use Tax EU **AvaTax** Description

Start Date: End Date:

Tax Setup

Label	GL Account
Tax 1 STATE	> 12680000001 Sales Tax Payable-NY
Tax 2	
Tax 3	
Tax 4	

Default Rates

Line Item Type:	STATE
Item (Products)	0.0000%
Expense	0.0000%
Time (Service)	0.0000%
Other	0.0000%

