



Caltech

Oracle Release 12

eBTax Overview For Procurement
February 9, 2011



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Agenda

- eBTax Overview
 - Diagram
 - Tax Exempt Attributes
- Impact to PO Processing
- Impact to AP Processing
- Q&A



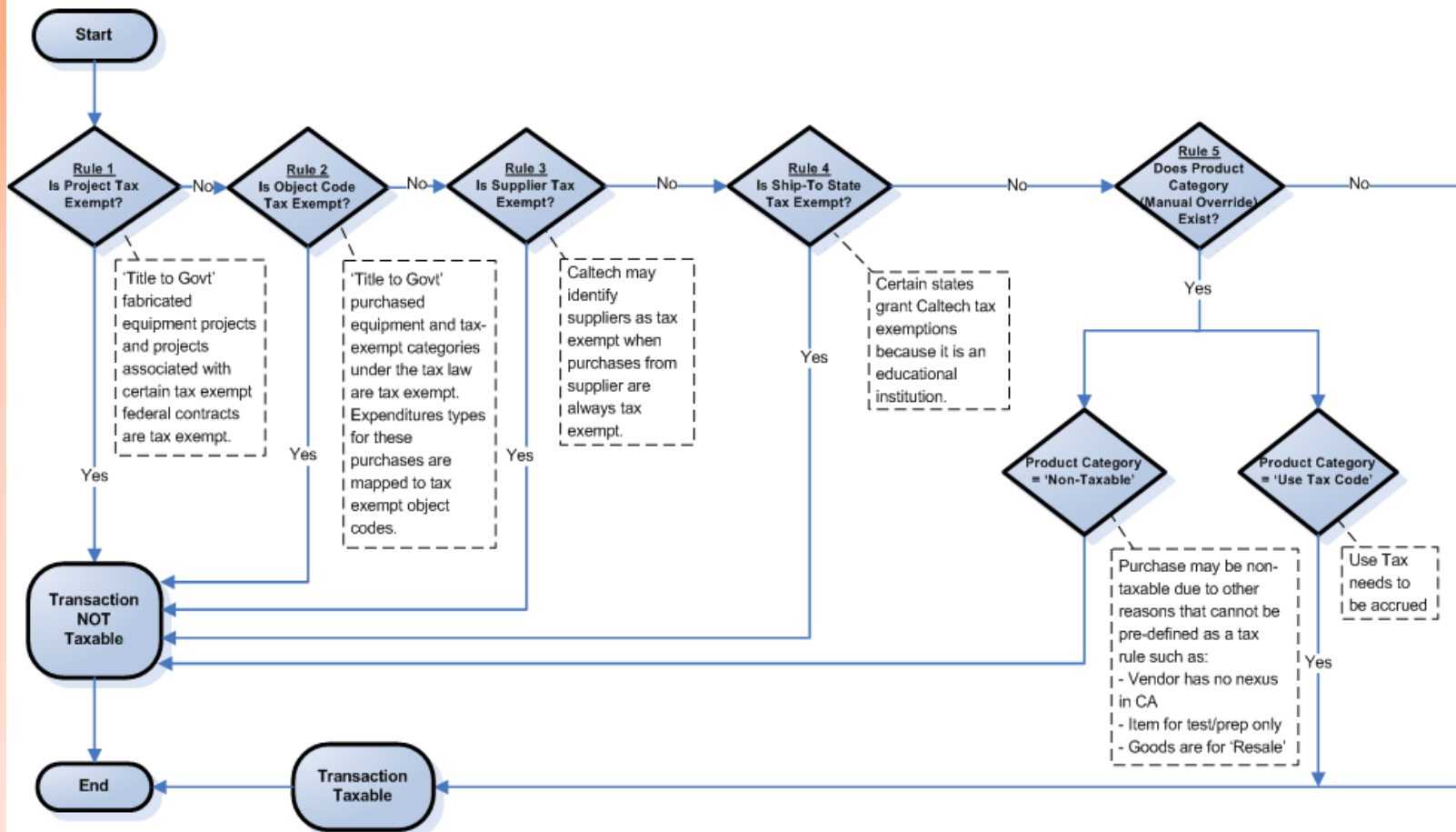
eBTax Overview

- ◉ eBTax is a new module in R12
- ◉ Must be set-up in order to process tax (sales and use) in Payables.
- ◉ Changes to sales and use tax process
 - 11i
 - Buyers and/or AP processors enter tax codes on POs and invoices
 - Tax calculated based on tax codes
 - R12
 - **Caltech-defined** business rules will determine the taxability of a transaction
 - If taxable, tax rate is then determined based on ship-to location



eBTax Rule Diagram

Tax Determination in e-B Tax





Rule #1: Project

○ Tax Exempt Projects

- Government Owned Fabrications
 - Currently 20+ projects
 - Identified based on Project Classification
- JPL IAs
 - Currently 300+
 - Identified based on Award GL Funding Source (17230001, 18010001, 18040001, 18060001, 18070001)
- Special Cases
 - None currently
 - Must be approved by Tax Department first



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Rule #1: Project

Government Owned Fabrications

The screenshot displays the 'Navigator - Grants Accounting Super User' interface. The left sidebar shows a tree view under 'Functions' with 'Documents' selected. The 'Projects' section is expanded, showing a list of project-related functions. The main window displays the 'Projects, Templates' form for a project named 'ADVANCED LIGO DETECTORS'. The form includes fields for Operating Unit, Number, Type, Name, Organization, Long Name, Trans Duration, Description, Status, and Options. A red arrow points to the 'Options' section, which lists various project options like 'Tasks', 'Workplan Information', 'Classifications', 'Currency', 'Key Members', 'Additional Information', 'Pipeline', and 'Resource List Assignments'. The 'Status' is set to 'Active' and the 'Change Status' button is visible.

Navigator - Grants Accounting Super User

Functions Documents

Projects

Enter and Maintain Projects

Awards

Awards (seeded)

Projects

Capital Projects

Budgets

Expenditures

View Burden Calculati

Billing

Award Status

Project Status

Government Reports

Setup

Accounting Inquiries

Other

CIT Multiple Award Rc

CIT Multiple Project R

CIT Award Setup

CIT Project-Task Setu

Expand

Top Ten List

1. Requests: Submit

2. CIT Actual Expenditure Inquiry

Projects, Templates

Operating Unit Caltech

Number ADV LIGO

Type Non-Capital

Name ADVANCED LIGO DETECTORS

Organization LIGO Caltech

Long Name ADVANCED LIGO DETECTORS

Trans Duration 22-MAY-2007 - 31-MAR-2015

Description Advanced LIGO Detectors

Status Active

☐ Workflow in Process

☐ Template

Change Status

Options

Option Name

☒ Tasks

☐ Workplan Information

☐ Classifications

☐ Currency

☐ Key Members

☐ Additional Information

☐ Pipeline

☐ Resource List Assignments

Detail



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Rule #1: Project

Government Owned Fabrications

Projects, Templates

Operating Unit

Number

Type

Long Name

Trans Duration

Description

Options

Option N:

Tasks

Workplan Information

Classifications

Currency

Key Members

Additional Information

Pipeline

Resource List Assignments

Project Classifications - ADV.LIGO

Category	Class Code	Code Description	Percentage
A21 Function	Excluded Costs	940	
DOD 35 PCT CAP	No	No	
Fabrication	Govt Owned Fabrication	Govt Owned Fabrication	
Function			

Find %

Class Code	Description
CIT Owned Fabrication	CIT Owned Fabrication
Govt Owned Deliverables-IDC	Govt Owned Deliverables-IDC
Govt Owned Deliverables-NO IDC	Govt Owned Deliverables-NO IDC
Govt Owned Fabrication	Govt Owned Fabrication
None	Not a Fabrication
Other Owned Deliverable-IDC	Other Owned Deliverable-IDC
Other Owned Deliverable-NO IDC	Other Owned Deliverable-NO IDC
Others Owned Fabrication	Others Owned Fabrication

Find OK Cancel



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Rule #1: Project

JPL IAs

Navigator - Grants Accounting Super User

Functions Documents

Awards

Enter and Maintain Awards

Awards (seeded)
Projects
Capital Projects
Budgets
Expenditures

Top Ten List

1. Requests: Submit
2. CIT Actual Expenditure Inquiry
3. Invoice Review
4. Review Revenues

Award Management

Operating Unit: Caltech

Number: JPL000094

Short Name: IPAC

Full Name: IPAC

Start Date: 27-SEP-1999

Close Date: 31-DEC-2014

Purpose: Sponsored Research

Organization: IPAC

Award Amount: 395,487,878.42

Funding Source Name: JET PROPULSION LAB

Funding Source Award Number: 1211334

Sponsor Begin Date:

End Date: 30-SEP-2014

Award Type: JPL Awards Issued to C

Status: Active

Funded Amount: 395,487,878.42

Commitment

Funding Summary

[Nc]

Awards Descriptive Flexfield

Install

Award May Total: Not Available

GL Fund Type: Federal Agreements

GL Fund Segment: 17230001

Contract Type:

OSR Reporting:

Major Project?:

OK Cancel Clear Help



Rule #2: Exp Type

- Some Expenditure Types are set up as tax exempt.
- Some invoices are coded directly to GL accounts. Certain GL object codes are therefore set up as tax exempt as well.



Rule #3: Supplier

Tax Exempt Suppliers

Suppliers

- Quick Update
- Company Profile
 - Organization
 - Tax Details**
 - Address Book
 - Contact Directory
 - Business Classification
 - Products & Services

Suppliers >
Update NOVA UNIVERSITY - 67366: Tax Details

Income Tax
[Personalize "Income Tax"](#)
[Personalize Table Layout: \(SuppTaxDtrN\)](#)
Taxpayer ID
Reportable ☐ Federal ☐ State
Allow Withholding Tax ☐

Associated Fiscal Classifications
* Indicates required field
 TIP
[Personalize Advanced Table: \(ZxAssocFiscalClassifTableRN\)](#)

Fiscal Classification Type Code	*Fiscal Classification Code	Fiscal Classification Name	*Effective From	Effective To
SUPPLIER_TAX_CLASSIFICAT	<input type="text" value="Tax Not Applicable"/>	Tax Not Applicable	01-Feb-2011	<input type="text"/>

Add Another Row



Rule #4: Ship To

◉ Tax Exempt Ship-to

- States that exempt Caltech from sales and use tax
 - TX
 - NY
 - IL
- Foreign Countries

Note: Sherri will be granted access to set up new ship-to locations in the HR Location set-up form



Tax Override

- Can only override one way
 - Allowed from taxable to non-taxable only
- When can you override the default taxability?
 - Refer to new guidelines set by the Tax Department and the Procurement Department



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Impact to PO Processing

POs Entered in Oracle

File Edit View Folder Tools Inquire Actions Window Help

Manage Tax

Purchase Orders - 1089115

Operating Unit	Caltech	Created	06-JAN-2011 14:21:55	
PO, Rev	1089115	Type	Standard Purchase Order	
Supplier	STANFORD UNIVERSITY	Site	PO-LOCKSS	
Ship-To	CALTECH	Bill-To	FIN-PAY	
Buyer	Borg, Nina	Status	Approved, Reserved	
Description	P.O./Inv. - Inv. matched, Price Variance , PO line Cancelled, Invoice Reversed (cancel			

Contact	Reich, Victoria		
Currency	USD		
Total	132.00	[SL]	



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Impact to PO Processing

POs Entered in Oracle

To update category PO cannot be approved

Additional Tax Information: Standard Purchase Order 1089115

* Indicates required field

Legal Entity Name **Caltech**
Taxation Country United States

Tax Determining Factors for Document

[Personalize "Tax Determining Factors for Document"](#)

Document Subtype

Tax Determining Factors for Lines

Search

Line	Description	Schedule	Location	Transaction Business Category	Product Fiscal Classification	Product Type	Product Category
1	P.O./Inv. - Inv. matched, Price Variance , PO line Cancelled, Invoice Reversed (cancelled)	1	CALTECH	Purchase Transaction	<input type="text"/>	GOODS	NONTAXABLE_ITEM



Caltech Impact to PO Processing

◎ POs Imported From TechMart

- Tax Status Variance
 - TechMart Tax Status imported into a DFF at PO line.
 - Oracle eBTax determines the “true” tax status once PO is imported. This is what AP processors see during matching.
 - A tax status variance report is available to buyers for review.
- Tax Status Exception
 - eBTax cannot handle a PO line that has a mix of taxable PTAE and non-Taxable PTAE.
 - Mixed POs will be imported as “Incomplete” instead of “Approved”.
 - Buyers must split the PO line into two shipments.



Caltech Impact to PO Processing

POs Imported From TechMart

Purchase Orders - S106894

Operating Unit: Caltech
PO, Rev: S106894
Supplier: AEROSHEAR AVIATION SERV
Ship-To: CALTECH
Buyer: Salone, Regina (Gina)
Description:

Created: 15-DEC-2010 00:00:00
Type: Standard Purchase Order
Site: PO-VAN NUYS
Bill-To: FIN-PAY
Status: Approved, Closed, Reserved
Contact: Customer Servic,
Currency: USD
Total: 21,414.49 [PC]

Lines | Price Reference | Reference Documents | More | Agreement

Num	Type	Item	Rev	Category	Description	UOM	Quantity	Price	Promised	[]
1	Goods			UNCATEGORIZE	Original PO was close	US D	1	21414.49		Ne

PO Lines

Equip. Screening Required? No
TechMart Tax Status Non-Taxable - Other
Transaction Source

OK Cancel Clear Help

Original PO was closed due to FY10 close-out period. Invoice will be paid on FY11 pta.

Item

Catalog... Currency... Terms Shipments Approve...



Impact to AP Processing

○ Key Tax-related Data Fields:

■ Invoice Header

- Invoice Sub-type: Flag for 11i Invoices and R12 zero-dollar cost transfer invoices associated with 11i Invoices
- Supplier

■ Invoice Line

- Project
- Expenditure Type
- Tax Override
 - Apply exemption if legitimate; or
 - Accrue use tax
- Tax Classification Code: Populate only if it is 11i Invoices or R12 zero-dollar cost transfer invoices associated with 11i Invoices



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Impact to AP Processing

Sample of R12 Invoice

Invoice Workbench (Payables Manager)

Batch Control Total Batch Actual Total

R12

Operating Unit	Type	Invoice Sub-Type	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amount	Customer Taxpayer ID	Tax Contro
Caltech	Standard		ALLIED AL	26614	REMIT-PAS	18-JAN-2011	DDA1	USD	109.75	9.75		
Caltech	Standard		ALLIED AL	26614	REMIT-PAS	26-JAN-2011	ck-1	USD	109.75	9.75		
Caltech	Standard		DOLLAR, S	18381	PROVISION	26-JAN-2011	ck-1	USD	100.00			
Caltech	Standard		IMPACT PI	12043	REMIT-WILT	26-JAN-2011	ck-1	USD	0.00	0.00		

1 General 2 Lines 3 Holds 4 View Payments 5 Scheduled Payments 6 View Prepayment Applications

R12

Total Gross 109.75 Retained Net 109.75

Num	Type	Amount	Project	Task	Award Num	Expenditure Type	Expenditure It	Ship to	Tax Override	Tax Classification Code	PO Number	PO Releas
1	Item	100.00	IMSS.BSA	1.6	GB.IMSS	Supplies - Allocable	20-JAN-2011	CALTECH				
2	Tax	2.00										
3	Tax	7.25										
4	Tax	0.50										

Discard Line 1 Distribute

Actions... 1 Calculate Tax Tax Details Corrections Quick Match M

Product Category

Find %

Product Category	Taxation Country
NONTAXABLE_ITEM	
LA-USE	
ALAMED-USE	
FRESNO-USE	
IC-USE	
MRIN-USE	
MONT-USE	
OC-USE	
SB-USE	
SCRUZ-USE	
SD-USE	
WA-PIER-USE	

Find OK Cancel

IMSS - Information Management System and Services



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Impact to AP Processing

Sample of 11i Invoice

Invoice Workbench (Payables Manager)

Batch Control Total Batch Actual Total

R12

Operating Unit	Type	Invoice Sub-Type	Trading Pa	Supplier Num	Supplier Site	Invoice Date	Invoice Num	Invoice	Invoice Amount	Tax Amount	Customer Taxpayer ID	Ta
Caltech	Standard	MIGRATED_TRANSACTION	ZEN MACH	10023	REMIT-LYON	01-AUG-201	7361	USD	650.00	0.00		
Caltech	Standard	MIGRATED_TRANSACTION	WORTHIN	10055	REMIT-NEW	03-AUG-201	286167	USD	100.50	0.00		
Caltech	Standard	MIGRATED_TRANSACTION	WESTERN	10079	REMIT-ARCA	03-AUG-201	39677	USD	13.53			
Caltech	Standard	MIGRATED_TRANSACTION	WESTERN	10079	REMIT-ARCA	02-AUG-201	39465	USD	138.30			

1 General 2 Lines 3 Holds 4 View Payments 5 Scheduled Payments 6 View Prepayment Applications

R12

Total
Gross 650.00 Retained Net 650.00

Num	Type	Amount	Project	Task	Award Num	Expenditure Type	Expenditure Item	Ship to	Tax Override	Tax Classification Code	PO Number	PO F
1	Item	650.00	JZ CASIMIR	1	UNSR CASI	Supplies - Allocable	13-AUG-2010			09A-LA-USE	S098293	
2	Tax	(63.38)								09A-LA-OFF		
3	Tax	63.38	JZ CASIMIR	1	UNSR CASI	Supplies - Allocable	13-AUG-2010			09A-LA-USE	S098293	

Discard Line 1 Distributions Allocations

Actions... 1 Calculate Tax Tax Details Corrections Quick Match Match All Distributions



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Next Steps

- ◉ Training
- ◉ Testing
 - SIT
 - UAT
- ◉ Go Live



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Q & A