



Oracle E-Business Suite - Tax Reporting Ledger in 11i.10

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*Managing Risk,
Leading Change*

Fiteni International LLC

- ◆ Fiteni International LLC is a professional services practice focused on Oracle E-Business Suite implementations, compliance and process change management.
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Agenda

- ◆ Introduction
- ◆ Overview
- ◆ Defining a report
- ◆ Content Overview
- ◆ Running a Report
- ◆ Other Tax reports
- ◆ Q&A

Introduction

- ◆ Topic: An Overview of the Oracle Tax reporting Ledger
 - The Oracle Tax Reporting Ledger is a comprehensive tool for reporting and extracting tax relevant data from Oracle sub-ledgers and General Ledger
- ◆ Audience:
 - Accountants, Tax Analysts, Oracle Business Analysts
- ◆ Objective:
 - Develop an understanding of the tax reporting ledger and gain proficiency in building reports

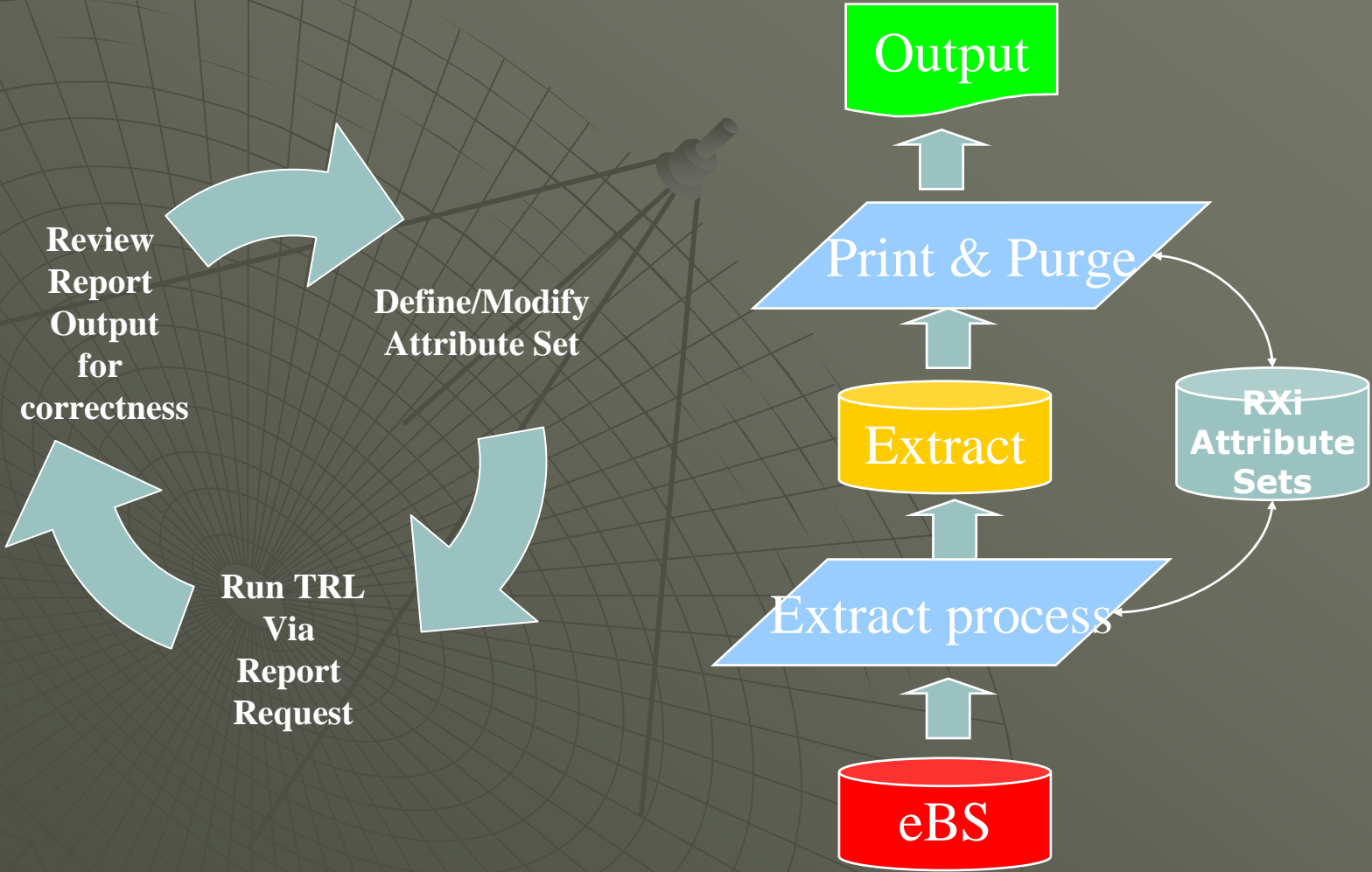
OAUG eLearning Seminar goals

- ◆ The objectives of this OAUG eLearning seminar are to:
 - develop a functional understanding of the Tax Reporting Ledger (TRL)
 - gain some knowledge and insight to better support tax to ledger reconciliations, audits, and analysis
 - create customized reports to met local tax reporting needs

Vocabulary

- ◆ **RXi** – Report Exchange an extract and reporting tool used to prepare reports and output to Excel, and Text formats.
- ◆ **TRL** – Tax Reporting Ledger
- ◆ **Sales Tax** – Sales taxes are tax levies charged on applicable revenues according to law; and reported and paid periodically to the relevant taxing jurisdiction
- ◆ **Use Tax** – or consumption tax levied by local jurisdictions where goods and services are delivered from outside the jurisdiction but consumed locally, and are often accrued and paid by the buyer rather than the seller.
- ◆ **VAT** – Value Added Tax imposed on the value of goods and services (mostly European states use this type of taxation system)
- ◆ **GST** – Goods and Services Tax – used in Canada and Australia – similar to VAT
- ◆ **Consumption Tax** – Japan levies a consumption tax on the value of goods

How Report Exchange (RXi) works



RXi and TRL Reporting

- ◆ RXi-only: Financial Tax Register
 - Contains Attribute Sets
 - ◆ When invoked via a Report Request in the Request Center:
 - An Attribute Set is used to extract data from GL, AR and/or AP using the Financial Tax Registers to produce
 - ◆ An extract with all required data instantiated in an interface table
 - ◆ A printed or file based output
 - ◆ A process to purge the interface table
- ◆ NOTE: RXi is not compatible with the XML Publisher as it does not produce a file in an XML output format

TRL Reporting Scope

Set of Books

Legal entity

Operating Unit

- ◆ Set of Books level covers all subordinate transactions
- ◆ Legal entity is the sum of all subordinate Operating Units
- ◆ Scope limited to transaction within a single org.

Tax Reporting Ledger Hierarchy

Header
Level

Line Level

Tax Distribution Level

- ◆ Document #
- ◆ Party identification
- ◆ Document value
- ◆ Line #
- ◆ Goods, Services
- ◆ Value, Tax
- ◆ Tax Value by Jurisdiction
- ◆ Tax Accounts
- ◆ Posting status



Defining RXi Reports

Part 1

Defining a TRL Report using the Report Exchange Designer

- ◆ Steps:
 - Choose the Financial Tax register DEFAULT layout
 - Copy to and name a new Attribute Set
 - Modify the new Attribute Set to extract required data
 - Add Display, Count and Sum properties where required
 - Save new Attribute Set

Attribute Set Modifiers

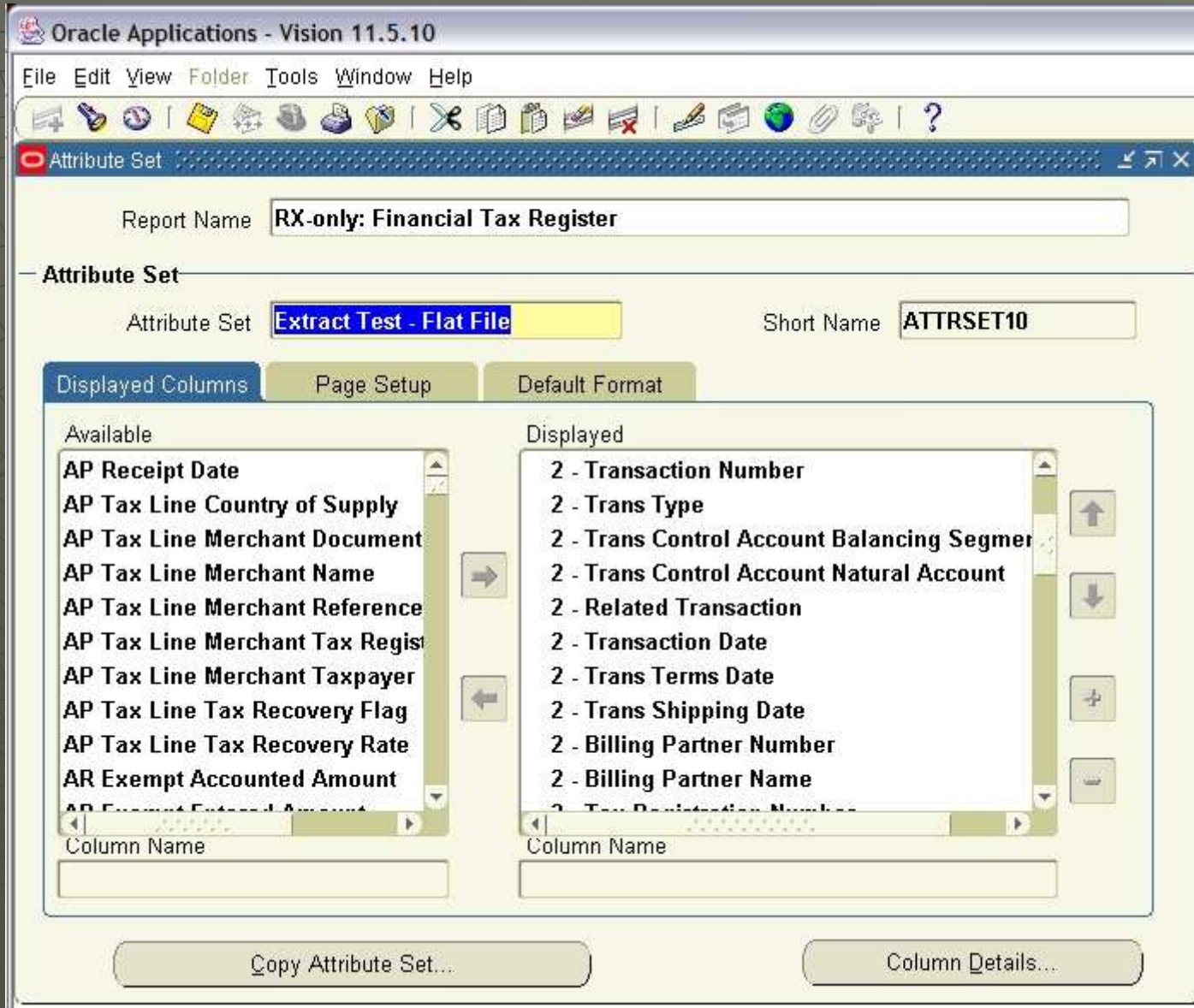
- ◆ Modify Print Heading
- ◆ Add or drop Attributes
- ◆ Modify Attribute display format
- ◆ Sum on Attributes
- ◆ Count on Attributes
- ◆ Group/Break on Attributes
- ◆ *Determines Display Characteristics*
- ◆ *Determines Content of Extract*
- ◆ *Determines how data is printed*
- ◆ *Level and type of summary data*
- ◆ *Determines how to print summaries*

Defining the Report Layout

- ◆ Parameters can be printed on every page
- ◆ Use of Breaks are key to getting the right summaries
- ◆ Sum, Count totals can be added on Attribute Breaks, Pages, Running Totals, and at Report level
- ◆ Format money and Dates are optional
- ◆ Demo.....

Defining a TRL Report

- ◆ In Vision, Responsibility is “RXi Designer”
- ◆ Menu: Set Up RXi
- ◆ Available TRL Reports:
 - RXi-only: Financial Tax Register
 - ◆ DEFAULT ‘Tax Register’
 - ◆ ATTRSET2 ‘Tax Register with Tax Recovery’
 - When running a Report Request



Oracle Applications - Vision 11.5.10

File Edit View Folder Tools Window Help

Attribute Set

Column Details

Report Name: **RX-only: Financial Tax Register** Attribute Set: **Extract Test - Flat File**

Level	Column Name	Attribute Name	Length	Ordering	Sum	Count
2	TRX_TAXABLE_NATURAL	Taxable Natural Account	10	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
2	TAXABLE_FLAG	Taxable Flag	1	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
2	TAXABLE_QUANTITY_UO	Taxable Quantity Uom Code	10	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
2	TAXABLE_QUANTITY	Taxable Quantity	15	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
2	TAXABLE_LINE_ENTERED	Taxable Line Entered Amount	22	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
2	TAXABLE_ENTERED_DIS	Taxable Entered Disc Amt	22	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	TAX_CODE	Tax Code	10	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	TAX_CODE_TAX_CLASS	Tax Line Tax Class Code	1	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	TAX_LINE_EFFECTIVE_T	Tax Line Effective Tax Rate	22	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	AL_ACCOUNT_FLEXFIEL	Acct Line Account Flexfield	2000	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	TRX_TAX_NATURAL_AC	Tax Line Natural Account	240	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
3	TAXABLE_EXEMPT_TOT	AR Taxable & Exempt Entered	22	Ascending	<input type="checkbox"/>	<input type="checkbox"/>
	TAX_ACCOUNTED_AMOU	Tax Amount	18	Ascending	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Sum Detail... Count Detail... OK Cancel

Oracle Applications - Vision 11.5.10

File Edit View Folder Tools Window Help

Attribute Set

Column Details

Summary Details

Column Name: Tax Amount
Summary: Sum

Level	Summary Level	Prompt	Display
	Running Page Total	Running Total	<input type="checkbox"/>
	Page Total Sum	Page Total	<input type="checkbox"/>
	Previous Page Total Sum	Previous Page Total	<input type="checkbox"/>
	Report Total Sum	Report Total	<input checked="" type="checkbox"/>
1	Trans Control Account Flex	Totals for Company	<input checked="" type="checkbox"/>
2	AR Trans Posting Status, Al	Total	<input type="checkbox"/>
3	Acct Line Account Flexfield	Total	<input type="checkbox"/>

OK Cancel

Level	Summary Level	Prompt	Display	Order	Sort	Sum	Count
	Running Page Total	Running Total	<input type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
	Page Total Sum	Page Total	<input type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
	Previous Page Total Sum	Previous Page Total	<input type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
	Report Total Sum	Report Total	<input checked="" type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
1	Trans Control Account Flex	Totals for Company	<input checked="" type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
2	AR Trans Posting Status, Al	Total	<input type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
3	Acct Line Account Flexfield	Total	<input type="checkbox"/>		ending	<input type="checkbox"/>	<input type="checkbox"/>
3	TAXABLE_EXEMPT_TOT	AR Taxable & Exempt Enterrec	22		Ascending	<input type="checkbox"/>	<input type="checkbox"/>
	TAX_ACCOUNTED_AMOL	Tax Amount	18		Ascending	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Sum Detail... Count Detail... OK Cancel

Define Report Headings

The screenshot shows a software window titled "Attribute Set" with the following configuration:

- Report Name:** RX-only: Financial Tax Register
- Attribute Set:** Tax Register with Tax Recovery
- Short Name:** ATTRSET2
- Page Setup Tab:** Active, showing:
 - Report Title:** Financial Tax Register
 - Group Display Type:** Group Above
 - Page Size:** Page Width (Characters) is 132, Page Height (Characters) is 45.
 - Print Report Headings:** A list of checkboxes for items to be printed:
 - Title
 - Organization Name
 - Page Number
 - Parameters
 - Submission Date
 - Functional Currency
 - Total Pages
 - Page Break Columns
- Buttons:** Copy Attribute Set... and Column Details...

Define Date Format

The screenshot shows a software window titled "Attribute Set". At the top, there is a "Report Name" field containing "RX-only: Financial Tax Register". Below this, the "Attribute Set" section is active, showing "Attribute Set" as "Tax Register with Tax Recovery" and "Short Name" as "ATTRSET2". There are three tabs: "Displayed Columns", "Page Setup", and "Default Format", with the last one selected. Under the "Default Format" tab, there are two input fields: "Default Date Format" with the value "DD-MON-YYYY" and "Default Date Time Format" which is empty. At the bottom of the window, there are two buttons: "Copy Attribute Set..." and "Column Details...".

Report Name: **RX-only: Financial Tax Register**

Attribute Set

Attribute Set: **Tax Register with Tax Recovery** Short Name: **ATTRSET2**

Displayed Columns Page Setup **Default Format**

Default Date Format: **DD-MON-YYYY**

Default Date Time Format:

Copy Attribute Set... Column Details...

Managing Attribute Sets

- ◆ Always start with a core Attribute Set (DEFAULT)
- ◆ Rename the copy, then start making changes
- ◆ Make sure that the templates are well tested
- ◆ Use Applications Security features to limit access to sensitive information



Tax Reporting Ledger Content

Part 2

Scope of Transaction Content

- ◆ General Ledger:
 - Manual Journal Entries (with Account Method VAT turned on)
- ◆ Receivables:
 - Sales Invoices
 - Credit, Debit Memos
 - Line, Tax, Invoice Adjustments
 - Cash Applications for Deferred Tax
 - Earned, Unearned Discounts
 - Finance Charges
 - Miscellaneous Cash Receipts
- ◆ Payables:
 - Invoices, Credit Memos
 - Prepayments
 - Deferred VAT
- ◆ Global Descriptive Flexfields
- ◆ Not Included:
 - Descriptive Flexfields (columns are included but not populated)

Header Level Data

- ◆ Party Data Elements
 - Reporting Entity
 - Partner Entities
 - ◆ Billing (Customer, Supplier)
 - ◆ Shipping
 - ◆ Merchant
 - ◆ Tax Identifiers
- ◆ Document Data Elements
 - Document Sequence
 - Transaction Number
 - FOB Point

Line (Shipment) Data

- ◆ Inventory Item
- ◆ Gross Taxable Amount
- ◆ Unit Quantity
- ◆ UOM Base
- ◆ Ship-To Location
- ◆ Ship-From Location
- ◆ AP Product category or AR Item Classification
- ◆ Line Amount Taxable basis
- ◆ Line Amount by Tax Code
- ◆ No Unit Price

Tax Distribution Data

- ◆ GL Tax Liability Account
- ◆ Posted Status
- ◆ Tax Code
- ◆ Tax Class
- ◆ Taxable Amount – Entered, Accounted
- ◆ Tax Amount – Entered, Accounted
 - Recoverable
 - Non-recoverable
- ◆ Discounted Amounts – Entered, Accounted



Running Rxi Reports

Part 3

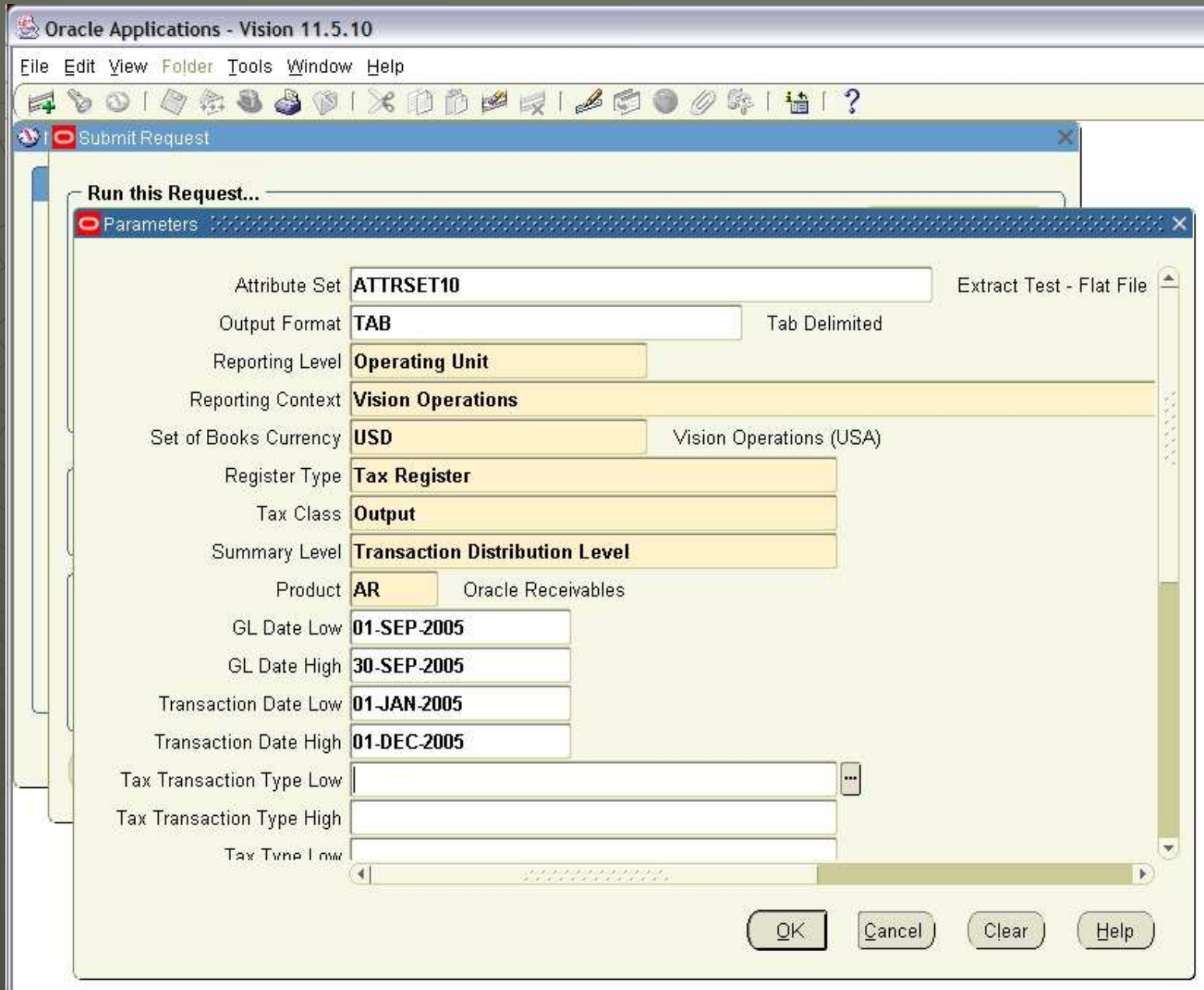
Running an Rxi Report

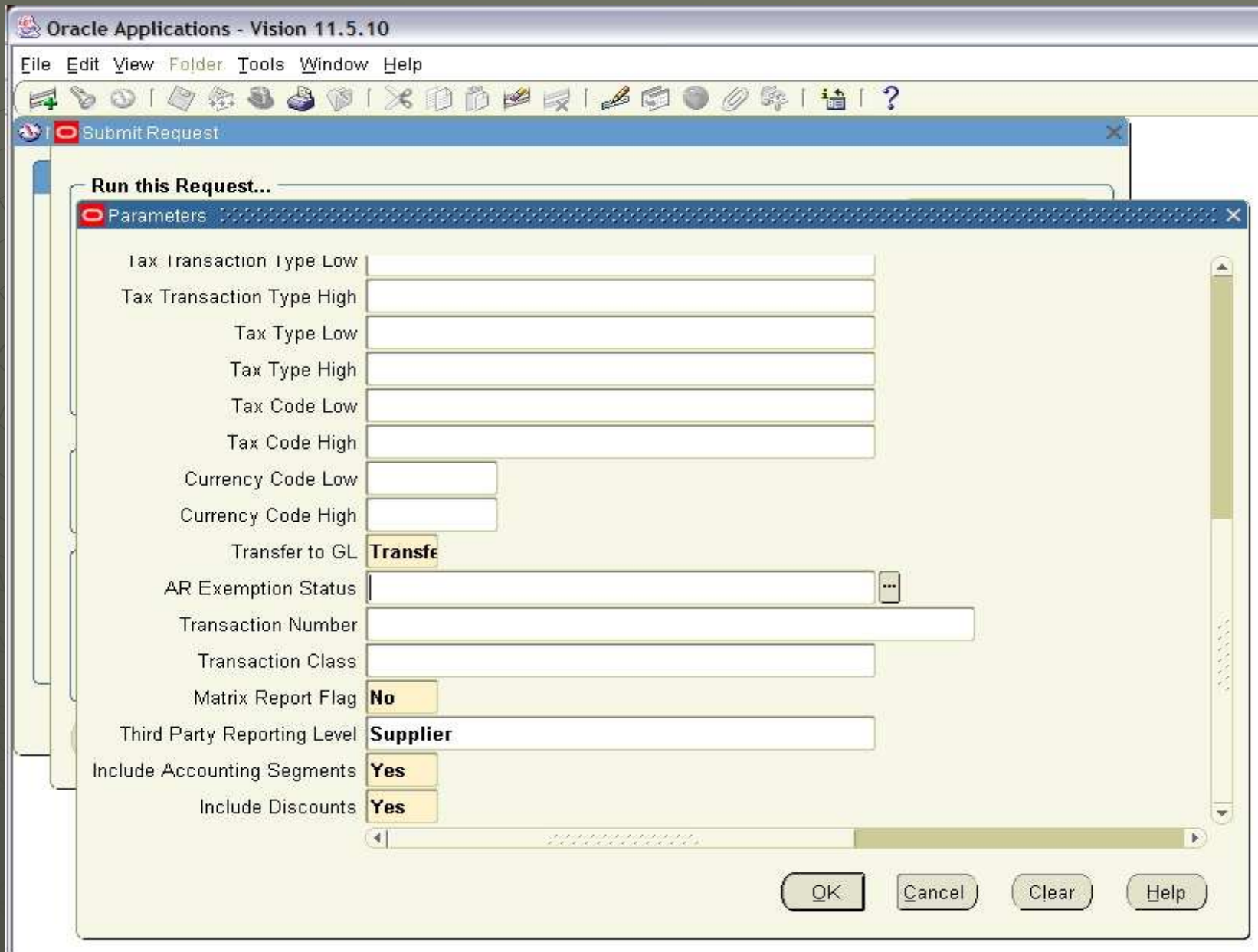
- Report Parameters

- ◆ Key Attributes and best practices
 - Always enter a Transaction Date Range
 - Always enter a GL Date Range
- ◆ Distribution based reports
 - Use a GL Natural Account range for Tax Liability Accounts
 - Use a BSV Range for transaction affecting a legal entity

Running an Rxi Report - Example

- ◆ Period: May-05
- ◆ Transactions:
 - 1 transaction sale in Va State
- ◆ Other Parameters:
 - GL Posted – No
 - GL Dates – Required parameters
 - Transaction dates – Ensure range covers at least the GL Dates range
- ◆ DEMO





http://vis11510.solutionbeacon.net/OA_CGI/FNDWRR.exe?temp_id=2215347250 - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites

Search the Web Search Address http://vis11510.solutionbeacon.net/OA_CGI/FNDWRR.exe?temp_id=2215347250 Go Links

plaxo

Trans Control Account Flexfield Reporting Set of Books Name	Functional Currency	Extract Source Ledger	Organization Name
01-000-2520-0000-000 Vision Operations (USA) USD AR	Vision Operations (USA)	13194	01 1210
Vision Operations (USA) USD AR	Vision Operations (USA)	13214	01 1210 01-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13215	01 1210 01-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13219	01 1210 01-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13294	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13296	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13297	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13300	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13317	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13317	01 1210 07-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13414	01 1210 08-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13439	01 1210 08-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13439	01 1210 08-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13439	01 1210 08-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13477	01 1210 09-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13477	01 1210 09-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13536	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13536	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13537	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13538	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13578	01 1210 11-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13583	01 1210 11-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13594	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13595	01 1210 10-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13614	01 1210 12-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13635	01 1210 12-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13635	01 1210 12-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13636	01 1210 12-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13694	01 1210 13-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13695	01 1210 13-SEP-2005
Vision Operations (USA) USD AR	Vision Operations (USA)	13696	01 1210 13-SEP-2005

Count 31

Done Internet

RXi Exporting Data

- ◆ RXi reports
 - Text (DEFAULT)
 - CSV
 - HTML
 - Tab Delimited
 - *XML is not available at this time*
- ◆ *NOTE: Report Request can export to a PDF if required*

Seeded RXi Tax Reports

- ◆ (RXi) US Sales Tax Reports - Best for US sales and Use taxes
 - Allows DEFAULT Attribute Set only
 - RXi: US Sales Tax Report - Header
 - RXi: US Sales Tax Report - Line
- ◆ (RXi) Financial Tax Register - best for VAT and Latin taxes
 - Allows variations of DEFAULT and ATTRSET2 templates
 - DEFAULT – recoverable only
 - ATTRSET2 – recoverable and non-recoverable
- ◆ RXi: Korean VAT Report Extract
- ◆ RXi: Korean Withholding Tax Report Extract
- ◆ AP Withholding Tax Extract
- ◆ Czech Export tax report
- ◆ RXi-only: Thai Output Tax Summary Report

Other Tax Reports

- ◆ Reports 9i
 - Tax by Taxable Account - best for Japan
 - European** Tax Register - best for Deferred VAT
 - ◆ Interim, Tax, Non-recoverable
 - There are a variety of Globalization reports for country specific compliance needs
 - Tax Set Up Verification Report – used to check on whether set up is complete
- ◆ *NOTE: ** for some European countries, use the reports that are specifically created for them*

Best practices & procedures

- ◆ Avoid running extracts coincident with the period end procedures (e.g. weekly)
- ◆ Need to run the RXi report periodically to review non-posted items
- ◆ Visual reconciliation should occur prior to performing extract for each control account
- ◆ Run extracts separately for GL, AP and AR to ensure performance
- ◆ The extract job should be automated as much as possible through CM and other processes
- ◆ Use Event and Demand Alerts in Production instance to pro-actively warn of issues
- ◆ Ensure that purge and clean up procedures keep interface table clear

Q & A

- ◆ Additional Reading
 - 115artax.pdf – Chapter 9

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 - Change Management
 - Business Process Re-Engineering