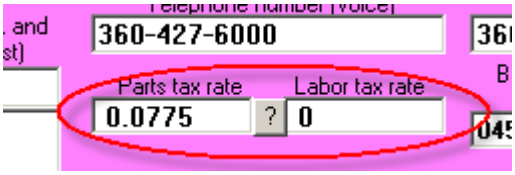
How to Create Your Tax-Rates File

First of all, please understand this file may not be needed at all.

In particular, if all of your sales are subject to the same rates of sales tax (in other words, you're not subject to different jurisdictions that have different rates), your task is very simple. All you need to do is, in the ServiceDesk Settings form (and in the boxes provided), indicate what the single rate is for materials, and what the single rate is for labor.



Filling in these boxes is all that's needed if you only need to cope with a single rate set for your whole territory

Do nothing else, and the system will handle matters perfectly.

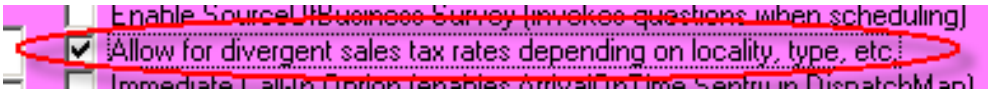
A challenge arises only if, in fact, you need to pay for different rates of sales tax as pertaining to work done at varying locations. If that is your situation, please read further in this manual.

Chapter 1

Historical Background

Prior to February of '09, ServiceDesk had no mechanism via which it would calculate—for you—varying tax rates on the basis of where the work was performed. Instead, its somewhat "weak" method for handling varying rates was, basically, to *slough off* the task and let you handle it.

The "sloughing" was done via the mechanism of you picking a particular option in the Settings form. It's the checkbox (toward the top-right corner of the purple section) as follows:



Quite simply, with the above-indicated box checked, ServiceDesk refrains from calculating sales tax for you (except in POS operations, where it assumes you're conducting the sale from your office, and that the rate provided within the standard rate boxes should apply). When you're entering completed sales for ordinary service, it permits you to proceed with any implicit tax amount so long as it fits within a range between 0 and 15 percent.

With the improved options as added in February of '09, you are still free to use this older option, but there is no longer any necessity for it.

FYI, the necessity existed because, if you had to charge different rates for different locations, ServiceDesk formerly had no basis to know what those different rates might be (i.e., as opposed to whatever default/local rates you put in the Settings form's standard rate boxes). So, it had to just permit you to proceed (within reason) with whatever the operator indicated. And (except in POS situations), had to refrain from calculating for you.

Chapter 2

Your TaxRates File—A Conceptual Overview

The simple idea behind a TaxRates file is that you'll indicate, in a very simple document (and for each zipcode in your area), what applicable rates should be. You save this document as a file, which ServiceDesk then consults when needing to work with tax amounts.

This need to consult will arise in any of several contexts:

- When auto-filling tax amounts in a FinishedForm context.
- When checking your math during a SalesEnter process.
- When auto-recalculating, on your behalf, while you're revising an A/R or prior-entered SalesJournal entry.
- When creating reports that refer to sales tax amounts.
- When uploading applicable rates for use by techs in SD-Mobile.

Again, the simple idea is that you'll create this simple document, and ServiceDesk then consults it as needed, within each applicable operation.

It's a good idea, incidentally (and even assuming you create this document), that you still provide default/standard tax rates within the provided boxes of the Settings form. This is so ServiceDesk can use those rates, as a fall-back, for any situation where more specific rates cannot be determined.

Chapter 3

Actual Creation of Your Document

What you're going to be doing is making a simple document, consisting of rows and columns. There will be a "row" (aka line of text) for each zipcode in your area, with each row divided into four "fields" as follows:

Column 1: A descriptor for the jurisdictional area that governs the zipcode

Column 2: Applicable zipcode

Column 3: Tax rate as applicable to materials

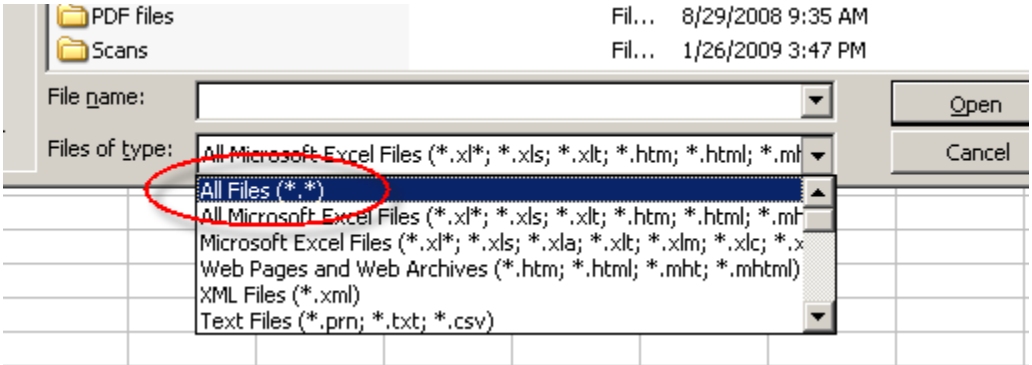
Column 4 Tax rate as applicable to labor

The duplication of fields, in each row, is what forms your "columns." Each field is separated by a simple tab character.

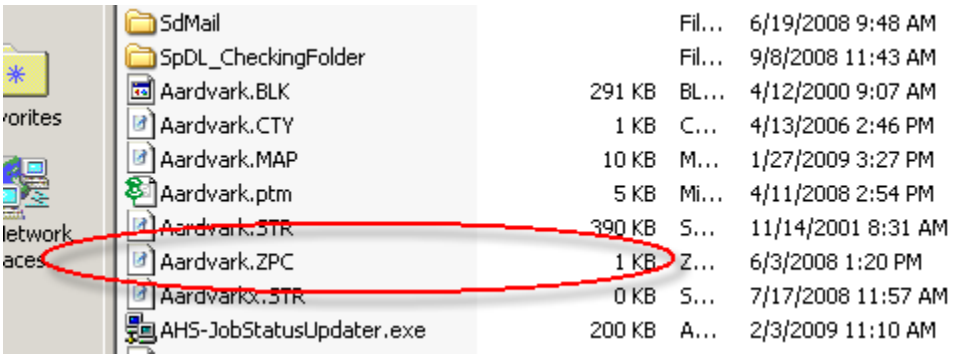
You could use any of several methods to create this simple document, but if you have Excel or similar (and are not totally incompetent in its use), our suggestion is to use that.

We also suggest (for maximum ease) that you start with a zipcode list we've already created for you. It's one of the *custom* files that begins with an abbreviated variation of your business name, and can be found within the **x:\sd** folder on any drive where ServiceDesk is installed (substitute the actual drive letter, where installed, for the **x:** as indicated: usually it will be **c:\sd**).

In particular, after opening Excel, choose its *File-Open* dialog. In the '*Files of Type*' drop-down at the very bottom, you'll need to choose 'All Files', as per the following:

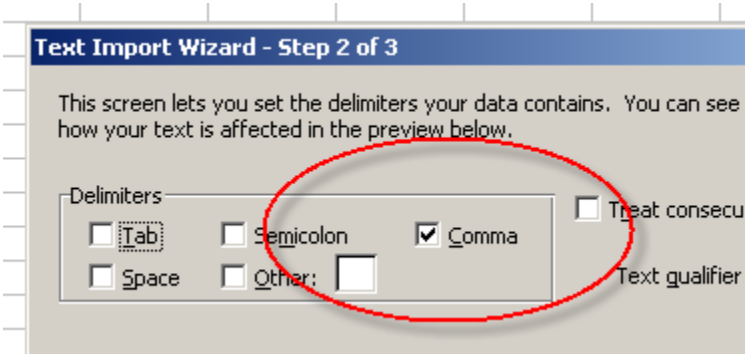


After this choice, navigate to a drive where ServiceDesk is installed, and within the applicable folder look for the file that has that abbreviation of your business-name, followed with a **.zpc** extension. Choose that file to open.

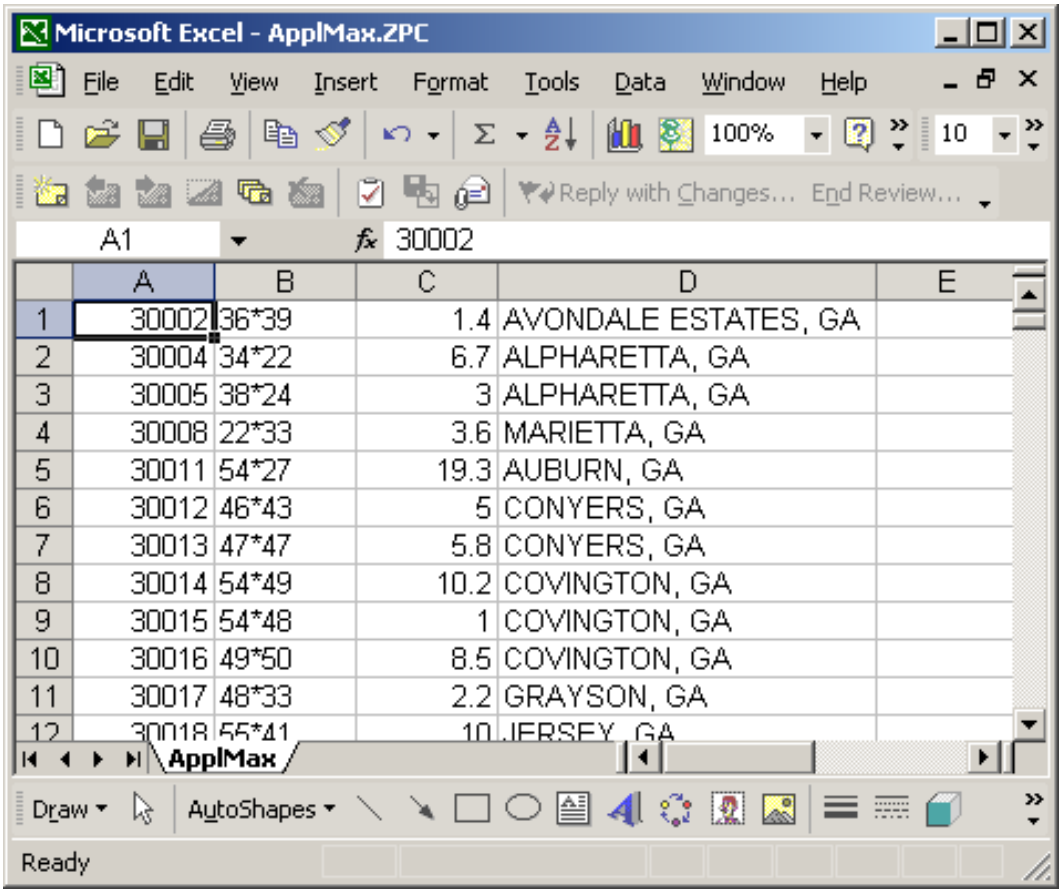


Again, bear in mind it's the file that's referencing your own business name that you'll be looking for.

After you select that file, Excel will ask for some guidance in properly parsing its contents. Basically, you just need to let Excel know it's a '*Comma-delimited*' file:



Then proceed, and Excel should open the file nicely, with a result that looks something like the following:

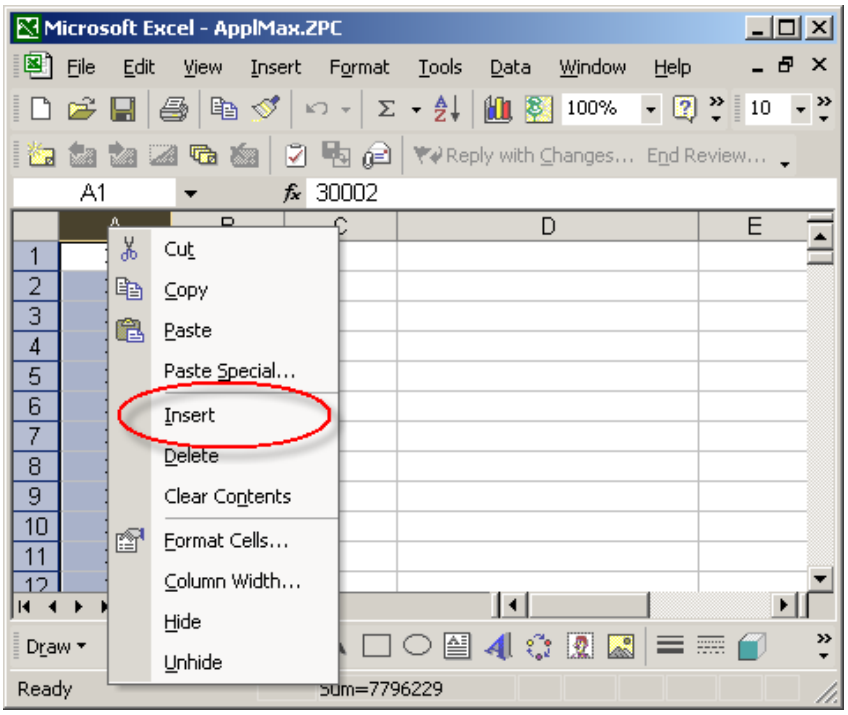


Now bear in mind, this is not the document you want to end up with. We're only suggesting that you *start* with this one, so you don't need to create your list of zipcodes from scratch.

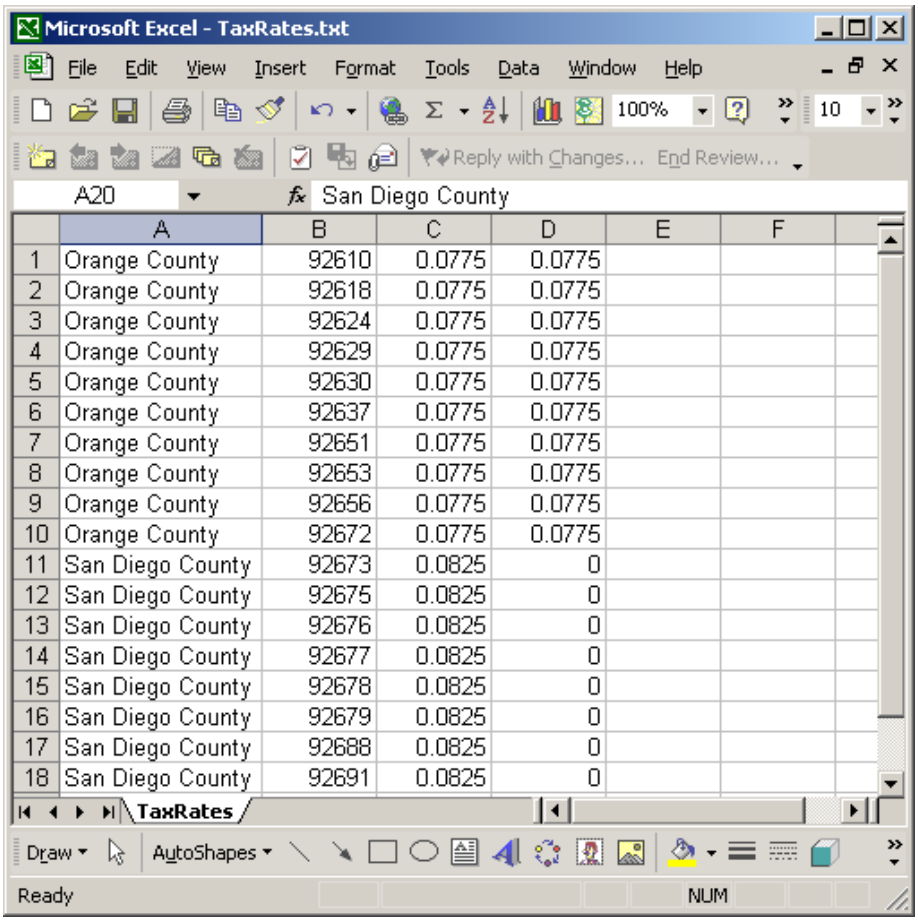
Also, please be certain you DO NOT SAVE this particular document with any changes as made in it. This document is used by ServiceDesk for important internal purposes. If you change it, AND SAVE AS THE SAME DOCUMENT, you'll destroy those important internal purposes. Again, DO NOT SAVE any changes to your **xxxxxx.ZPC** file. When it's time to save your work, you'll do it under a *different* name.

In regard to such work, your first task, if beginning with this document, is to get rid of the columns we'll not be using in our new document. Just click on the letter-heading at the top of each column you don't want (that's going to be columns B, C and D). As you select each, hit Delete on your keyboard, and confirm you intent to delete. In result, you'll end up with a single column, consisting of zipcodes only.

Now, you want to insert a new column in front of the zipcodes. To do so, right-click on the header at the top of Column A. From the drop-down, pick 'Insert'.



This will make the zipcodes column second, which is precisely where you want it. Now, all that's left is to appropriately fill-in the other three columns. Following is an example of correct completed formatting:



	A	B	C	D	E	F
1	Orange County	92610	0.0775	0.0775		
2	Orange County	92618	0.0775	0.0775		
3	Orange County	92624	0.0775	0.0775		
4	Orange County	92629	0.0775	0.0775		
5	Orange County	92630	0.0775	0.0775		
6	Orange County	92637	0.0775	0.0775		
7	Orange County	92651	0.0775	0.0775		
8	Orange County	92653	0.0775	0.0775		
9	Orange County	92656	0.0775	0.0775		
10	Orange County	92672	0.0775	0.0775		
11	San Diego County	92673	0.0825	0		
12	San Diego County	92675	0.0825	0		
13	San Diego County	92676	0.0825	0		
14	San Diego County	92677	0.0825	0		
15	San Diego County	92678	0.0825	0		
16	San Diego County	92679	0.0825	0		
17	San Diego County	92688	0.0825	0		
18	San Diego County	92691	0.0825	0		

As you can see, we have rows and columns precisely fitting the description provided at the outset of this chapter. First column describes the applicable jurisdiction, second the zipcode, third the tax rate (as applicable for each line item) for materials, and fourth the tax rate as applicable to labor.

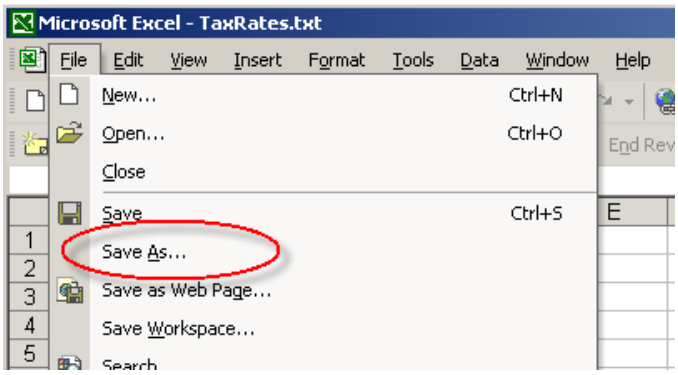
Once you've created the above structure, it's time to save the document. In particular, you must save it:

- As the correct type;
- With the correct name; and
- Located in the correct place.

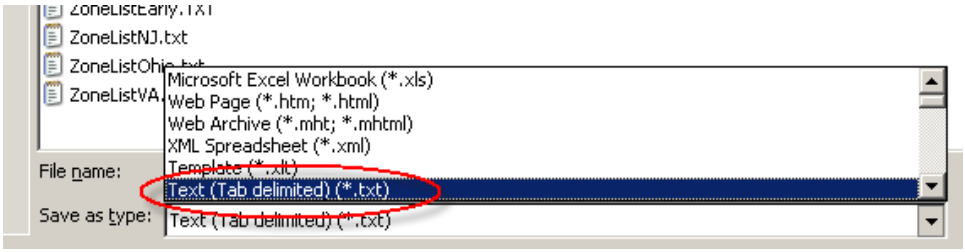
Specifically, the *type* must be a tab-delimited file. The name must be **TaxRates.TXT**. The location must be the **\sd\netdata** folder on your server drive. All these are essential. If you miss on either of the latter two, ServiceDesk will not *find* your file. If you miss on the first, it will fail to properly read its data.

Also (and to remind again), please DO NOT—repeat DO NOT—simply save the **xxxxxx.zpc** document that was originally opened. If you did simply save, you'd replace a perfectly good .ZPC file with what—for .zpc purposes—would be utter garbage.

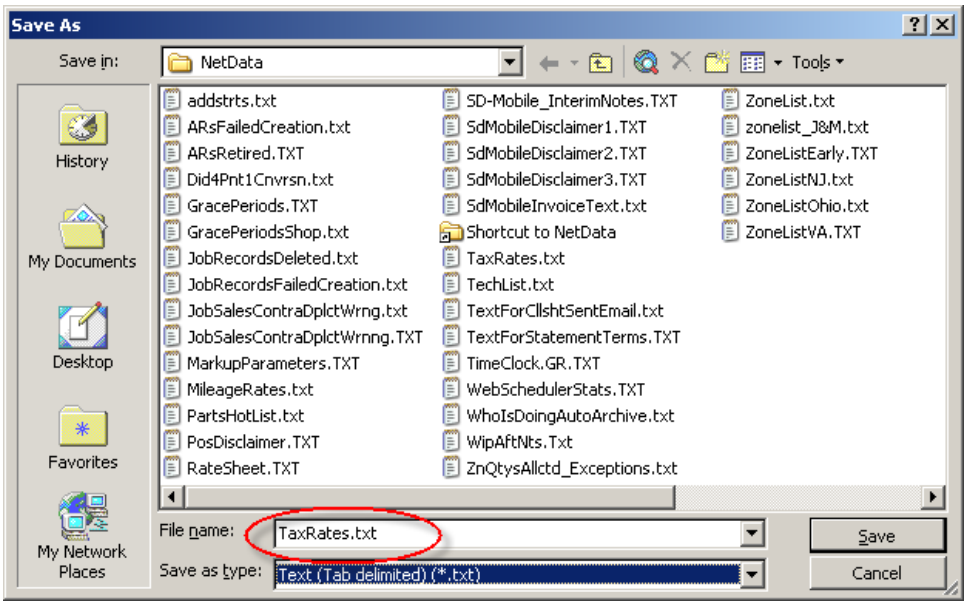
To do this first "Save" correctly, you must choose "*Save As*" under Excel's '*File*' menu (again, it's NOT "*Save*," it's "*Save As*").



This opens the '*Save As*' dialog box. The first thing you'll need to do in that box is indicate the *type of file* you want to save. Do this by opening the '*Type of File*' drop-down, near the bottom:

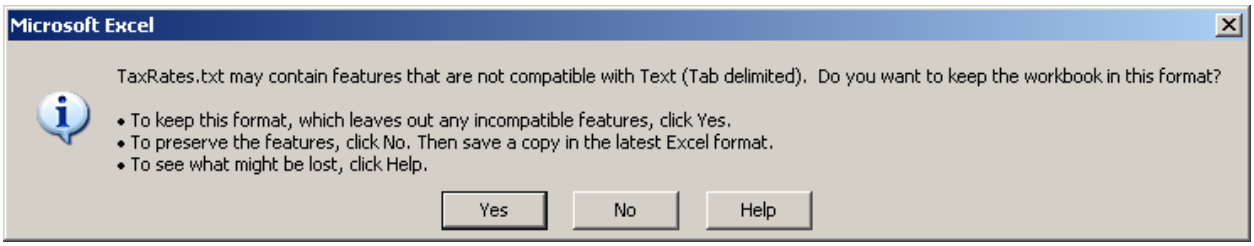


After appropriately picking "*Text (Tab delimited)*" (as above shown), navigate to the \sd\netdata folder for your server driver, and in the provided box type the name for your new file:



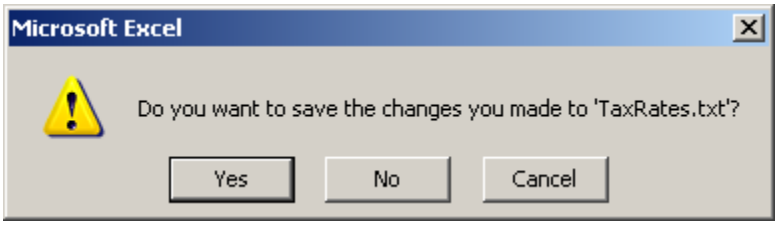
Then, finally, you can click on '*Save*'.

At this point, actually, you *should be* done—except Excel is going to pester you, and with messages that are quite confusing. Essentially, Excel knows that if you save in simple Tab-delimited text format, you'll lose any special formatting and related features that exist only in an Excel-format document. It wants to be sure you don't do that unwittingly. In our case, in fact, that's precisely what we want (i.e., text only, no special Excel formatting, etc.), so when confronted with the following message:



We'll go ahead and say 'Yes'.

Now we really are done—except for one more pestering element. When we go to close Excel, we'll get this message box:



This is quite aggravating, since (and in fact) we just barely saved the file. Here you need to say 'No', because what Excel is actually wondering (though not really saying so) is if we want to save it, now, as an Excel document. We don't, so the 'No' answer is totally appropriate.

Chapter 4

Dealing with Split Zipcodes

This is not an issue for most people, and so is dealt with in this separate chapter. What happens is that, in some areas, a single zipcode will be found to lie partially within one taxing jurisdiction, and partially within another (and often with different rates, too, between the two or more different jurisdictions).

What a headache!

Actually, we've made it rather easy. If you have this issue, you can deal with it in one of two ways:

1. Cheat. Essentially, do nothing different than as described in the other chapters of this manual. For a zipcode that's subject to different jurisdictions, simply pick the jurisdiction you think is predominant (or perhaps the one with the higher rate), and treat the whole zipcode as though it belongs within that jurisdiction. This has the virtue of simplicity, and we think it's very unlikely any auditing authority will give you a hard time upon finding you paid the full tax amount, even if not perfectly accurate about which jurisdictions (within a given zip) each transaction occurred in. This is what we recommended prior to adding the better (non-cheating) solution as described in this chapter, and it sufficed for many users for a long time (we never heard of anyone being in trouble because of it).

2. Don't cheat. Since we now have a non-cheating solution (and since it's actually very easy), this is what we now recommend. The remainder of this chapter describes our proper/non-cheating solution.

To deal with what we'll call the "*split-zipcode*" situation (split because portions of the zipcode area fall within one tax jurisdiction and portions within another), you will add a *fifth* column to your TaxRates file.

This fifth column can (and positively *should*) remain blank for any zipcode that's subject to a single jurisdiction only. To state this another way (and make it more emphatic) <u>do not place any text in the fifth column as connected to any zipcode that's subject solely to a single tax jurisdiction</u>.

For any zipcode that's subject to multiple tax jurisdictions, by contrast, you will need to create multiple line items with that zipcode (note this is a departure from our rule otherwise, where positively there should be but a single line-item per zipcode). At minimum, you'll need a separate line item for each of the jurisdictions to which the zipcode is subject, and each will need to show within its first column the jurisdictional name that it involves.

So (we're going to imagine a scenario to help you understand conceptually how this will work), suppose you have zipcode "*12345*" that is subject to three different jurisdictions. We'll call these *TaxAuthority1*, *TaxAuthority2* and *TaxAuthority3*. Given this, within your TaxRates file, you setup one line for that zipcode with TaxAuthority1 in the first column, and another line with TaxAuthority2 in the first column, and a third with TaxAuthority3 in the first column. So, on the basis of seeing those three different lines there (and under one and the same zipcode), ServiceDesk can now figure out figure out that this zip area is subject to the three different jurisdictions.

But, how does ServiceDesk know, for any given job under zipcode 12345, which of the three jurisdictions it should be connected with?

This is where that added fifth column comes in. Quite simply, when ServiceDesk looks in your file for a matching zip, upon finding a match it then looks to see if there is text in that fifth column. If not, it says to itself: "I've found my match, and I'm going with it." If there is text there, however, it looks to see if such text matches the city name as present in the job for which it's seeking to apply tax. If the two city names match (yes, it's a city name that you may optionally place in that fifth column), it again says to itself: "I've found my match, and I'm going with it." Otherwise, it searches within your file to find any next instance of a a line where the zipcode matches, and applies the same rule again.

Given the above, you'll need to apply some thought as you setup your multiple line items (under a given zip) to cover the different jurisdictions as applicable.

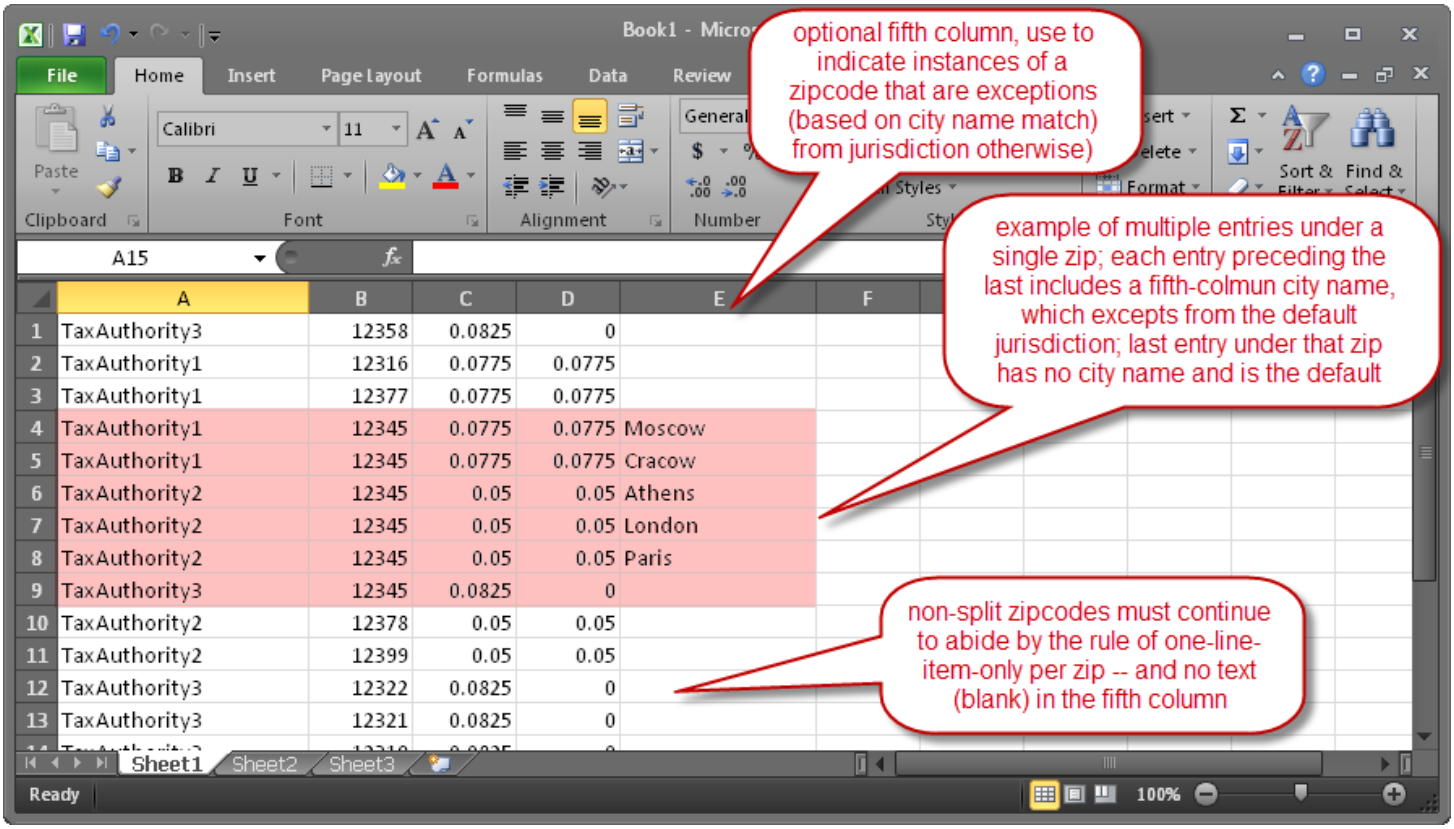
1. Make line-item entries for jurisdiction's that are more the exception from what the zip area is otherwise more predominant to, rather than for the jurisdiction that is more likely dominant.

2. Make a line-item entry for each city name that's within an excepted jurisdiction.

3. Upon having created such line-item entries for the exceptions within a zip, create one more where the fifth column is blank.

4. Assure the blank entry is sequenced last, among the entries for the zip in question. This is because, if ServiceDesk reads through the other zip entries and finds no matching city name, it will have the entry with blank for the city name as a default to fall back onto. If you do not have an entry with that fifth field blank, there will be no default (defaults are important).

To show how implementation of the above strategy might look, let's continue with our example. Suppose TaxAuthority3 predominates among the households we are likely to be serving within zip 12345. TaxAuthority1 rules over households with city names Moscow and Cracow. TaxAuthority2 rules over households with city names Athens, London and Paris. Here's how we'd setup multiple entries, within our TaxRates file, for zipcode 12345:



Besides setting up your TaxRates file in this fashion, there is an obvious other need. If you want ServiceDesk to manage to match jobs within a split zip to the appropriate jurisdiction, you obviously must setup each applicable job with its appropriately matching city name (otherwise, ServiceDesk will have no basis to make the excepted connection).

At first blush, you might think the above-expressed need would be easily satisfied. However, when we at Rossware build your StreetList for you (which is the basis for populating the city/state/zip line in Callsheet when a

user selects from the dropdown StreetList), we match city names to streets on the basis of the zipcode the street fits within. The source data (comes from the Census Bureau) gives us no other basis by which to add a city name. Given this, it's inevitable that all streets within a given zip (in the StreetList as created for you) will be attached to one and the same city name. Thus, absent amending that StreetList or editing the city name as inserted when you select a street from it, you're going to end up with the same city name (inserted to a Callsheet for streets under a given zip) every time. There are two potential ways of dealing with this:

1. Simply have your users attentive to replacing the inserted city name with the city name as indicated by the caller; or

2. Amend the StreetList (as created by Rossware for you) to show, for each street entry under a given zip that should be attached to a different city name, that city name instead. If you wish to pursue this strategy, it's likely easiest if you use the Connect for Assistance tool with Rossware, and we'll provide a brief and personal tutorial to show you how it's done.

Chapter 5

Using in ServiceDesk

Once your TaxRates file is created (with proper name, location and type), ServiceDesk will see it, and handle your tax rates accordingly.

This improvement exists in ServiceDesk Ver. 4.4.5 and forward.