

# Sales Tax Scenarios

Last Modified on 05/23/2026 11:17 pm EDT

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.

## Sales Tax Scenarios (updated for May 2026)

There are many input fields for proper sales tax calculations in aACE. The below article will attempt to explain the relevant fields and data utilized for different Ordering and Shipping scenarios.

### Table of Contents

#### Common Scenarios

[Scenario #1](#) - Company Tax Profile Override (Exempt and Resale)

[Scenario #2](#) - Delivery Type=Ship Together, but no Shipment created (the Default)

[Scenario #3](#) - Client Will Pick Up

[Scenario #4](#) - Delivery Type=Ship Together, Shipment created, All Order Items Shipped

[Scenario #5](#) - Delivery Type=Ship Together, Shipment created, Not All Order Items Shipped

[Scenario #6](#) - Delivery Type=Ship Together; Partial Shipped, Partial Picked up

[Scenario #7](#) - Delivery Type=Ship Together, Multiple Shipments created

[Scenario #8](#) - Delivery Type=Ship Together, Shipment created, Declared Value stated

[Scenario #9](#) - Changing the Tax Profile of an Order or Order Line

[Scenario #10](#) - Pick up Client Supplied Materials (only shipping charge, no other charges)

# Common Scenarios

## Scenario #1 - Company Tax Profile Override (Exempt and Resale)

If an Order is created for a Company whose **Tax Profile** field is set to "RESALE/EXEMPT", then no tax is charged to the Order.

The Accounting Department can change a Company's **Tax Profile**. In order to do so, they are required to have the Company's Sales Tax Exemption Certificate on file. AvaTax also requires the Exempt Use Code. If no code is populated "Other" is reported.

This may be stored in the Company's aACE record using the **Cert** upload button.

Exempt Use Code	Exempt No	Cert	Exp Date
F			

Unit Price
10.00
100.00
100.00
425.00

**Company: Matthew Pelfrey (MP4)** ACTIVE

Company Details | Sales & Marketing | **Customer Details** | Vendor Details | Restricted Access | Notices | Emails | Docs

**Billing Address** | Sync with Office  | **Billing Setup** | **Payment** | Approved  | **Tax Setup** | Tax Exempt

Billing Salutation (Company Name): Matthew Pelfrey  
Address: 1 Park Ave  
City: New York | State / Prov: NY | Postal Code: 10016-5802  
Country: US | Postal Format: American | Currency: USD

A/P Contact > | Deliver Invoice Via | Tax Profile >: **DEFAULT TAX PROFILE** | Tax ID  
Email | Last Order Date: 6/17/2019  
Billing Terms | Rate Card > | Discount %: 0%  
A/R Balance: 0.00 | Credit Limit | Credit Balance | Finance Charge  
Ship Rate Type | Rate Value | Ref Comm Type | Ref Comm Pct  
 Require Customer PO |  Credit Hold |  PNW

Courier Service | Account # | Shipping Terms | FOB

## Scenario #2 - Delivery Type=Ship Together, but no Shipment created (the Default)

If no shipments are created for an Order, and the **Delivery Type** field is set to **Ship Together** (default), **Ship Separately**, or **Not Applicable**; then the address populating the **ShipTo** address fields (by default the client corporate address) will determine the tax rate applied to the Order by default. (Meaning, if a NYC address populates the ShipTo, NYC tax will be applied.)

The assumption in this scenario, absent any other information, is that the Order was shipped and delivered to the client default address, even though no recording of the event took place.

Note: The **Adjustment** field under the Subtotal is always taxed using the rate derived from the ShipTo address, regardless the scenario.

See the [Tax Calculation Examples](https://aace5.knowledgeowl.com/help/tax-calculation-examples) (https://aace5.knowledgeowl.com/help/tax-calculation-examples) article to see how the related Invoice is calculated.

The screenshot displays the 'Orders' module in a web application. The main header shows 'Order: 861655' for 'Testing Company Inc' dated '11/18/25' with a status of 'PENDING'. Below this, there are tabs for 'Production Order', 'Management', and 'Job Costs & Approvals'. The 'Shipping Address' section is highlighted with a red box, showing 'Broadway - 100 Broadway', 'Testing Company Inc', '100 Broadway', 'New York, NY 10005', and 'USA'. The 'Tax' field in the summary section is also highlighted with a red box, showing 'Tax DEF 8.88'. The 'Order Items' table lists one item: 'Digital C Print' with a unit price of 50.00 and a total of 100.00. The 'Fulfillment' section shows a ship date of 11/19/25 at 3:00 PM. The 'Summary' section shows a subtotal of 100.00, an adjustment of 0.00, a total of 100.00, and a tax of 8.88, resulting in a grand total of 108.88. The 'Sales' section shows a sales priority of 'Normal' and a likely value of 0.00. The 'Campaign' section shows a type of 'Production'. The 'Invoice Description' section is empty. The 'Activities & Comments' section shows '<Table Missing>'. The 'Non-Prd Notes' section is empty. The 'Estimate Provided?' section shows 'No'. The 'Fulfillment' section shows a job priority of 'Normal' and a start date of 11/18/25. The 'Summary' section shows a payment due of 0.00. The 'Packing' section shows a packing charge of 0.00. The 'Shipping' section shows a shipping charge of 0.00. The 'Installation' section shows an installation charge of 0.00. The 'Everything Else' section shows a charge of 100.00. The 'Footer' section shows the user 'Matthew' and the department '910-1'.

## Scenario #3 - Client Will Pick Up

If the Order's **Delivery Type** field is set to **Pick Up**, the address of the *order-writer's* Office is

used to determine the appropriate tax-rate.

The assumption in this scenario is that the delivery/pick-up location is the place of initial order-write up.

Record: 13 of 218

## Order: 668235 Matthew Pelfrey 06/18/2019

Production Order Management Job Costs & Approvals Rev

<b>Bill To</b>		<b>Ship To</b>	
Customer (Bill To) >	Contact >	Ship To Company >	Use Bill To <input type="checkbox"/>
Matthew Pelfrey (MP4)		Matthew Pelfrey	
Sales Rep >	2nd Sales Rep [Acct Mgr] >	Delivery Type	Courier Service
House Account		Pick Up	Courier Account #
Customer PO #	Billing Terms	Shipping Terms	FOB
	Disc %	Email Address	Notify <input type="checkbox"/>
	0%		

Every Order-Writer has a TeamMember record.

Each TeamMember record is assigned to an Office.

Each Office record is assigned an Internal Company record.

Every Company record has an address. This is the address used in determining tax for a Pick-Up Order.

The screenshot displays three overlapping record windows in a CRM system:

- Team Member: Matthew Pelfrey (MP)**: Located at the top left, with the name circled in red.
- Office: Duggal Visual Solutions - Shared (1)**: Located in the middle, with an arrow pointing from the Team Member record to it.
- Company: Duggal Visual Solutions (25)**: Located at the bottom right, with an arrow pointing from the Office record to it.

The Company record shows an address: 63 Flushing Ave, Building 25, The Brooklyn Navy Yard.

Customer (Bill To) > Matthew Pelfrey (MP4) Contact > Matthew Pelfrey  
 Sales Rep > House Account 2nd Sales Rep [Acct] > 63 Flushing Ave, Building 25  
 Customer PO # Billing Terms Brooklyn NY 11205  
 USA American

Non-Prd Notes

Invoice Description

Order Items	Schedule	Override
1	310-2	DCP14

Rev	Department	Line Item Code	Description	Originals	Each	Sq Ft	Unit Price	Unit Adj	Total	Tax
			Digital C Print 11X14	10	1	1.07	10.00	0.00	100.00	DEF

Subtotal 100.00 100%  
 Adjustment 0.00  
 Total 100.00 100%

### Will Call Alternative

Alternatively, if a customer needs to pick up at a location that is different from the Order-Writer's Office, simply select **Pick Up** from the Courier Service drop-down list in the Shipment and select the Ship From shipping dept. The Ship From drop-down includes all Duggal Offices. The Tax Jurisdiction for a Pick Up Shipment will be the Ship From's location.

Outgoing Shipment

**Shipped To**

Company > Testing Company Inc Contact > John Q Public  
 Order > 861878 Packing Requirements > Ship From > SHIPPING - CALI  
 Description

Prod Value	Pack Value	Ship Cost	SugShipPrice	Install Value
100.00	0.00	0.00	0.00	0.00

**Shipment Info**

Courier Account # Courier Service Saturday Delivery  
 Pick Up  Yes  No  
 Package Type L W H Weight  
 0 x 0 x 0 0  
 Courier Tracking # Ship Time Ship Date  
 05/23/26  
 Package IDs Ref 01 Ref 02 Ref 03

**Shipping Address**

Testing Company Inc  
 John Q Public  
 100 Broadway  
 New York, NY 10005  
 Phone (646) 257-4848  
 Duties Payer

### Scenario #4 - Delivery Type=Ship Together, Shipment created, All Order Items Shipped

If a Shipment is created, all Order Items are applied to the Shipment's packing List, the Shipment's declared value field is calculated from the Order Items placed in the Packing List, and the shipment is marked "Shipped"; the entire Order will be taxed based on the Shipment's Shipped-To address.

See [Tax Calculation Examples](https://aace5.knowledgeowl.com/help/tax-calculation-examples) (https://aace5.knowledgeowl.com/help/tax-calculation-examples) article to see how the related Invoice is calculated.

Record: 1 of 1 New Edit Delete Print Actions

**Shipment: 111878**    **Testing Company Inc**    **11/18/2025**    **PENDING**

**Outgoing Shipment**    **Build Packing List**    Notices Emails Docs

**Shipped To**

Company >    Contact >

Testing Company Inc    John Q Public

Order >    Packing Requirements    FOB

861655

Description

Value	Packing	Ship Cost	Invoice	Install
100.00	0.00	0.00	0.00	0.00

**Shipment Info**

Courier Account #

Package Type

Courier Tracking #

Package IDs

Addresses: DisneyLand - 1313 Disneyland Dr.

Testing Company Inc  
1313 Disneyland Dr.

Anaheim    CA    92802

USA    American

**Shipping Address**

Testing Company Inc  
1313 Disneyland Dr.  
Anaheim, CA 92802

Phone

Duties Payer    Duties Payer Account #

**Packing List**

Line Item	Line Item Code	Description	Order	Purchase Order	Exp Qty	Quantity	Weight	Ref #(s)
1	DCP14	Digital C Print GLOSSY	861655		2	2	0	#s

### Scenario #5 - Delivery Type=Ship Together, Shipment created, Not All Order Items Shipped

If a Shipment is created, but only SOME Order Items are applied to the Shipment's Packing List (some quantity of the line items are not applied to a shipment), the Shipment's declared value field is calculated from the Order Items placed in the Packing List, and the shipment is marked "Shipped"; the Order Line Item values assigned to the Shipment plus the Shipment's related shipping charges will be taxed based on the Shipment's Shipped-To address.

The remaining value of the Order will be taxed based on the Order's Ship-To address (the default).

See the [Tax Calculation Examples](https://aace5.knowledgeowl.com/help/tax-calculation-examples) article to see how the related Invoice is calculated.

Record: 1 of 1 New Edit Delete Print Actions

**Shipment: 111878**    **Testing Company Inc**    **11/18/2025**    **PENDING**

**Outgoing Shipment**    **Build Packing List**    Notices Emails Docs

**Shipped To**

Company >    Contact >

Testing Company Inc    John Q Public

Order >    Packing Requirements    FOB

861655

Description

Value	Packing	Ship Cost	Invoice	Install
50.00	0.00	0.00	0.00	0.00

**Shipment Info**

Courier Account #    Courier Service    Saturday Delivery

Package Type    L    W    H    Weight

0    x    0    x    0    0

Courier Tracking #    Ship Time    Ship Date

11/18/25

Package IDs    Ref 01    Ref 02    Ref 03

**Shipping Address**

Testing Company Inc  
1313 Disneyland Dr.  
Anaheim, CA 92802

Phone

Duties Payer    Duties Payer Account #

**Packing List**

Line Item	Line Item Code	Description	Order	Purchase Order	Exp Qty	Quantity	Weight	Ref #(s)
1	DCP14	Digital C Print GLOSSY	861655		2	1	0	#s

## Scenario #6 - Delivery Type=Ship Together; Partial Shipped, Partial Picked up

If a Shipment is created, but only SOME Order Items are applied to the Shipment's Packing List (some quantity of the line items are not applied to a shipment), the Shipment's declared value field is not altered, and the shipment is marked "Shipped"; the Order Line Item values assigned to the Shipment plus the Shipment's related shipping charges will be taxed based on the Shipment's Shipped-To address. The remaining value of the Order will be taxed based on the Order's Ship-To address (the default).

Once a Shipment is marked "Shipped", the Order's Delivery Type cannot be changed to Pick Up.

If a customer needs to pick up the balance of the Order simply select **Pick Up** from the Courier Service drop-down list in the Shipment and select the Ship From shipping dept. The Ship From drop-down includes all Duggal Offices. The Tax Jurisdiction for a Pick Up Shipment will be the Ship From's location.

Shipment: 113474 Testing Company Inc 5/23/2026 SHIPPED

Outgoing Shipment Notices Emails Docs

**Shipped To** ✦

Company >  Contact >

Order >  Packing Requirements  Ship From

Description

Prod Value	Pack Value	Ship Cost	SugShipPrice	Install Value
100.00	0.00	0.00	0.00	0.00

**Shipment Info** Purchased

Courier Account #  Courier Service  Saturday Delivery  Yes  No

Package Type      x  x

Courier Tracking #  Ship Time  Ship Date

Package IDs Ref 01  Ref 02  Ref 03

**Shipping Address** 📍

Testing Company Inc  
John Q Public  
100 Broadway  
New York, NY 10005

Phone  Email Address  Notify

Duties Payer  Duties Payer Account #

**Packing List** Intangibles Allocation

Line Item	Line Item Code	Description	Order	Quantity	Weight	Ref #(s)
1	> 10CAF	Custom Artisan Frames	✦ > 861878	1	0	#s ✕
3	> 10CDF	B- Wood Crating and Packing	✦ > 861878	1	0	#s ✕
4	> WF	OS -Vendor Installation	✦ > 861878	1	0	#s ✕

## Scenario #7 - Delivery Type=Ship Together, Multiple Shipments created

If multiple Shipments are created, all Order Items are applied to the Shipments' packing lists, the Shipments' declared value field is left unaltered, and the shipments are marked "Shipped"; the values of each Shipment's Packing List plus the Shipment's related shipping charges will each be taxed based on the individual Shipments' Shipped-To addresses.

See the [Tax Calculation Examples](https://aace5.knowledgeowl.com/help/tax-calculation-examples) (https://aace5.knowledgeowl.com/help/tax-calculation-examples) article to see how the related Invoice is calculated.

**Order: 668235 Matthew Pelfrey 06/17/2019** OPEN ●

Production Order Management Job Costs & Approvals Notices ! Emails ✉ Docs 🔗

Overview Billing Procurement Fulfillment Shipping Assets (YAG) ✈

**Shipments**

Shipment	Delivery Date	Title	Type	Courier Service	Courier Tracking #	Cost	Inv Shipping	Tracking Status	Status
> 89852	06/17/19	Matthew Pelfrey	OUT	FedEx Ground		10.00	13.00		<span style="color: grey;">✈</span> <input type="radio"/>
> 89853	06/17/19	Matthew Pelfrey	OUT	UPS Ground		10.00	13.00		<span style="color: grey;">✈</span> <input type="radio"/>

### Scenario #8 - Delivery Type=Ship Together, Shipment created, Declared Value stated

If a Shipment is created, all Order Items are applied to the Shipment's packing List, the Shipment's declared value field is altered, and the shipment is marked "Shipped"; the amount populating the Value field will be taxed based on the Shipment's Shipped-To address. The Value field overrides the value calculated by the Unit Price x Qty of the Order Line Items in the Shipment's Packing List.

The remaining value of the Order, if there is any, will be taxed based on the Order's Ship-To address (the default).

**Order: 861656 Testing Company Inc 11/24/2025** OPEN ●

Production Order Management Job Costs & Approvals Notices ! Emails ✉ Docs 🔗

Overview Billing Procurement Fulfillment Shipping Assets ✈

**Shipments**

Shipment	Ship Date	Title	Type	PO	Courier Service	Courier Tracking #	Cost	Invoice	Value	Installation	Status
> 111882	11/24/25	Testing Company Inc	OUT		FedEx Ground		10.00	12.50	35.00	0.00	<span style="color: grey;">✈</span> <input type="radio"/>
> 111883	11/24/25	Duggal Visual Solutions	OUT		Will Call		0.00	0.00	50.00	0.00	<span style="color: grey;">✈</span> <input type="radio"/>

Shipping Log

Record: 3 of 4 New + Edit ✎ Delete ✖ Print 🖨 Actions ⚙

**Shipment: 111882 Testing Company Inc 11/24/2025** SHIPPED ●

Outgoing Shipment Build Packing List Notices ! Emails ✉ Docs 🔗

**Shipped To**

Company >  Contact >

Order >  Packing Requirements  FOB

Description

Value	Packing	Ship Cost	Invoice	Install
35.00	0.00	10.00	12.50	0.00

**Shipment Info**

Courier Account #  Courier Service  Saturday Delivery  Yes  No

Package Type  L  W  H  Weight

Courier Tracking #  Ship Time  Ship Date

Package IDs Ref 01  Ref 02  Ref 03

**Shipping Address**

Phone

Duties Payer  Duties Payer Account #

**Packing List**

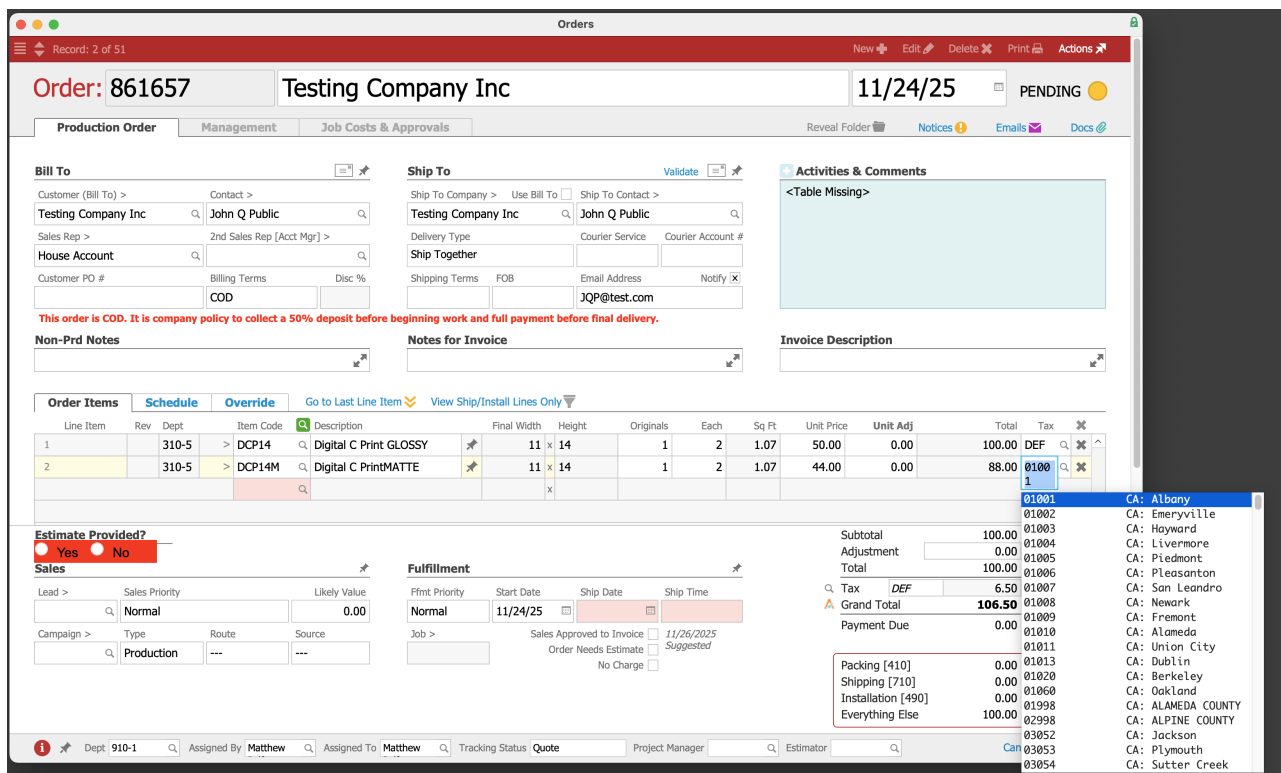
Line Item	Line Item Code	Description	Order	Purchase Order	Quantity	Weight	Ref #(s)
1	1	> DCP14	Digital C Print GLOSSY	861656	1	0	#s

## Scenario #9- Changing the Tax Profile of an Order or Order Line

If the tax profile is changed at the Line Item, or for the Order, as a whole, to a Profile that specifies a PARTICULAR rate, the Tax Profile's rate will overwrite any address-related tax calculations. [\[See Explanation of Tax Profiles\]](https://aace5.knowledgeowl.com/help/tax-profiles) [\[See Additional Information Regarding Duggal Specific Legacy Profiles\]](https://aace5.knowledgeowl.com/help/-duggal-aace-5-knowledge-base-sales-tax-set-up)

aACE will not support (in a single Order) both the way legacy profiles calculate tax and the new shipping workflows for AvaTax-enabled tax reporting. An Order will allow either a legacy Tax Profile (not using shipping in aACE) or an AvaTax-enabled Tax Profile (and use aACE shipping). Users can switch from one to the other, but if an Order contains an AvaTax-enabled profile, it will not allow line item profiles to be changed to a legacy. If an Order contains a legacy profile, it will not allow line item profiles to be changed to an AvaTax-enabled profile. An Order must operate under one or the other scenario.

Orders containing non-AvaTax-enabled Tax Profiles will not allow any shipping activity to be recorded in aACE. For the Shipping module to be used, AvaTax-enabled Tax Profiles (ex. AVA or RES00) must be used.



Avatax will not report tax for Invoices related to these legacy fixed rate profiles.

## Scenario #10 - Pick up Client Supplied Materials (only shipping charge, no other charges)

If an Order is written using only a shipping code (like TR1), for example for a pick-up not related to a deliverable item; a Shipment can be created from that Order and a NOTE packing list item can be added. The Shipment's Invoice Value will be taxed based on the Shipping address. Any excess charged to the customer over the Shipment's Invoice Value will be taxed based on the Shipment's Shipped-To address.

The screenshot displays two windows from a software application. The top window is titled "Order: 861660 Testing Company Inc 11/24/2025" and is in "OPEN" status. It shows a "Production Order" with tabs for "Management" and "Job Costs & Approvals". The "Bill To" and "Ship To" information is filled out for "Testing Company Inc" and "John Q Public". A red warning message states: "This order is COD. It is company policy to collect a 50% deposit before beginning work and full payment before final delivery." Below this is a table of "Order Items":

#	Line Item	Rev	Dept	Line Item Code	Desc.	Final Width	Height	Print	Originals	Each	Sq Ft	Unit Price	Unit Adj	Total	Tax
1	1	Submit	710-1	TR1	Manhattan/Brookly			X		1	1	340.00	0.00	340.00	DEF

The bottom window is titled "Shipment: 111887 Testing Company Inc 11/24/2025" and is in "SHIPPED" status. It shows an "Outgoing Shipment" with a "Build Packing List" button. The "Shipment Info" section includes "Courier Service" set to "Duggal Truck" and "Saturday Delivery" set to "No". The "Shipping Address" is "Testing Company Inc, 100 Broadway, New York, NY 10005". Below is a "Packing List" table:

Line Item	Line Item Code	Description	Order	Purchase Order	Quantity	Weight	Ref #(s)
1	NOTE	PICK UP NOTES	861660		1	0	#5