NETcellent's Vertex Sales Tax Interface

For

ELLIOTT VERSION 7.5x

From

NETcellent System, Inc.

Elliott

4030 Valley Blvd.
Suite 100
Walnut, CA 91789
Tel: (909) 598-9019
Fax: (909) 598-9039
E-mail: sales@nsi.usa.com
Website: www.netcellent.com

Contents

Introduction

Vertex Services

Vertex Inc. has been one of the industry leaders in providing services for up-to-date tax information for a variety of businesses since 1974. They have been vigorously researching, compiling, maintaining, and publishing sales, payroll, and property tax information in different formats.

NETCELLENT Services

Since 1991, NETcellent has been a dedicated developer of the ELLIOTT accounting/distribution/manufacturing software. We have provided various types of businesses with contemporary solutions to meet their needs and requirements.

In order to solve the sales tax collection issue for multiple states, we have invested our resources in developing an interface between ELLIOTT's accounting software and the Vertex sales tax services.

Customers must purchase the sales tax services from Vertex before NETcellent can provide an interface module for ELLIOTT users. This includes the Vertex Data module, Calculation module, Tax Decision Maker (TDM) and Geocoder module. The Return module (Quantum Return) is optional.

When users purchase sales tax services from Vertex, they will receive Cobol source code for the Calculation module and various other programs. The Cobol source code is written in a Mainframe format and needs to be adapted for the PC environment and ELLIOTT's coding standard.

NETcellent has invested much time and effort to adapt the Vertex Cobol source code to work in an ELLIOTT environment. These include the Calculation module, Geocoder, Import/Export Routines, Sales Tax Return Interface and various Sales Tax Reports. The main change is in the file and screen (user interface) handling.

We also developed new programs and modified certain ELLIOTT programs to interface with the Vertex calculation module. By providing this service, we bridge the gap between Vertex and ELLIOTT. Users no longer have to invest in a Micro Focus Cobol Compiler and there is no need to hire an experienced ELLIOTT Cobol programmer to develop the interface. Furthermore, NETcellent will maintain any changes that may come from ELLIOTT and Vertex by offering users a maintenance contract. We estimate about 300 to 400 hours are needed for an experienced ELLIOTT Cobol programmer to develop a Vertex Interface for ELLIOTT and about 20 to 40 hours each time ELLIOTT or Vertex releases an update. By purchasing this Vertex Interface from NETcellent, users save a tremendous amount of resources and can focus on their business.

Introduction of Vertex Interface For ELLIOTT V7.5x

The Vertex Interface uses the Vertex Geo (geographic) Code to integrate ELLIOTT A/R, O/E, and I/M functions with the Vertex ST/CO/CI Rate files to improve the accuracy and determination of sales tax rates. This Geo code consists of nine digits in a 2-3-4 format, which can uniquely identify a tax rate for each location. The first two digits of a Geo code are for the state, the middle three for the county, and last four digits for the city.

For example, Brea, California is assigned Geo code 05-059-0410, where 05 represents the state of California, 059 represents Orange county, and 0410 represents the city of Brea.

Therefore, users need to assign a Geo code for each customer, ship-to/alternate address, and warehouse location, with a legitimate address or 9 digit zip code (Optional) before using the Vertex Interface. From this manual you will learn how to configure the Vertex Interface, what ELLIOTT daily operating functions relate to Geo codes, and what kinds of sales tax reports and return files are generated by monthly procedures.

Vertex Interface Data Flow Diagram
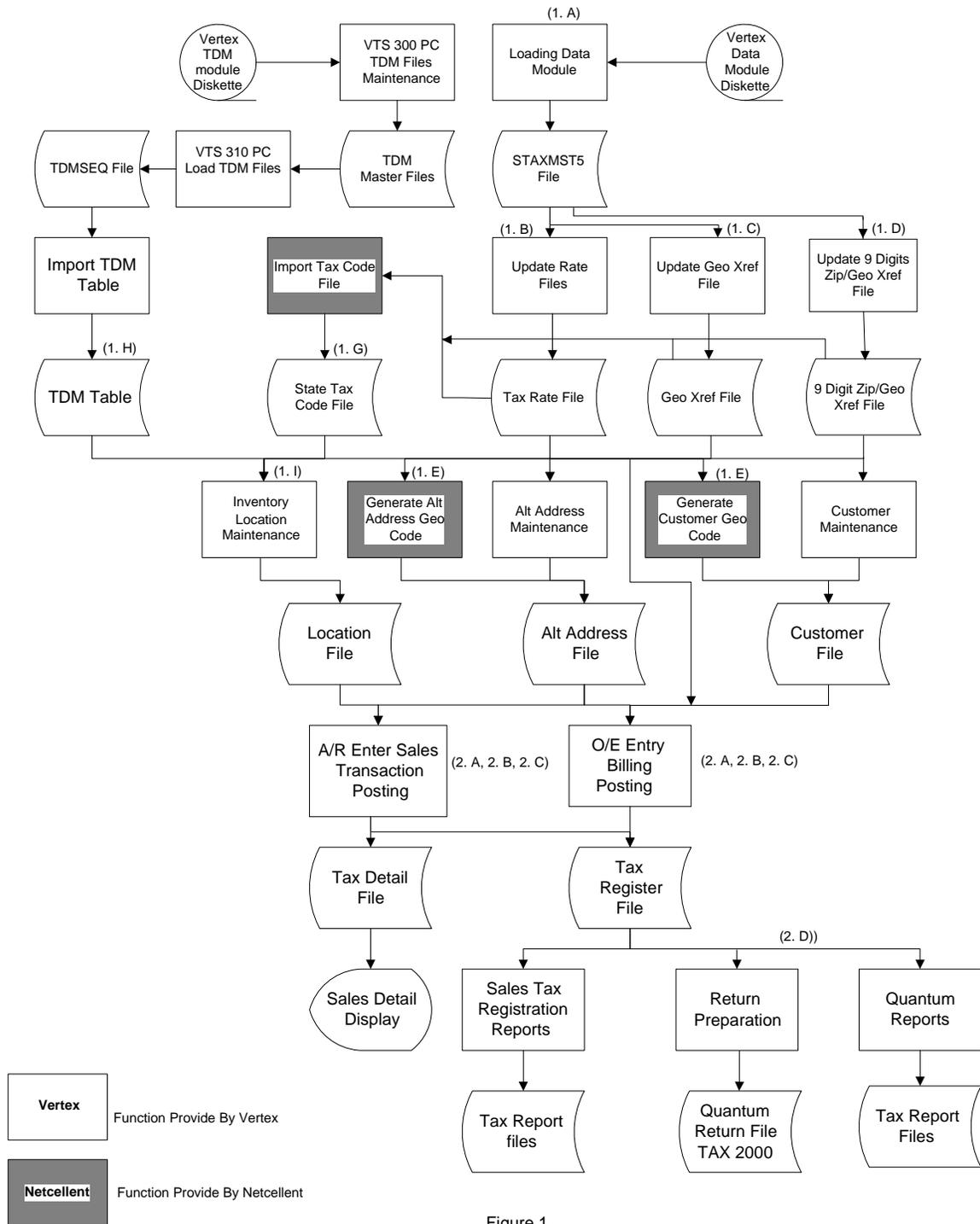
Figure 1

Section 1: Vertex Interface Setup

A: Loading the Data Module [1.A]

Since tax rates can change for different locations throughout the nation, a Vertex service subscriber will receive a monthly update data module CD from Vertex. The files on the update CD will need to be copied to the appropriate directory for ELLIOTT to interface. You can accomplish this at the Command Prompt by the following procedures:

Step 1: Insert the new Data Module CD into the CD drive E (or whichever is available).

Step 2: Copy all files on the CD to the ELLIOTT directory (where Elliott is the directory your Elliott programs reside) by typing the following command:

COPY E:*.* M:\ELLIOTT

You are now ready to perform a monthly data update on the Rate file, Geo Xref file and 9 Digit Zip Code/GEO Xref file in the Vertex Interface. Figure 3 shows the three options.

Figure 1 *shows where you would update the Rate File, the GEO Xref File and 9 Digit Zip Code/GEO Xref File.*

B: Update Rate File | 1.B |

Access: Main Menu ⟹ *Util-Setup* ⟹ *Vertex Interface* ⟹ *Monthly Data_update*
  ⟹ *Update rate File*

This function will convert data from STAXMST5, a sequential ASCII file, to the Vertex Tax Rate file (VTRATE.BTR) in an indexed file format (Btrieve) that ELLIOTT can read much faster. During order entry, the Calculation Module will look up the tax rates for each transaction from this file.
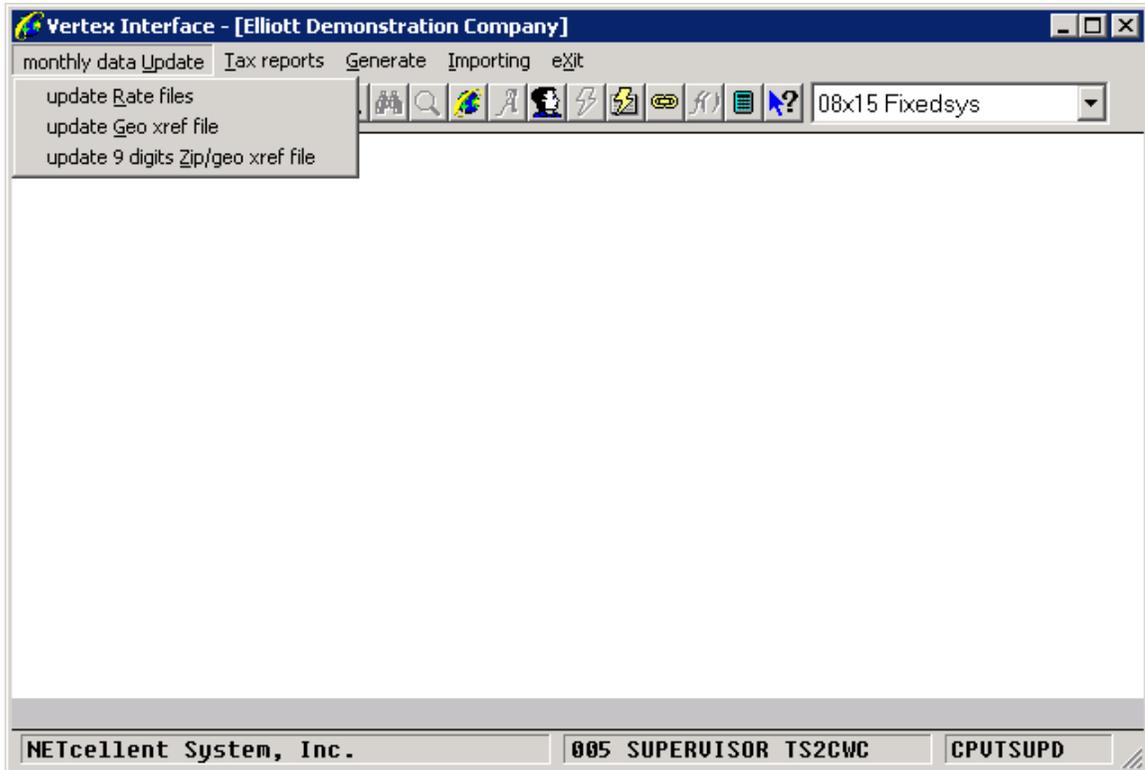
This process will need to be run on a monthly basis for the most current rate update. During the update process, ELLIOTT will obtain all tax rates for each state, county, and city. The entire process should take less than a minute, but could take up to 15 minutes, depending on your hardware.

C: Update Geo Xref File | 1.C |

Access: Main Menu ⟹ *Util-Setup* ⟹ *Vertex Interface* ⟹ *Monthly Data_update*
 ⟹ *Update Geo Xref*

This function will convert data from STAXMST5, a sequential ASCII file, to the Geo Xref file (VTSXREF.BTR) in an indexed file format that ELLIOTT can read much faster. Generate Customer Geo, Generate Ship-to Geo, Customer File Maintenance in A/R, and Ship-To File Maintenance in COP will use this file to look up the Geo code for the corresponding address.

This process will need to be run on a monthly basis to utilize the most current Geo code update. During the update process, ELLIOTT will create a Geo Xref file that will be utilized when adding or changing an address for a customer or ship-to. The entire process should only take a minute or two, but could take more than an hour, depending on the speed of your hardware.

D: Update 9 Digit Zip Code/Geo Xref File | 1.D |

Access: Main Menu ⟹ *Util-Setup* ⟹ *Vertex Interface* ⟹ *Monthly Data_update*
 ⟹ *Update 9 Digit Zip/Geo Xref File*

This function will convert data from STAXZIP, a sequential ASCII file, to the 9 Digit Zip/Geo Xref file (VTSZIP4.BTR) in an indexed file format that ELLIOTT can read much faster. Generate Customer Geo, Generate Ship-to Geo, Customer File Maintenance in A/R, and Ship-To File Maintenance in COP will use this file to look up the Geo code for the corresponding 9 digit zip code.

This process will need to be run on a monthly basis to utilize the most current update. During the update process, ELLIOTT will create a 9 Digit Zip/Geo Xref file that will be utilized when adding or changing an address for a customer or ship-to. The entire

process should only take a few minutes, but could take more than an hour, depending on the speed of your hardware.

E: Generate Customer and Ship-To Address GEO | 1.E |

Access: *Main Menu* ⟹ *Util-Setup* ⟹ *Vertex Interface* ⟹ *Generate*

⟹ *Customer Geo Code*

Vertex uses a unique Geo code to identify tax code information. Since ELLIOTT will calculate the sales tax amount based on the Geo code, the user needs to assign a Geo code for each customer in the existing system. If ELLIOTT has just been installed, then all customers and their ship-to addresses entered will be identified by the Geo X-ref file and 9 Digit Zip/Geo X-ref file (if any) and assigned a nine-digit Geo code. This is composed of State Geo, County Geo and City Geo. Otherwise, the user will have to run the customer and ship-to address Geo generation process, which is intended to be a one-time process.

After the Geo code has been assigned, the user may notice two things in the A/R Customer file and Ship-to file as indicated in Figure 2. The first thing is that the original literal for tax codes 1, 2 and 3 have been changed to Tax State, Tax County, and Tax City, respectively. The second thing is that those fields are now protected fields. The user may also notice that during the Geo code assignment process, not all customers' tax codes could be set up successfully with valid Geo codes due to several reasons, such as invalid state or zip code information.
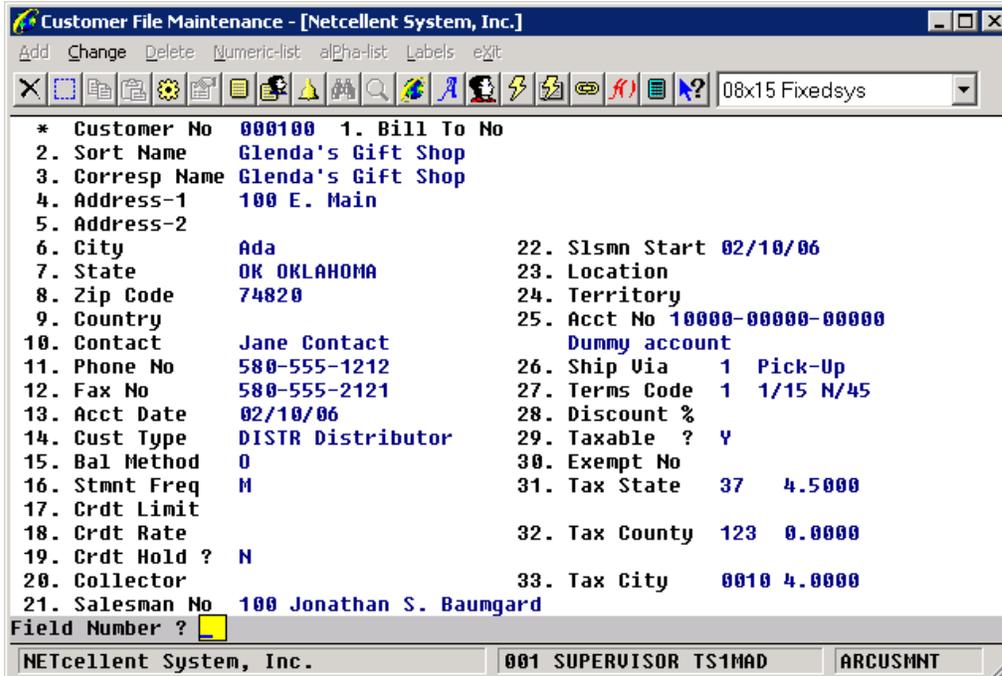
Figure 2 *shows the tax Geo codes.*

After generating the Geo codes, the system will print a CUSTOMER GEO CODE GENERATE LIST as shown in Figure 3. The user can track the generated results for all customers and ship-to addresses by checking the "Complete" column in the generate list.

For complete records, the user can always edit the customers or ship-to addresses to have the system regenerate the correct Geo code (This will be done automatically once all the setup procedures have been followed).

Sept 09, 1999 -   8:00am   ELLIOTT Electronics, Inc.   Page 1

CUSTOMER GEO CODE GENERATE LIST

Customer No	Geo Code	Complete Geo Code	Multi-County
*MISC	36-000-0000	No	No
000000000300	43-000-0000	No	No
000000000400	05-037-1900	Yes	No
000000000500	36-073-5229	Yes	No

Figure 3 *Customer Geo Code Generate List*

F: Vertex Interface Setup

Access: Main Menu ⟹ Util-Setup ⟹ Global Setup ⟹ Add-Ons
⟹ Vertex sales tax

The first time loading the Vertex Data Tables, the user needs to set up their company Geo code by entering the address and default sales tax account. Figure 4 presents the Vertex Setup information.
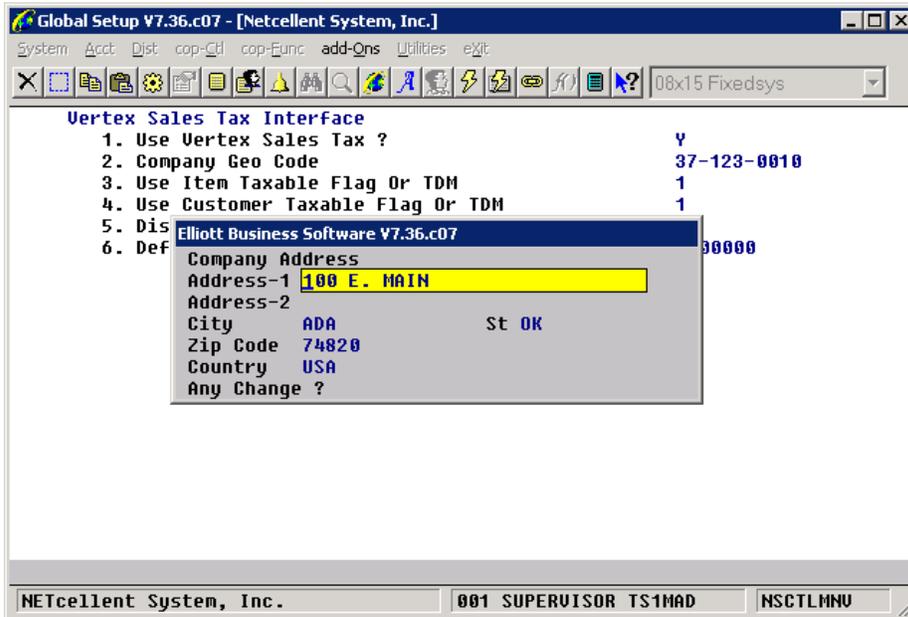
Figure *4 shows the setup screen for the Vertex Sales Tax Interface. In order to access this pop up window, the user must select 1 then tab down to the next option.*

1) Address?

After typing the company address, the system will generate the company Geo code automatically.

2) Default Sales Tax Account?

The Sales Tax Account entered here has to exist either in the A/R Account file or the G/L Chart of Accounts. This account will later be used as the default account in the Tax Code Maintenance after the user utilizes the Import function to bring the Vertex tax into ELLIOTT.

3) Use Item Taxable Flag or TDM

If the user would like to utilize Vertex's TDM module when the system calculates the tax, the user should select "2"; otherwise "1" will direct the system to validate the item against the taxable flag in the Item File.

4) Use Customer Taxable Flag or TDM

If users would like to utilize Vertex's TDM module when the system calculates the sales tax, they should select "2"; otherwise "1" will direct the system to validate the entered customer against the taxable flag in the Customer File.

G: Import Tax Code Table `1. G`

Access: Main Menu ⟹ *Util-setup* ⟹ *Vertex interface* ⟹ *Importing* ⟹ *Tax code table*

This process is for first time users only. It will append or create the tax codes from the Vertex tax rate data to ELLIOTT's Tax Code File Maintenance for each state.

ELLIOTT's Tax Code file consists of various kinds of accumulative information, such as Sales PTD, Sales YTD, Misc. Chg. PTD., Misc. YTD, Tax PTD and Tax YTD as indicated in Figure 5. Upon posting invoices, all these fields will be updated with the sales information for a state, including county and city. The user can actually obtain an understanding about the sales activities and tax collection for different geographic regions.
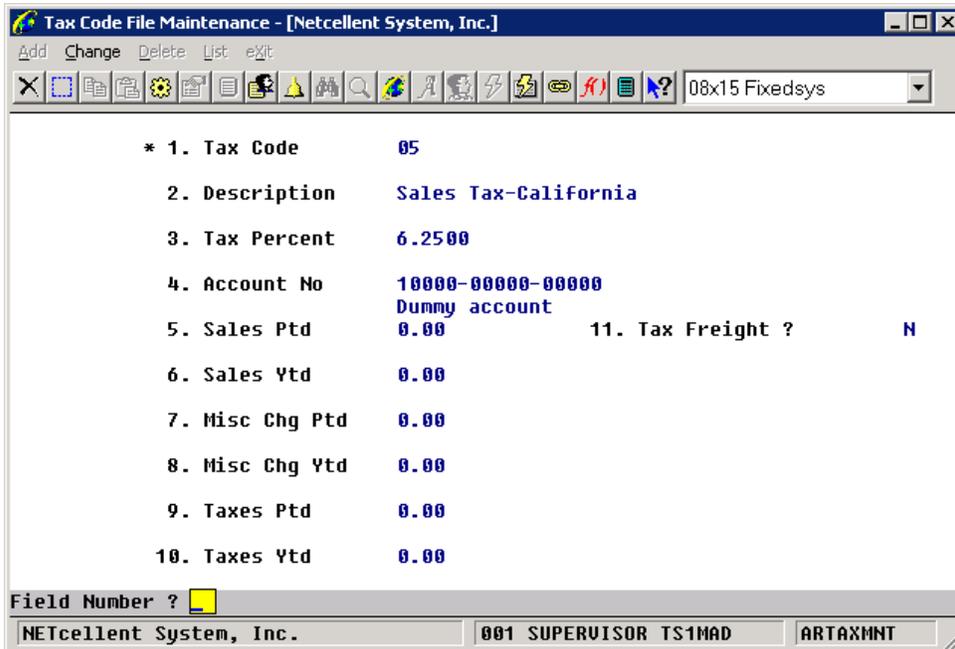
Figure 5 *shows the Tax Detail Code Maintenance screen.*

In addition to the accumulative fields, ELLIOTT's Tax Code file contains another important piece of information, which is the Sales Tax Account No. After importing the tax code table, each tax code, by default, will be assigned an account number specified in the Global Setup. The user has the option of changing the default account number to a different one according to the company's accounting requirements.

H: Import TDM Table

1.H

Access: Main Menu ⟹ *Util-Setup* ⟹ *Vertex Interface* ⟹ *Importing*

The purpose of the Tax Decision Maker is to allow you to customize (set conditions) the tax collection process. If you don't use TDM, just import the TDM table (one time only process) and skip this section. If you wish to use TDM (you will have received a Vertex TDM module diskette), follow these steps to create your TDM files:

1) Copy Vertex TDM modules to your ELLIOTT DATA directory(ies).
2) Run VTS300PC.EXE.

   Use this program to add, delete, or change records in the TDM files. For more details, please refer to the Vertex "Sales Tax Tax Decision Maker" reference manual, Special Regulations for ELLIOTT Users section:

   a)   Company code and Division code are always 00000.
   b)   When entering customer number/ID please follow these rules:

   • Use the first 6 characters, not 15. The ELLIOTT customer number length is only 6 characters long.
   • If the Customer ID starts with a number, please use leading zeros to create a 6 character ID.
   For example: If the customer's ID is 1234, enter 001234.

   In the Order Entry package, if bill-to and ship-to customers are not in the same state, and the two states have different tax policies, be sure to add the ship-to state's TDM taxability flag to the customer table.
   For example: If a customer order has an item transaction billing state of California and is non-taxable, but the ship-to state is Colorado and taxable, please add the Colorado taxability flag to the Customer table.

   3) Run VTS300PC.EXE
       This program creates a sequential TDM file "TDMSEQ".

    4) Go to the ELLIOTT Main Menu -> Util-Setup -> Vertex Interface to run the IMPORT process.

I: Inventory Location Maintenance

1.I

Access: Main Menu ⟹ *Distribution* ⟹ *inventory management* ⟹
Maintenance ⟹ *Location file*

The purpose for creating the Inventory Location file is to meet the taxing juridical requirements for intra-state tax. If the trading parties have physical ship-from and ship-to locations in the same state, the business transactions usually have intra-state tax incurred on top of standard state, county and city taxes. Therefore, creating the inter-state tax rates in the Location file will trigger that tax inclusion in the Tax State field if the shipment-originating place is in the same state as the destination location. Figure 6 is the Inventory location maintenance screens.
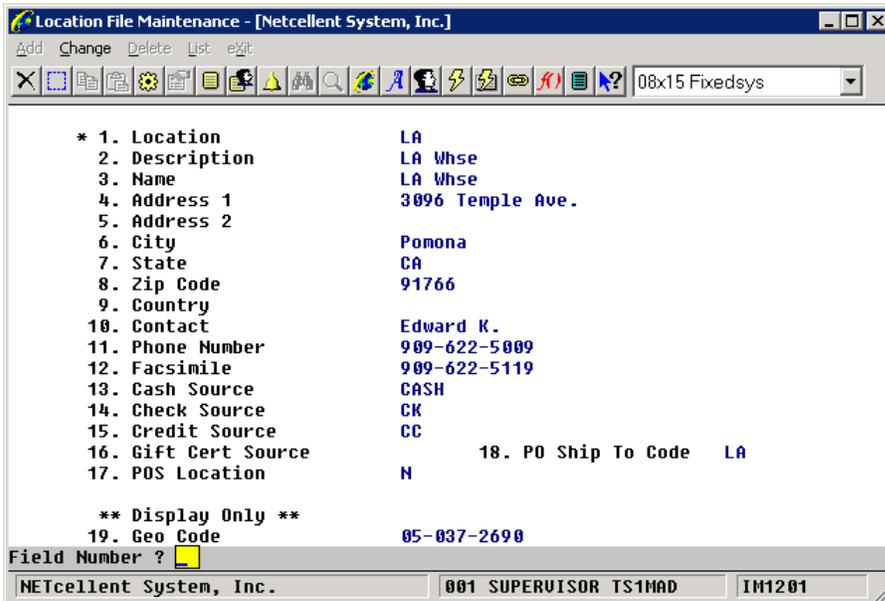
Figure 6 *The Geo code and tax rate generation is the same as Customer maintenance.*

Please refer to the Customer maintenance section.

J: Calculation Testing

The next step is to run the calculation test. Copy the file VDAT200 from the Vertex Data module diskette to the ELLIOTT root directory m:\ELLIOTT7x\. Now you can run this function to test if the setting was done properly. If no "abnormal end" messages appear, then the Vertex interface setup is successful.

Note: The Vertex Calculation Module includes a test program (VTS200) and a test transaction file (VDAT200). The test program "mimics" a billing program in that it reads the test transaction file and calls the Tax Calculation Program.

Access: Main Menu ⟹ Util-Setup ⟹ Vertex interface ⟹ Importing
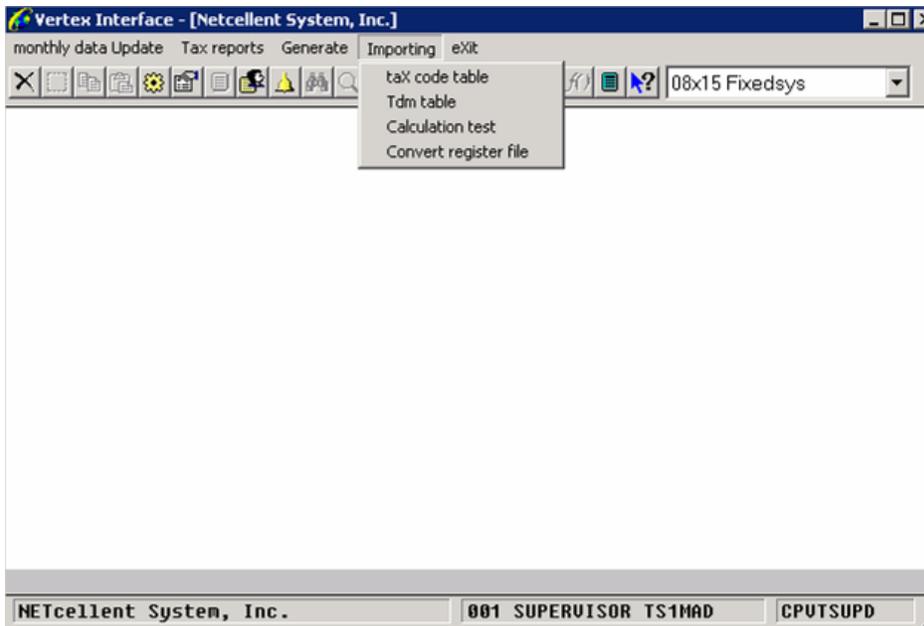
Figure 7 *shows where to run Calculation Testing.*

K: Convert Tax Register To Vertex 5.00

Access: Main Menu ⟹ Util-Setup ⟹ Vertex interface ⟹ Converting

It will convert the tax register file from the old version to the higher version (4.00 or above)

Section 2: Daily Operations

A: Enter Orders   2.A

Access: Main Menu ⟹ *customer order processing* ⟹ *process* ⟹ *order entry*

During the order entry process, the Geo code is generated by the ship-to address, but it can be changed by clicking on the ship-to address button. The following are rules for changing the ship-to address:

1) City, State and Zip code are always typed in CAPITAL letters and entered in the third line of the address.
2) The third line of the address starts with CITY followed by a comma (,) and a space, then the 2 character state abbreviation and a space, and then the Zip code. Country is always USA. Valid address-3 examples are shown below.

	Valid examples:	1: WALNUT, CA 91789
		2: LONG BEACH, CA 90806
		3: SANTA FE SPRINGS, CA 90670
		4: SAN ONOFRE NUCLEAR STATION, CA 92672
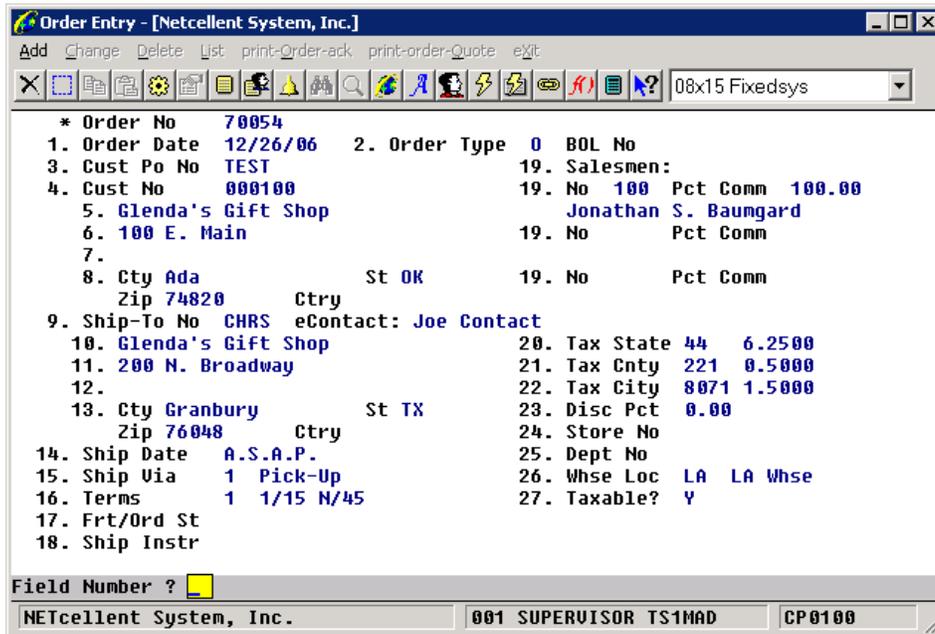
Figure 8 *Show each tax Geo Code & Tax rate in order entry*

B: Billing Entry [2.B]

Access: Main Menu ⟹*Distribution* ⟹*Customer Order Processing*
⟹ *Processing* ⟹ *Order Billing*

Within billing entry, users can change the Geo code. The change method is the same as order entry. Please refer to section A, "enter orders". The billing total tax amount is shown in Figure 9.
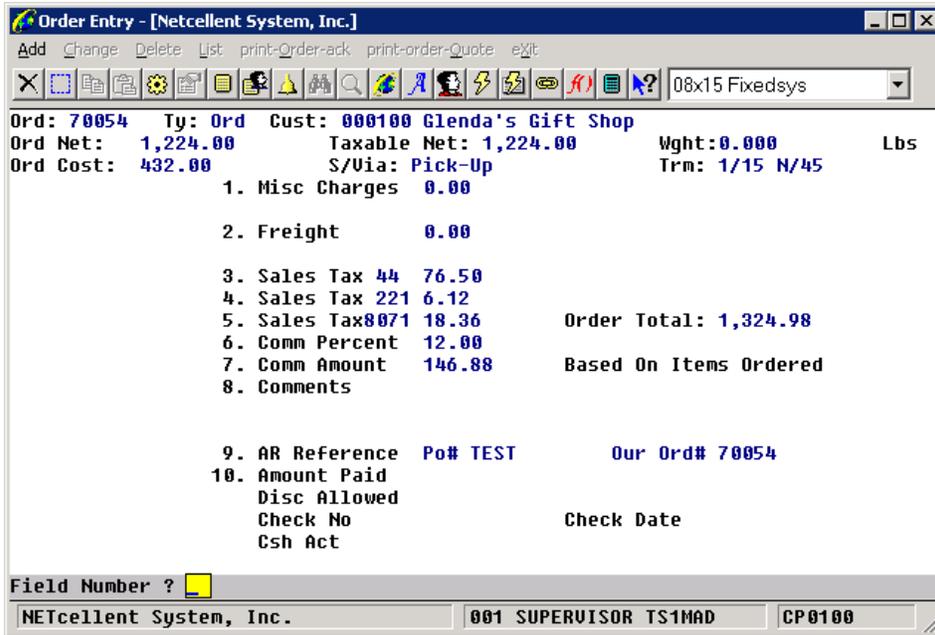
Figure 9 *Shows each tax code amount and the total including tax.*

Tax for freight and miscellaneous charges are determined by state tax code as well as COP setup (figure 10). The flag in state tax code and COP setup work together as an "AND" condition. If either of them is set to "NO", then they are not taxable.
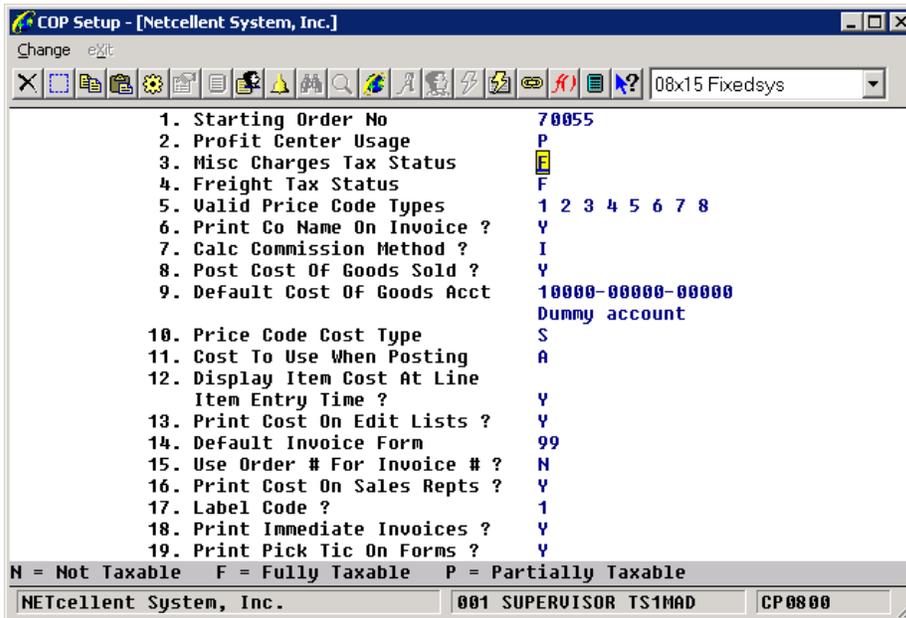
Figure 10 *shows where to define misc charges & freight as taxable.*

C: Post Invoices | 2.C |

Access: Main Menu ⟹ *Distribution* ⟹ *Customer Order Processing* ⟹ *Processing* ⟹ *Post invoices to A/R*

After posting invoices, the Vertex Interface will update the Tax Register File. From this file, you can generate Vertex reports for tax preparation.

D: Reports | 2.D |

Access: Main Menu ⟹ *Util-setup* ⟹ *Vertex Interface* ⟹ *Tax reports*

Vertex reports are designed for the purpose of producing and filing sales/use tax returns. The data for these reports is generated from the normal ELLIOTT tax calculations in Order Entry and Accounts Receivable. In order to submit a summary as well as a detailed report to both state and local tax authorities, the user can utilize this report-generating interface to create reports. The Vertex Interface does not print out the reports directly from ELLIOTT. Instead, these reports will be created as ASCII files and stored on secondary media. They have to be printed from the command prompt.

Vertex provides four types of reports:

1. Tax Registry Reports – Utilized for filing tax returns. If you are using Vertex Returns Module (Quantum), you do not need to use this report.

2. Quantum Return – This process will create only one data file, which is TAX2000. This file will later be used to interface with the Vertex Return Module, which is performed outside of ELLIOTT, and is not in the scope of this discussion. Please note Vertex is no longer supporting the Lotus Return Module. They are only supporting the Quantum Returns Module.

3. Summary Reports – Provides summary tax information.

Figure 11 *shows the Vertex Tax Return screen.*

Figure 12 *shows the Tax Register Report Screen.*

The Tax Registry Reports consist of the following:

1. Detail (VTS120D.DAT) – This report will provide detailed tax information (Figure 13).
2. Summary (VTS120S.DAT) – Provides summary information (Figure 14).
3. Exempt (VTS120E.DAT) –
4. Recap (VTS120R.DAT) –
5. Non-Tax (VTS120N.DAT) –
6. Non-Standard (VTS120T.DAT) -

Note: Once you have selected the type of report to generate, the system will create 4 ASCII files for each report. However, it will only write information to the ASCII file specified. It is important to note that the next time you wish to generate a different report the system will write information to the new ASCII file specified and all other files will be initialized.

```
REPORT   VTS120-01   REL 3.5.01                          ZZ1201199412311994DZ                                      PAGE    1
RUN DATE 12/10/1994                              SALES TAX REGISTER - DETAIL                     PERIOD 12/01/1994 - 12/31/1994
                                 STATE                  COUNTY                 CITY                  DISTRICT              TOTAL TAX
-------------------------------------------------------------------------------------------------------------------------------
.........ALABAMA
-------------------------------------------------------------------------------------------------------------------------------
CITY-NAME: HOBSON CITY              COUNTY-NAME: CALHOUN       GEOCODE: 01-015-4212      T 01-015-4212 F 01-127-0620 A 01-127-0620
    COMPANY CD:      DIVISION CD:       PRODUCT CD:              CUST CD:                TRANS CD: N TYPE: RENTAL SUBTYPE:
    INVOICE NO:          INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 01127     USER INFO: 01AL1021
    EXEMPTION CERTIFICATE # :
    TAX RATE/TYPE-----           .040000  R         .060000  R          .000000  Z          .000000  Z
    GROSS SALES-------        10,000.00          10,000.00          10,000.00          10,000.00
    ZERO RATE AMOUNT--              .00                .00          10,000.00          10,000.00
    TAXABLE AMOUNT----        10,000.00          10,000.00                .00                .00
    TAX AMOUNT--------           400.00             600.00                .00                .00             1,000.00

CITY-NAME: HOBSON CITY              COUNTY-NAME: CALHOUN       GEOCODE: 01-015-4212      T 01-015-4212 F 01-127-0620 A 01-127-0620
    COMPANY CD:      DIVISION CD:       PRODUCT CD:              CUST CD:                TRANS CD: N TYPE: RENTAL SUBTYPE:
    INVOICE NO:          INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 01127     USER INFO: 01AL1021
    EXEMPTION CERTIFICATE # :
    TAX RATE/TYPE-----           .040000  R         .060000  R          .000000  Z          .000000  Z
    GROSS SALES-------        10,000.00          10,000.00          10,000.00          10,000.00
    ZERO RATE AMOUNT--              .00                .00          10,000.00          10,000.00
    TAXABLE AMOUNT----        10,000.00          10,000.00                .00                .00
    TAX AMOUNT--------           400.00             600.00                .00                .00             1,000.00

CITY-NAME: HOBSON CITY              COUNTY-NAME: CALHOUN       GEOCODE: 01-015-4212      T 01-015-4212 F 01-127-0620 A 01-127-0620
    COMPANY CD:      DIVISION CD:       PRODUCT CD:              CUST CD:                TRANS CD: N TYPE: RENTAL SUBTYPE:
    INVOICE NO:          INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 01127     USER INFO: 01AL1021
    EXEMPTION CERTIFICATE # :
    TAX RATE/TYPE-----           .040000  R         .060000  R          .000000  Z          .000000  Z
    GROSS SALES-------        10,000.00          10,000.00          10,000.00          10,000.00
    ZERO RATE AMOUNT--              .00                .00          10,000.00          10,000.00
    TAXABLE AMOUNT----        10,000.00          10,000.00                .00                .00
    TAX AMOUNT--------           400.00             600.00                .00                .00             1,000.00

CITY-NAME: HOBSON CITY              COUNTY-NAME: CALHOUN       GEOCODE: 01-015-4212      T 01-015-4212 F 01-127-0620 A 01-127-0620
    COMPANY CD:      DIVISION CD:       PRODUCT CD:              CUST CD:                TRANS CD: N TYPE: RENTAL SUBTYPE:
    INVOICE NO:          INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 01127     USER INFO: 01AL1021
    EXEMPTION CERTIFICATE # :
    TAX RATE/TYPE-----           .040000  R         .060000  R          .000000  Z          .000000  Z
    GROSS SALES-------        10,000.00          10,000.00          10,000.00          10,000.00
    ZERO RATE AMOUNT--              .00                .00          10,000.00          10,000.00
    TAXABLE AMOUNT----        10,000.00          10,000.00                .00                .00
    TAX AMOUNT--------           400.00             600.00                .00                .00             1,000.00

CITY-NAME: HOBSON CITY              COUNTY-NAME: CALHOUN       GEOCODE: 01-015-4212      T 01-015-4212 F 01-127-0620 A 01-127-0620
    COMPANY CD:      DIVISION CD:       PRODUCT CD:              CUST CD:                TRANS CD: N TYPE: RENTAL SUBTYPE:
    INVOICE NO:          INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 01127     USER INFO: 01AL1021
    EXEMPTION CERTIFICATE # :
    TAX RATE/TYPE-----           .040000  R         .060000  R          .000000  Z          .000000  Z
    GROSS SALES-------        10,000.00          10,000.00          10,000.00          10,000.00
    ZERO RATE AMOUNT--              .00                .00          10,000.00          10,000.00
```
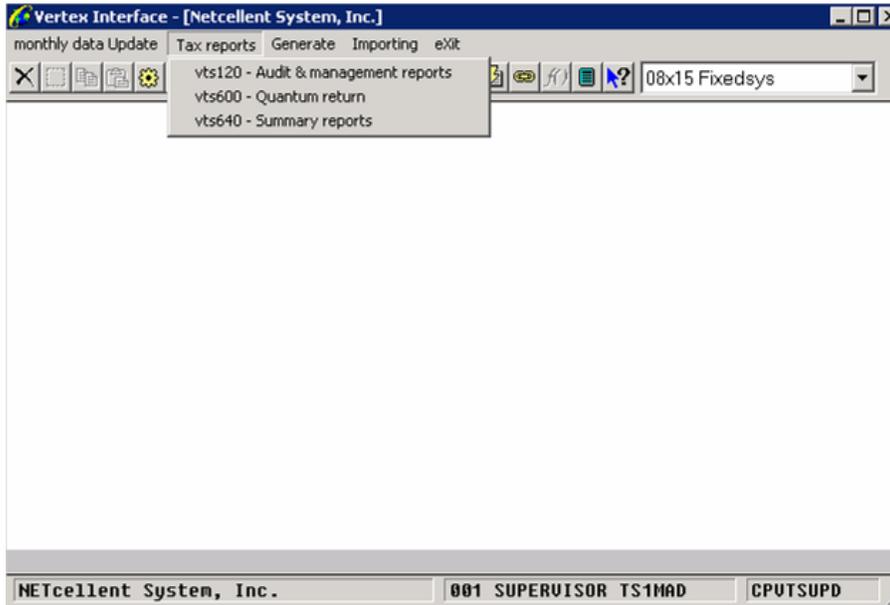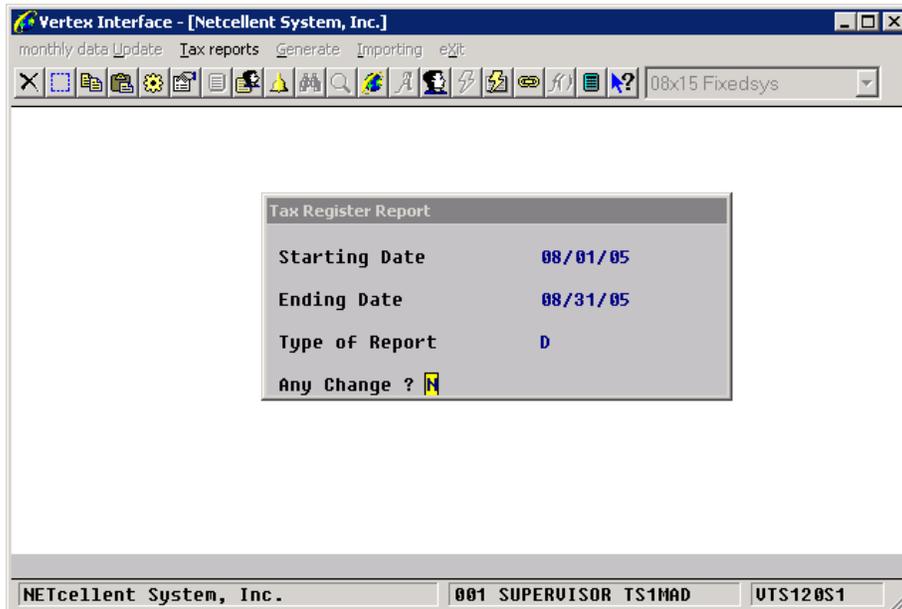
Figure 13 *shows the Detail Tax Register.*

```
RUN DATE 09/21/1999           SALES TAX REGISTER - SUMMARY            PERIOD
01/01/0000 - 12/31/9999
              STATE      COUNTY       CITY      DISTRICT     TOTAL TAX
--------------------------------------------------------------------------------
.........CALIFORNIA
--------------------------------------------------------------------------------
CITY TOTALS-----: WALNUT
   GROSS SALES-------    796.25      796.25      796.25      300.00
   NON-TAXABLE AMT/CD      .00         .00         .00       300.00
   ZERO RATE AMOUNT--      .00         .00       796.25        .00
   TAXABLE AMOUNT----    796.25      796.25        .00         .00
   TAX AMOUNT--------     47.78        9.97        .00         .00         57.75

COUNTY TOTALS---: LOS ANGELES
   GROSS SALES-------    796.25      796.25      796.25      300.00
   NON-TAXABLE AMT/CD      .00         .00         .00       300.00
   ZERO RATE AMOUNT--      .00         .00       796.25        .00
   TAXABLE AMOUNT----    796.25      796.25        .00         .00
   TAX AMOUNT--------     47.78        9.97        .00         .00         57.75
--------------------------------------------------------------------------------
CITY TOTALS-----: ONTARIO
   TAXABLE AMOUNT----      .00         .00         .00       250.00
   TAX AMOUNT--------      .00         .00         .00         1.25        1.25
--------------------------------------------------------------------------------
CITY TOTALS-----: UPLAND
   TAXABLE AMOUNT----      .00         .00         .00       246.25
   TAX AMOUNT--------      .00         .00         .00         1.23        1.23

COUNTY TOTALS---: SAN BERNARDIN
   TAXABLE AMOUNT----      .00         .00         .00       496.25
   TAX AMOUNT--------      .00         .00         .00         2.48        2.48

STATE TOTALS----: CALIFORNIA
   GROSS SALES-------    796.25      796.25      796.25      796.25
   NON-TAXABLE AMT/CD      .00         .00         .00       300.00
   ZERO RATE AMOUNT--      .00         .00       796.25        .00
   TAXABLE AMOUNT----    796.25      796.25        .00       496.25
   TAX AMOUNT--------     47.78        9.97        .00         2.48       60.23
--------------------------------------------------------------------------------
```

Figure 14   *shows the Summary Report (Tax Register).*

```
REPORT  VTS120-04   REL 3.5.01                        ZZ1210199412311994EZ                                              PAGE    1
RUN DATE 12/10/1994                             SALES TAX REGISTER - EXEMPT                          PERIOD 12/10/1994 - 12/31/1994
                             STATE                 COUNTY               CITY              DISTRICT                TOTAL TAX
----------------------------------------------------------------------------------------------------------------------------------
.........CALIFORNIA
----------------------------------------------------------------------------------------------------------------------------------
CITY-NAME: ANGWIN               COUNTY-NAME: NAPA        GEOCODE: 05-055-6165    T 05-075-9008 F 05-055-8939 A 05-055-6165
   COMPANY CD:        DIVISION CD:        PRODUCT CD:             CUST CD:            TRANS CD: N TYPE: SALE   SUBTYPE:
   INVOICE NO:            INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 05055    USER INFO: 05CA0101
   EXEMPTION CERTIFICATE # :
   TAX RATE/TYPE-----       .060000  E          .000000  E/P        .000000  E          .000000  E
   GROSS SALES-------      5,000.00            5,000.00            5,000.00            5,000.00
   EXEMPT AMT/CODE---      5,000.00  9         5,000.00  9         5,000.00  9         5,000.00  9
   TAXABLE AMOUNT----          .00                 .00                 .00                 .00
   TAX AMOUNT--------          .00                 .00                 .00                 .00

CITY-NAME: ANGWIN               COUNTY-NAME: NAPA        GEOCODE: 05-055-6165    T 05-075-9008 F 05-055-8939 A 05-055-6165
   COMPANY CD:        DIVISION CD:        PRODUCT CD:             CUST CD:            TRANS CD: N TYPE: SALE   SUBTYPE:
   INVOICE NO:            INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 05055    USER INFO: 05CA0111
   EXEMPTION CERTIFICATE # :
   TAX RATE/TYPE-----       .060000  E          .000000  E/P        .000000  E          .000000  E
   GROSS SALES------      5,000.00            5,000.00            5,000.00            5,000.00
   EXEMPT AMT/CODE---      5,000.00  9         5,000.00  9         5,000.00  9         5,000.00  9
   TAXABLE AMOUNT----          .00                 .00                 .00                 .00
   TAX AMOUNT--------          .00                 .00                 .00                 .00

CITY-NAME: ANGWIN               COUNTY-NAME: NAPA        GEOCODE: 05-055-6165    T 05-075-9008 F 05-055-8939 A 05-055-6165
   COMPANY CD:        DIVISION CD:        PRODUCT CD:             CUST CD:            TRANS CD: N TYPE: SALE   SUBTYPE:
   INVOICE NO:            INVOICE DATE: 12/10/1994 INVOICE ITEM: 00000  STORE: 05055    USER INFO: 05CA0101
   EXEMPTION CERTIFICATE # :
   TAX RATE/TYPE-----       .060000  E          .000000  E/P        .000000  E          .000000  E
   GROSS SALES-------      5,000.00            5,000.00            5,000.00            5,000.00
   EXEMPT AMT/CODE---      5,000.00  9         5,000.00  9         5,000.00  9         5,000.00  9
   TAXABLE AMOUNT----          .00                 .00                 .00                 .00
   TAX AMOUNT--------          .00                 .00                 .00                 .00
```

Figure 15 *shows the Exempt Report (Tax Register).*

```
REPORT   VTS120-03 REL 3.5.01                        ZZ1210199412311994RZ                                   PAGE    1
RUN DATE  12/10/1994                           SALES TAX REGISTER - STATE RECAP              PERIOD 12/10/1994 - 12/31/1994
                        STATE              COUNTY                CITY              DISTRICT           TOTAL TAX
---------------------------------------------------------------------------------------------------------------------------
ALABAMA
    GROSS SALES-------    1,608,000.00        1,608,000.00        1,608,000.00        1,608,000.00
    NON-TAXABLE AMT/CD          .00              60,000.00               .00                 .00
    ZERO RATE AMOUNT--          .00             990,000.00          750,000.00        1,548,000.00
    TAXABLE AMOUNT----    1,608,000.00          558,000.00          858,000.00           60,000.00
    TAX AMOUNT--------       64,320.00           10,260.00           23,160.00                .00           97,740.00
---------------------------------------------------------------------------------------------------------------------------
ALASKA
    GROSS SALES-------      120,000.00          120,000.00          120,000.00          120,000.00
    ZERO RATE AMOUNT--      120,000.00           60,000.00               .00           120,000.00
    TAXABLE AMOUNT----          .00              60,000.00          120,000.00               .00
    TAX AMOUNT--------          .00                 600.00            3,600.00               .00            4,200.00
---------------------------------------------------------------------------------------------------------------------------
ARIZONA
    GROSS SALES-------      204,000.00          204,000.00          204,000.00          204,000.00
    NON-TAXABLE AMT/CD       27,000.00           27,000.00           27,000.00            6,000.00
    ZERO RATE AMOUNT--          .00              18,000.00           18,000.00          198,000.00
    TAXABLE AMOUNT----      177,000.00          159,000.00          159,000.00               .00
    TAX AMOUNT--------        8,850.00            1,267.50            2,700.00               .00           12,817.50
---------------------------------------------------------------------------------------------------------------------------
ARKANSAS
    GROSS SALES-------       71,400.00           71,400.00           71,400.00           71,400.00
    NON-TAXABLE AMT/CD          .00              18,600.00           15,000.00               .00
    ZERO RATE AMOUNT--          .00              16,800.00           35,400.00           71,400.00
    TAXABLE AMOUNT----       71,400.00           36,000.00           21,000.00               .00
    TAX AMOUNT--------        3,213.00              510.00              285.00               .00            4,008.00
---------------------------------------------------------------------------------------------------------------------------
CALIFORNIA
    GROSS SALES-------      456,416.55          456,416.55          456,416.55          456,416.55
    NON-TAXABLE AMT/CD          .00                  .00                 .00            150,000.00
    EXEMPT AMOUNT-----       60,000.00           60,000.00           60,000.00           60,000.00
    ZERO RATE AMOUNT--          .00              30,000.00          396,416.55           30,000.00
    TAXABLE AMOUNT----      396,416.55          366,416.55               .00            216,416.55
    TAX AMOUNT--------       23,784.99            4,580.20               .00             2,138.67           30,503.86
---------------------------------------------------------------------------------------------------------------------------
COLORADO
    GROSS SALES-------    1,020,000.00        1,020,000.00        1,020,000.00        1,020,000.00
    NON-TAXABLE AMT/CD          .00                  .00             240,000.00               .00
    ZERO RATE AMOUNT--          .00             780,000.00          120,000.00          240,000.00
    TAXABLE AMOUNT----    1,020,000.00          240,000.00          660,000.00          780,000.00
    TAX AMOUNT--------       30,600.00            1,200.00           23,400.00            6,240.00           61,440.00
---------------------------------------------------------------------------------------------------------------------------
CONNECTICUT
    GROSS SALES-------      120,000.00          120,000.00          120,000.00          120,000.00
    ZERO RATE AMOUNT--          .00              60,000.00           60,000.00           60,000.00
    TAXABLE AMOUNT----      120,000.00           60,000.00           60,000.00           60,000.00
    TAX AMOUNT--------        7,200.00               .00                 .00                 .00            7,200.00
---------------------------------------------------------------------------------------------------------------------------
DELAWARE
    GROSS SALES-------       66,000.00           66,000.00           66,000.00           66,000.00
    ZERO RATE AMOUNT--          .00              66,000.00           66,000.00           66,000.00
    TAXABLE AMOUNT----       66,000.00               .00                 .00                 .00
    TAX AMOUNT--------        1,320.00               .00                 .00                 .00            1,320.00
---------------------------------------------------------------------------------------------------------------------------
```

Figure 16 *shows the Recap Report (Tax Register).*

Section 3: Monthly Procedures

A: Re-create the Rate, Geo Xref and 9 Digit Zip/Geo Xref files

Each month users will receive an updated Data Module diskette or CD from Vertex. Every month users need to re-create the Rate and Cross-reference files. The re-create procedures are as follows:

1) Re-run section 1 A: Loading the data module.
2) Re-run section 1 B: Update Rate files.
3) Re-run section 1 C: Update Geo Xref file.
4) Re-run section 1 D: Update 9 Digit Zip/Geo Xref file

B: Create Tax Register Reports

Access: A/R, Processes, Vertex Tax Return

On a monthly, or as needed basis, users may need to generate the sales tax register reports from the register file. These reports are designed for the purpose of producing and filing sales/use tax returns. The data for these reports is generated from normal ELLIOTT tax calculations in Order Entry and Accounts Receivable. In order to submit a summary as well as a detailed report to both state and local tax authorities, the user can utilize this report to generate an interface to create reports. Vertex Interface does not print the reports directly from ELLIOTT. Instead, these reports will be created as ASCII files and stored on secondary media. They must be printed from the command prompt. Vertex provides two types of Tax Register reports. One is the Sales Tax Report, which assists the user in filling out sales tax returns, and the other is the Return Preparation, which will create two ASCII files for the Returns Module to interface for both state and local filing. Each report and its associated file name are listed below. Refer to Appendix A for sample reports to gain an understanding about the information included in each document.

1) Sales Tax Report

During the report creation process, the system will automatically write the report to the hard disk. The user can exit to the command prompt and route the report to a print device. These reports, which can be found under the \ELLIOTT7\DATA_00 sub directory, are:

(please refer to Appendix A)

1) Detail Report:	VTS120D.DAT
2) Summary Report:	VTS120S.DAT
3) Exempt Report:	VTS120E.DAT
4) Recap Report:	VTS120R.DAT
5) Non-Tax Report:	VTS120N.DAT
6) Non-Standard Report:	VTS120T.DAT
7) Import Audit State Summary Report:	VTS650L.DAT
8) Import Audit Location Summary Report:	VTS660L.DAT
9) Import Audit Tax Type Summary Report:	VTS670L.DAT

Note: **When the "Tax Register Reports" function is run, there are 6 types of reports that can be selected:**

D: for Detail	Creates VTS120D.DAT file
S: for Summary	Creates VTS120S.DAT file
E: for Exempt	Creates VTS120E.DAT file
R: for Recap	Creates VTS120R.DAT file
N: for Non-Tax	Creates VTS120N.DAT file
T: for Non-Standard	Creates VTS120T.DAT file

Once users select one of the above types, the other types of reports will be initialized. For example, if D (detail) is selected, only the VTS120D.DAT will be generated. Other files, VTS120S.DAT, VTS120E.DAT, VTS120R.DAT, VTS120N.DAT and VTS120T.DAT, will be empty.

2) Return Preparation

The process will create two data files located in the \ELLIOTT7\DATA_00 subdirectory TAX2000 for quantum returns. These two files will be used to interface with the Return Module, which is performed outside of ELLIOTT, and is not in the scope of this discussion.

Section 4: Vertex Files & Descriptions

File Name	Description	File Location \ELLIOTT7	File Location \ELLIOTT7\data	Created By	Access By
CPVTSDCS.BTR	TDM Table File		X	VTS320MN	VTS111
NUM2000.DAT	Identical To TAX2000.DAT To produce Reports		X	VTS630	VTS635
STAXMST5	Data Module Sequential Master File	X		Vertex Batch File	VTS100,VTS105, VTS107
STAXZIP	Data Module 9 Digit Zip Code/Geo Xref Sequential File	X		Vertex Batch File	VTS107
TAX2000.DAT	Sales Tax Returns Module File for Quantum Return		X	VTS630	For Quantum Applications
TDMSEQ	TDM Sequential Master File From TDM Module		X	(TDM)	VTS320MN
VCTL111.DAT	VTS111 Control File (card file)		X	Vertex	VTS111
VCTL120.DAT	VTS120 Control File (card file)		X	VTS120S	VTS120
VCTL600.DAT	VTS600 Control File (card file)		X	VTS600S	VTS600
VCTL640.DAT	VTS640 Control File (card file)		X	VTS640S	VTS640
VDAT200	Calculation Module Test file	X		Vertex	VTS201
VTRATE.BTR	Tax Rate File (State/County/City)	X		VTS100	VTS111
VTS120D.DAT	Detail Report File		X	VTS120	End Users
VTS120E.DAT	Exempt Report File		X	VTS120	End Users
VTS120R.DAT	Recap Report File		X	VTS120	Ens Users
VTS120S.DAT	Summary Report File		X	VTS120	End Users
VTS120N.DAT	Non-Tax Report File		X	VTS120	End Users
VTS120T.DAT	Non-Standard Report File		X	VTS120	End Users
VTS650IN.DAT	Sorted NUM2000.DAT	X		VTS635	VTS650,VTS660
VTS650L.DAT	Import Audit State Summary File		X	VTS650	End Users
VTS660L.DAT	Import Audit Location Summary		X	VTS650	End Users
VTS670IN.DAT	Sorted NUM2000.DAT	X		VTS635	VTS670
VTS670L.DAT	Import Audit Tax Type Summary		X	VTS650	End Users
VTSREG4.BTR	Register File		X	ELLIOTT Package	VTS111,VTS120, VTS250,VTS600
VTSXREF.BTR	GEO Xref File	X		VTS105	VTS111,VST107, VTS120,VTS250, VTS650,VTS660
VTSXTRCT.DAT	Unsorted *T.R.E. Temp File	X		VTS610	VTS620
VTSXTSRT.DAT	Sorted Tax Register Extract Temporary File	X		VTS620	VTS630
VTSZIP4.BTR	9 Digit Zip Code/Geo Xref File	X		VTS107	VTS111

S:\SHAREDOC\ELI75\VERTICAL\VERTEX\VERTEX5.DOC