

## The PQS guide to switching to the new VAT rate as at February 2016

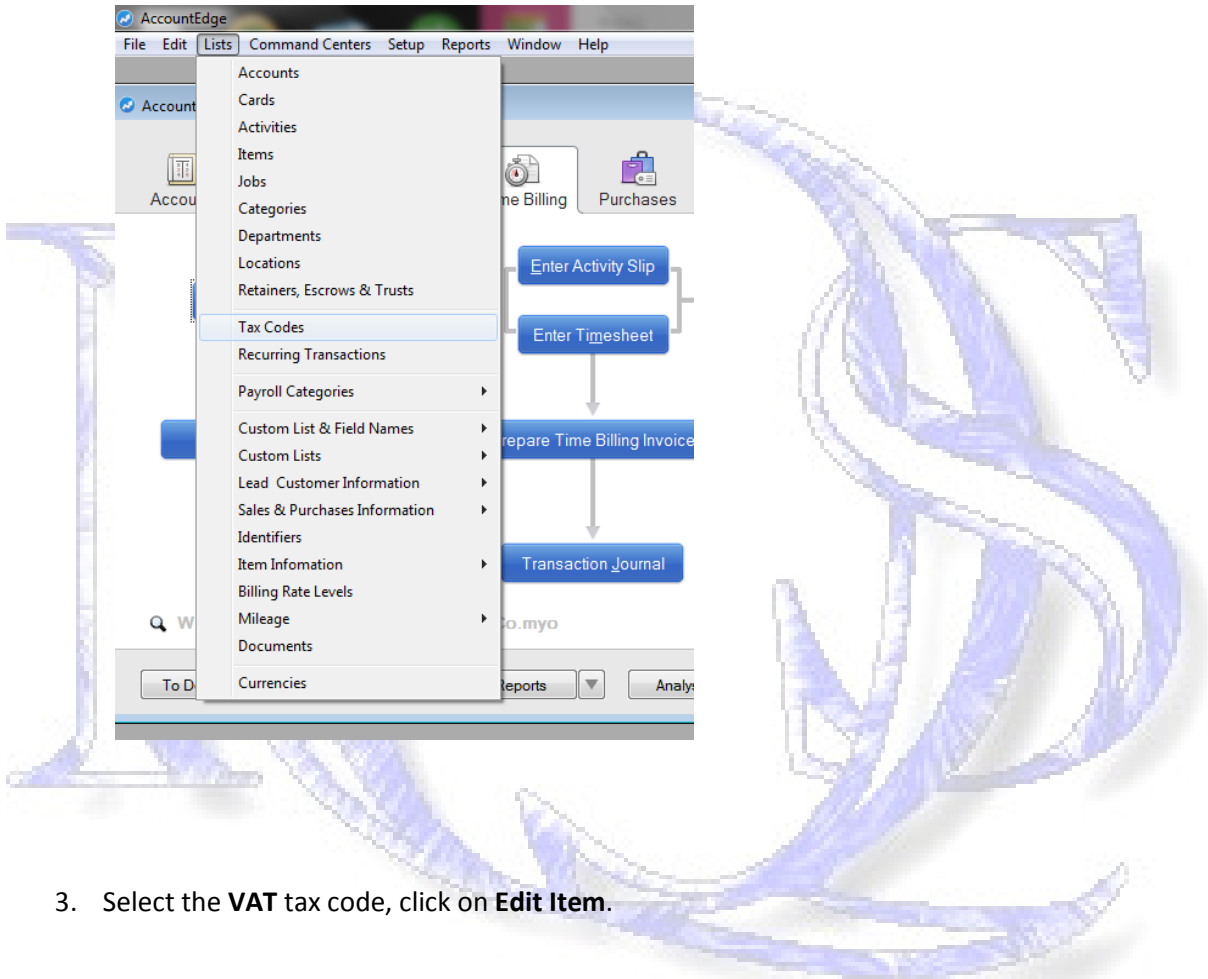
### Overview

This document seeks to outline the process for switching the VAT rate from 15% to 12.5% from February 2016. Since many companies will not be fully up to date as at February 1<sup>st</sup> 2016, simply changing the existing rate may not be feasible. Thus to cater for our customers various data entry needs, we would like to propose the following process to deal with the issue:

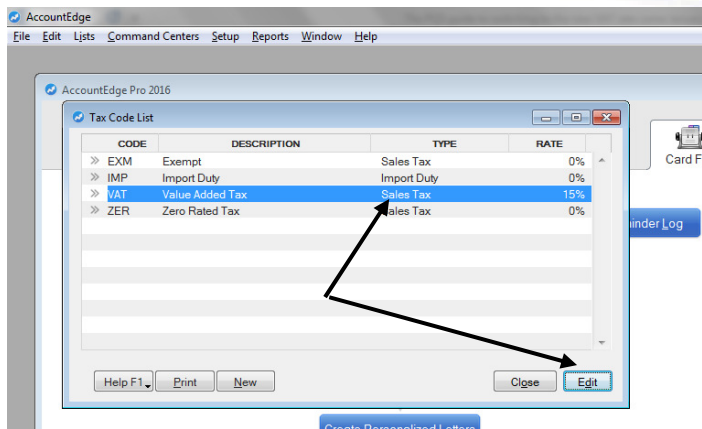
1. **Backup your data.** Before making any significant change to your data file you should make a backup of your data.
2. **Edit Tax Code.** Edit your current Value Added (VAT) Tax Code to reflect the new VAT percentage 12.5%. This is so that you will not have to edit all your customers to reflect the new tax code.
3. **Create new sales tax code for back log data entry.** If for any reason you were not able to complete all your data entry for the year ending 2015. A new tax code is needed to reflect the old VAT amount of 15%.
4. **Review Reports.** Use the List Reports to ensure that all defaults are properly set so that you get no surprises later on in the year.

Hope this helps all concerned. If you still require assistance, please feel free to contact us at [info@pqsys.com](mailto:info@pqsys.com) or call us on (868) 638-0959.

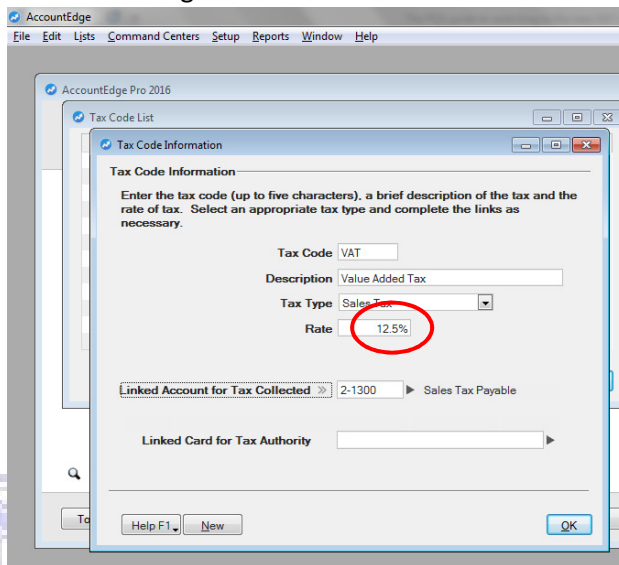
1. Start and log into AccountEdge as the administrator user
2. Go to **List**, then **Tax Codes**.



3. Select the **VAT** tax code, click on **Edit Item**.



4. In the following window enter the 12.5% as the rate you will be charging.



The screenshot shows the 'Tax Code Information' dialog box within the AccountEdge Pro 2016 software. The dialog box contains the following fields and values:

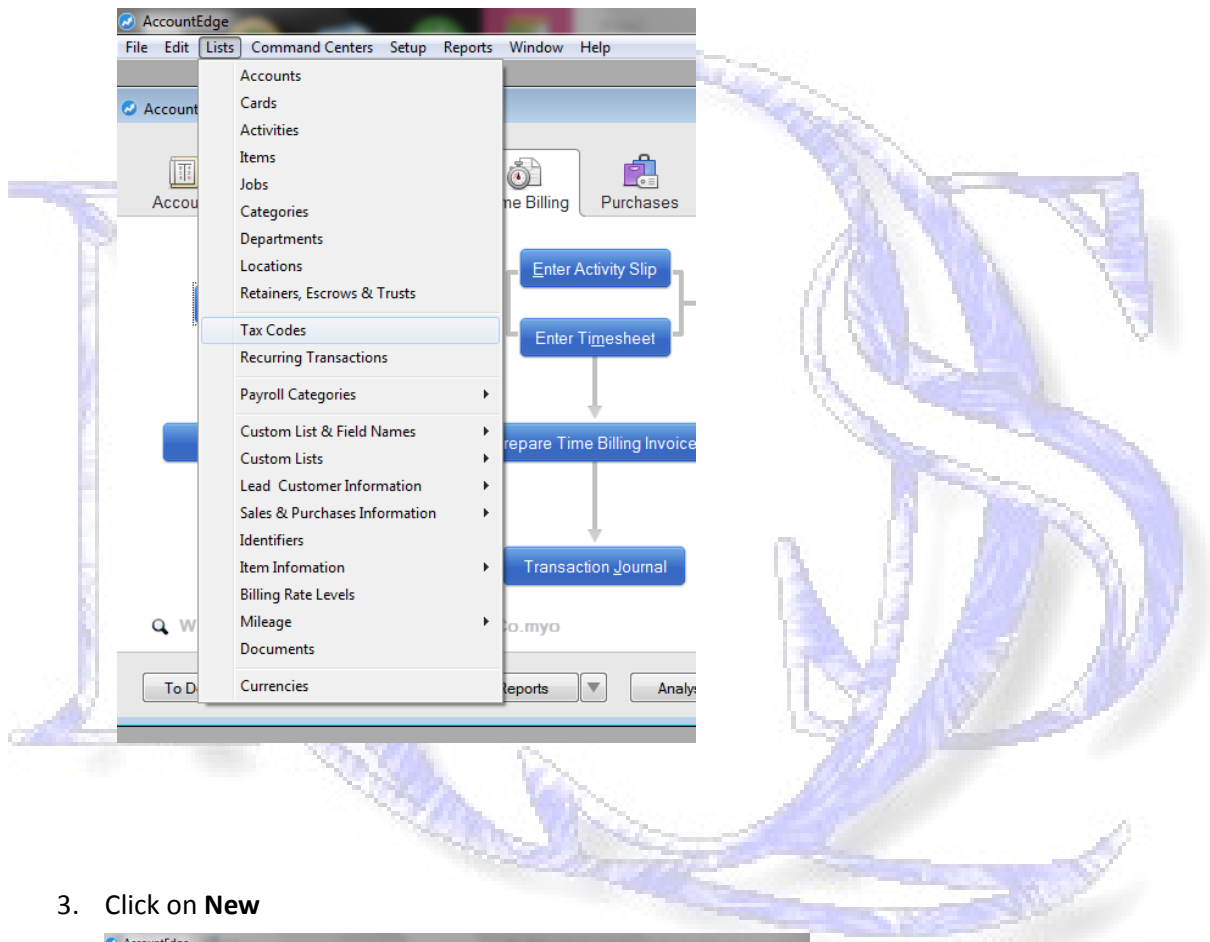
- Tax Code:** VAT
- Description:** Value Added Tax
- Tax Type:** Sales Tax
- Rate:** 12.5% (highlighted with a red circle)
- Linked Account for Tax Collected:** 2-1300 Sales Tax Payable
- Linked Card for Tax Authority:** (empty)

Buttons at the bottom include 'Help F1', 'New', and 'OK'.

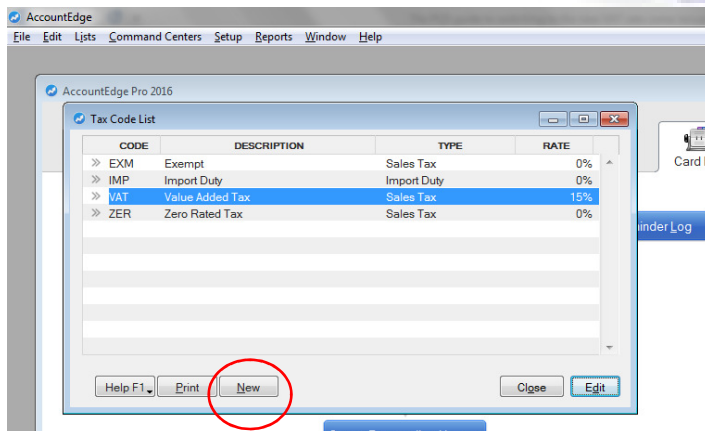
5. Click **OK** to save.
  - a. NB: Previous transaction will not be affected.

## New Tax Code for previous year transactions

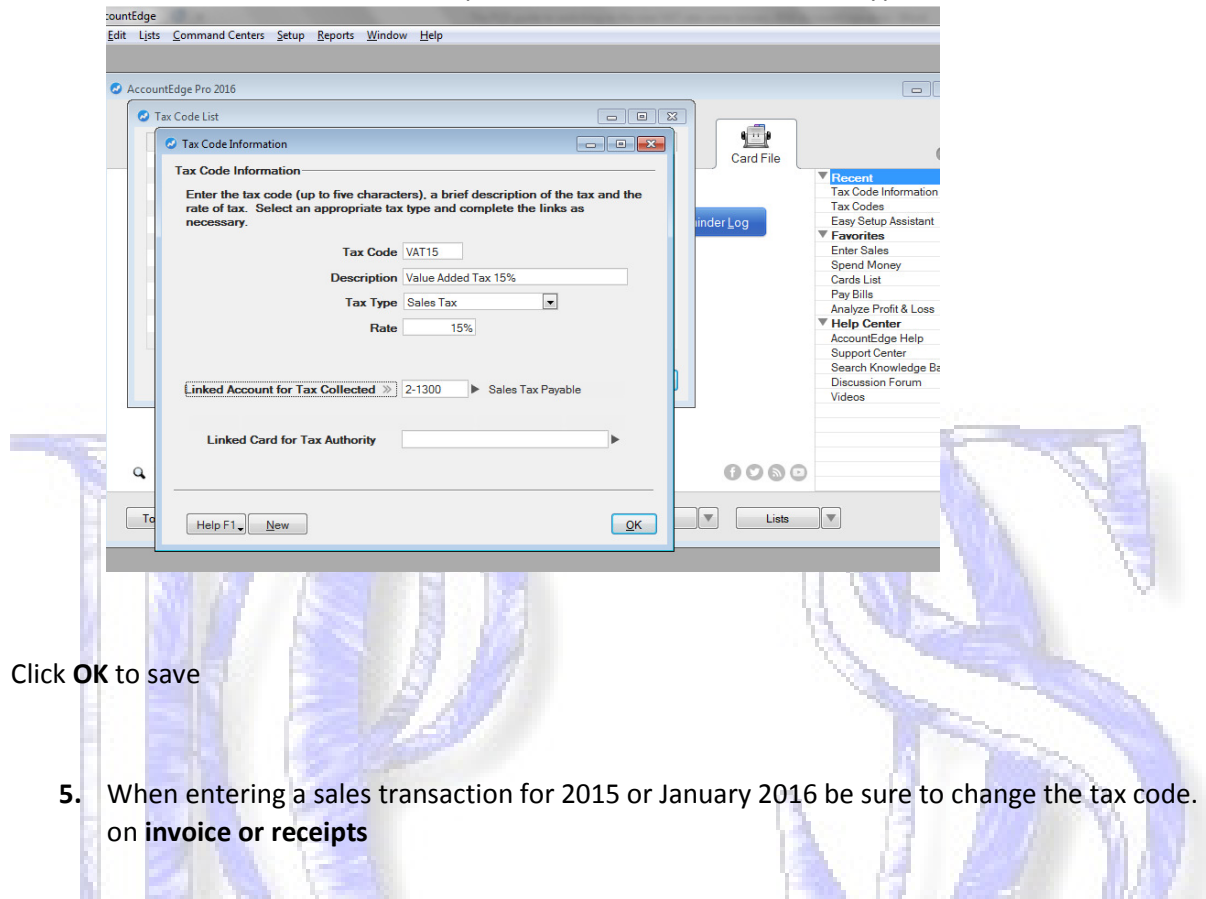
1. Start and log into AccountEdge as the administrator user
2. Go to **List**, then **Tax Codes**.



3. Click on **New**



4. Enter Tax Code **VAT15**, description **Value Added Tax 15%**, Tax type **Sales Tax** and Rate **15%**



Click **OK** to save

5. When entering a sales transaction for 2015 or January 2016 be sure to change the tax code. I.e. on **invoice or receipts**

