

# **Sage 50 Vat Code/Rate Changes**

AS of the first of January 2010 the VAT rate is changing to 20%. This affects all companies running Sage 50 and SagePOS/Paypoint. These instructions were written for Sage 50 V2010, but should apply to all versions, with only slight differences.

To alter your Sage 50 so that you can process the transactions at the new and old vat rates follow the instructions below.

PLEASE NOTE THESE CHANGES NEED TO BE DONE AFTER THE 3<sup>rd</sup> JANUARY 2011, BUT BEFORE YOU START TRADING ON OR AFTER THE 4<sup>th</sup> JANUARY 2011.

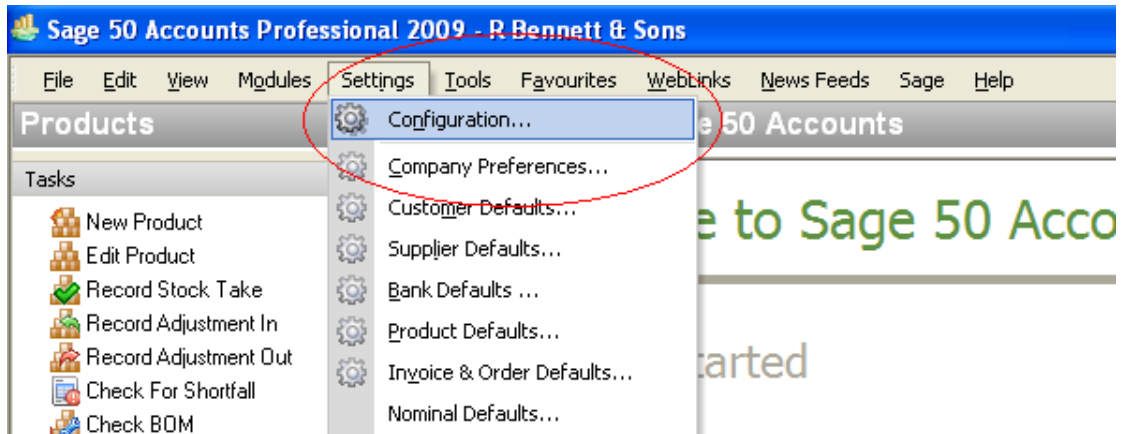
These instructions are provided as a guide to our customers, we accept no responsibility for any loss or costs incurred from using these instructions. If you have any questions about the consequences of following or not following these instructions with regards to VAT liabilities etc, please consult your accountants or H.M. Customs and Revenue.

These instructions show you how to create a Tax code for 17.5% (T31) in this example, this code is to be used for all supplier invoices that received after this change has been completed, but are dated prior to the change, and where the supplier has charged you 17.5% vat. Likewise you can use the 17.5% code for invoices you are issuing to your customers, where the invoice should be issued prior to 3<sup>rd</sup> January 2011.

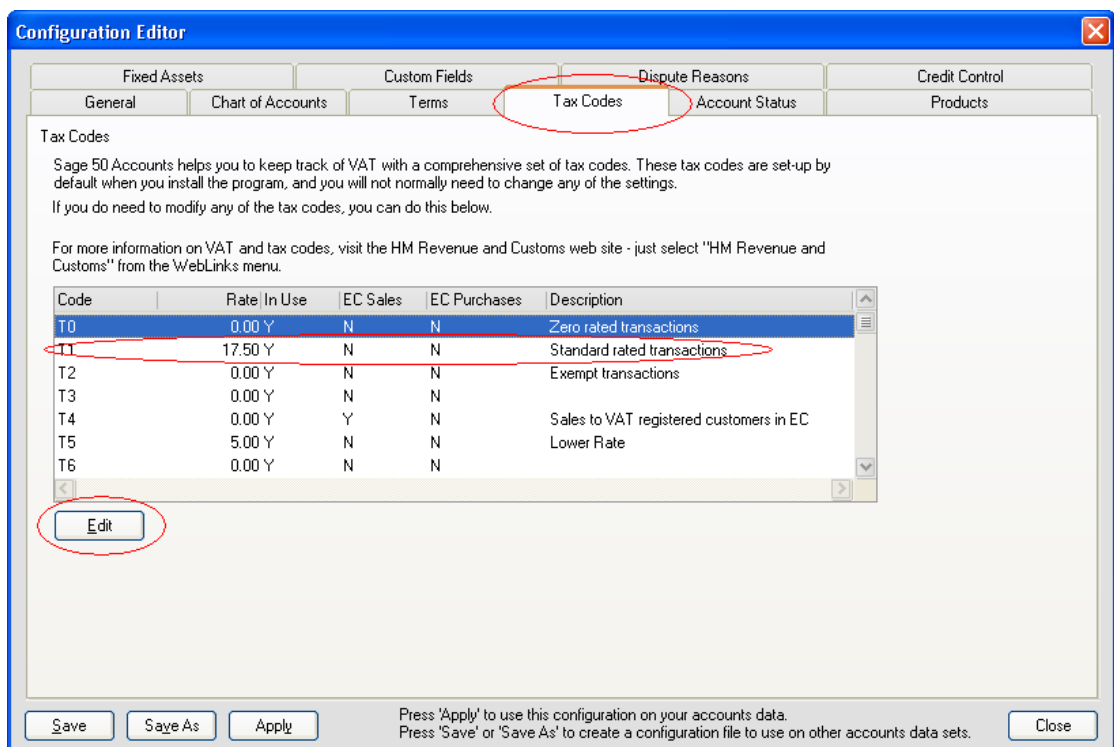
If you choose to do a price alteration, and you print your own pricing labels then you will also need to print new labels for items where prices have changed.

## Stage 1 Altering SAGE 50 Tax Rate

1. Load Sage 50
2. Select the “Settings” Menu from the menu bar
3. Select “Configuration”



4. Select then “Tax Codes” tab
5. Select the “T1” Tax code and click “EDIT”



6. Change the rate to “20.00” and click “OK”

The screenshot shows the 'Edit Tax Code' dialog box. The 'Rate' field is highlighted with a red oval and contains the value '20.00'. Other fields include 'Code' (T1), 'Include in VAT return' (checked), 'Reverse Charge' (unchecked), 'Description' (Standard rated transactions), 'EC Code' (unchecked), 'EC Purchases' (dropdown), 'Services' (dropdown), and 'Link To' (TO 0.00). Buttons for 'OK' and 'Cancel' are at the bottom.

7. Scroll down the list of tax codes and select an empty code somewhere after “T9”, we are using T31
8. Click “Edit”
9. Change the rate to “17.50”
10. Tick the “Include in Vat Return” tick box
11. Change the description to “17.5 percent rate for late transactions” or similar.
12. Click “OK”

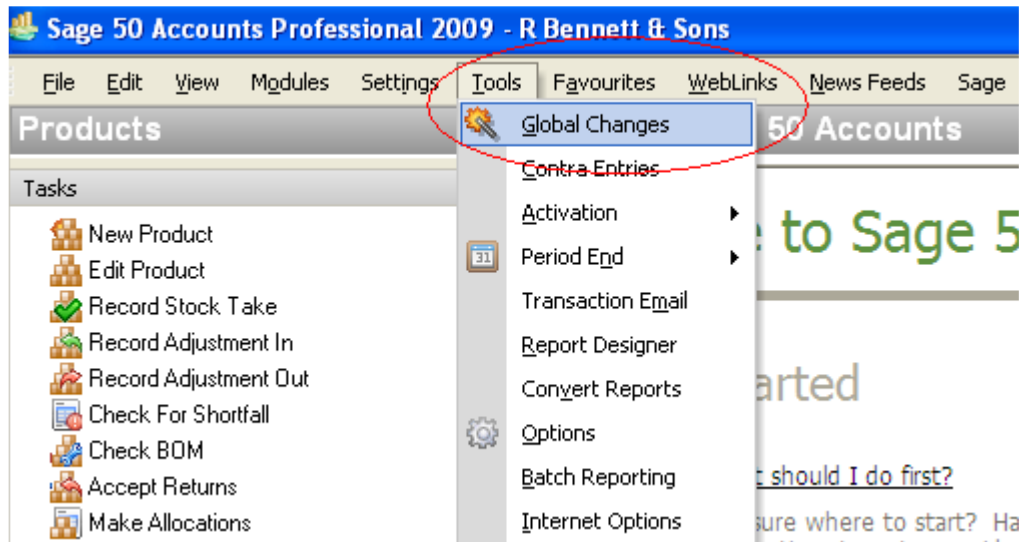
The screenshot shows the 'Edit Tax Code' dialog box. The 'Code' field is highlighted with a red oval and contains 'T31'. The 'Rate' field is highlighted with a red oval and contains '17.50'. The 'Include in VAT return' checkbox is checked and highlighted with a red oval. The 'Description' field is highlighted with a red oval and contains '17.5 percent rate for late invoices'. Other fields include 'EC Code' (unchecked), 'EC Purchases' (dropdown), 'Services' (dropdown), and 'Link To' (TO 0.00). Buttons for 'OK' and 'Cancel' are at the bottom.

13. Click “Apply”
14. Click “Close”

## Stage 2 Altering Prices (optional)


Because of the change in the VAT rate, you may want to alter your prices, some customers store a GROSS price in Sage, and some store a Net price in Sage. It is up to you to calculate what percentage change you want to introduce and whether you are increasing or decreasing your prices. You may choose not to alter your prices.

1. Load Sage 50
2. Select “Tools” from the Menu Bar
3. Select “Global Changes”




4. Click “Next”
5. Select “Product Sales Price” and Click “Next”
6. Click “Swap” this will select ALL your products
7. Click “Next”
8. Depending on what you intend to do choose “Increase By Percentage” or “Decrease By Percentage” from the “Type of Change” drop down box
9. Enter the percentage you want to alter the prices by in the “Value” box

**Global Changes Wizard** ✕

**Global Changes** 



Enter the type of price change and the amount to change it by below. Use the rounding function to link your prices to particular price points.

Type of change:  ▼

Value:  

Rounding Direction:  ▼

To  ▼ Decimal Places

Multiples of   plus adjustment  

(e.g. to round to the nearest 0.99, enter a value of 1.00 with an adjustment of -0.01)

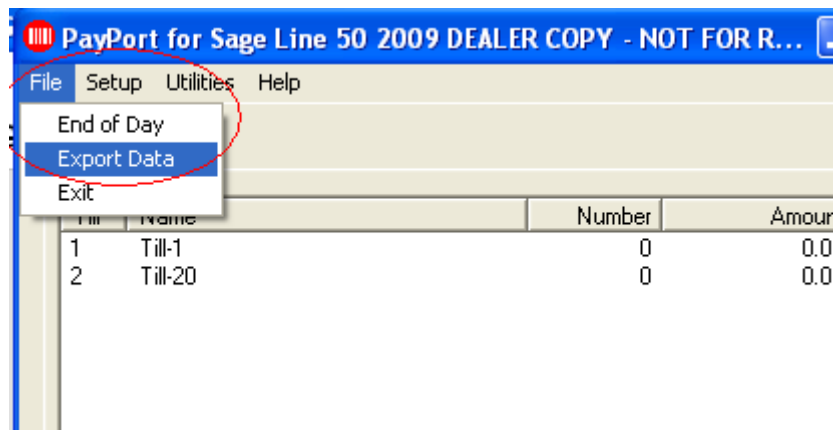
---

10. Click “Next”
11. Click “Next”
12. Click “Finish”

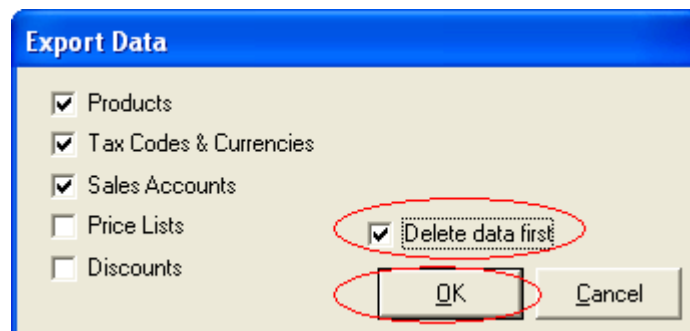
### Stage 3 SagePOS/Paypoint

For user with a sage epos system, all you will need to do is do an export using Sage Payport, ensuring that you Tick the box to “Delete data first”. Once this has completed make sure you update the tills from the primary data source.

1. Load Payport
2. Ensure that payport is not polling.
3. Select the “File” menu from the menu bar
4. choose “Export” from the menu



5. Set your normal export settings but remember to tick the “Delete Data First” tick box
6. Click “OK”



Update the tills either from the “Manager Menu – Update Till Data” menu, or by closing down and restarting and updating from the “Primary Data Source”.

**NB. ONCE THIS UPDATE HAS BEEN DONE YOU MUST RESTART THE TILL FOR THE NEW TAX RATES TO TAKE EFFECT.**