

Statutory Compliance Capabilities in Tally.ERP 9

Tally.ERP 9 provides the following Statutory Compliance Capabilities namely,

- Value Added Tax (VAT)
- Service Tax
- Tax Deducted at Source (TDS)
- Excise (Manufacturers & Dealers)
- Fringe Benefit Tax (FBT)
- Tax Collected at Source (TCS)
- Central Sales Tax (CST)

6.1 Value Added Tax (VAT)

Tally.ERP 9 provides VAT solution to across 32 states in India and other international countries like Indonesia, Phillipines and Bangladesh. The VAT compliance in Tally.ERP 9 is completely inte- grated with Accounting, Inventory & Reporting and simplifies these aspects with absolute ease, accuracy and speed.

As per VAT Regulations, every registered business under VAT is required to generate VAT compliant **Tax Invoice** and file **Statutory Returns** periodically in prescribed forms and documents of the respective state.

6.1.1 Enable Value Added Tax (VAT)

To enable **Value Added Tax (VAT)** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > F11: Features**



F11 : Features menu

- Select **Statutory & Taxation (F3)** and press **Enter**

Company: **Universal Enterprises**

Statutory & Taxation

Enable Excise	? No	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Excise Details	? No	Set/Alter TDS Details	? No
<i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>			
Enable Tax Collected at Source (TCS)	? No	Set/Alter TCS Details	? No
Follow Excise rules for Invoicing	? No	Enable Fringe Benefit Tax (FBT)	? No
Enable Value Added Tax (VAT)	? Yes	Set/Alter FBT Details	? No
Set/Alter VAT Details	? Yes		
Enable Service Tax	? No		
Set/Alter Service Tax Details	? No		

Tax Information

VAT TIN (Composition) :

VAT TIN (Regular) : **2912345689**

Local Sales Tax Number :

Inter-state Sales Tax Number : **CST 343434**

PAN / Income - Tax No. :

Accept ?
Yes or No

F1: Accounts F2: Inventory F3: Statutory

F11: Statutory & Taxation screen

- In the **Statutory & Taxation** screen,

- Set **Enable Value Added Tax** to **Yes**
- Enable **Set/Alter VAT details** to **Yes** and press **Enter**, the **VAT Details** screen appears
- Select **State** and **Type of Dealer** and the **applicability date** of VAT
- Press **Enter** to go back to **F11: Company Features** screen
- Type **VAT TIN**, **Inter-State Sales Tax Number** and **Tax Information** details

- Save screen

Create VAT Ledger Masters

Value Added Tax (VAT) is charged at every level of purchase and sales and thus the purchase and sales transactions involve VAT. create necessary Purchase, Sales, Input and Output VAT ledgers with the required VAT Classifications.

To create **VAT Ledger Masters** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Create**

- Type the **Name** of the **Ledger**
- Select the required **Group**
- Select the **Type of Duty/Tax** as **VAT**
- Select the required **VAT Classification** from the list of VAT Classification in the **VAT/Tax Class** field (The **Percentage of Calculation** and **Method of Calculation** is automatically defaulted with the % and **On VAT Rate** respectively)

Ledger Creation		Universal Enterprises		Ctrl + M	X
Name : Output VAT @ 4%			Total Op. Bal.		
(alias) :					
Under	: Duties & Taxes (Current Liabilities)	Name	:	Mailing Details Address : State : PIN Code : Tax Information PAN/IT No. :	
Type of Duty/Tax	: VAT	Address	:		
VAT/Tax Class	: Output VAT @ 4%	State	:		
Inventory values are affected	? No	PIN Code	:		
Percentage of Calculation (eg 5)	? 4 %				
Method of Calculation	: On VAT Rate			<input type="button" value="Accept ?"/>	
Rounding Method	: [Not Applicable				
Opening Balance (on 1-Apr-2008) :					
			<input type="button" value="Yes"/> <input type="button" value="No"/>		

Figure 7.3 Output VAT Ledger Creation

- Save screen

Create VAT Transactions

To create **VAT transactions** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales /F9: Purchase**

- Select the **Party's Name**
- Select **Stock Item, Quantity & Rate Details**

- Select VAT Ledger (Output VAT for Sales Voucher and Input VAT for Purchase Voucher)

Accounting Voucher Creation		Universal Enterprises		Ctrl + M
Sales No. 19		31 Mar 2009		
Ref. : ABC/310301		Tuesday		
Party's A/c Name : Debtor				
Current Balance : 99,180.00 Dr				
Name of Item	Quantity	Rate per	Amount	
Item 1	2 Nos	48,000.00 Nos	96,000.00	
Output Vat 4%		4 %	3,840.00	
Show Statutory Details ? Yes				
Narration:				
			2 Nos	99,840.00
Sales of 2 Nos of Item 1				

Figure 7.4 Sales Voucher screen

- Save screen

6.1.2 Print VAT Invoice

To print VAT Invoice,

- Press **Pg Up** from the above screen
 - Press **Alt + P**, the **Voucher Printing** screen appears
 - Specify required details and press **Enter** to print
- The VAT Invoice is printed as shown

INVOICE

Universal Enterprises Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore E-mail : sales@universalenterprises.com	Invoice No. 19	Dated 31-Mar-2009
	Delivery Note DN002	Mode/Terms of Payment Cheque
	Supplier's Ref. ABC/310301	Other Reference(s)
Buyer Debtor 178 kaveri JP Nagar Bangalore Karnataka-78	Buyer's Order No. Ord0019	Dated 31-Mar-2009
	Despatch Document No. Doc0019	Dated 31-Mar-2009
	Despatched through Payal Travels	Destination Bangalore
	Terms of Delivery Immediate	

Sl lk.	Description of Goods	VAT %	Quantity	Rate	per	Amount
1	Item 1	4	2 nos	48,000.00	nos	96,000.00
	Output Vat 4%				4 %	3,840.00
	Total		2 nos			99,840.00

Amount Chargeable (in words)	E. & O.E
Rs. Ninety Nine Thousand Eight Hundred Forty Only	VAT % Assessable Value VAT Amount
VAT Amount (in words)	4 % 96,000.00 3,840.00
Rs. Three Thousand Eight Hundred Forty Only (Rs. 3,840.00)	

Remarks:

Sales of 2 Nos of Item 1

Company's VAT TIN : 2912345689

Company's GST No. : CST 343434

Buyer's VAT TIN/Sales Tax No. : 1345678911

Date & Time : 31-Mar-2009 at 14:31

Declaration

We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.

for Universal Enterprises

Authorised Signatory

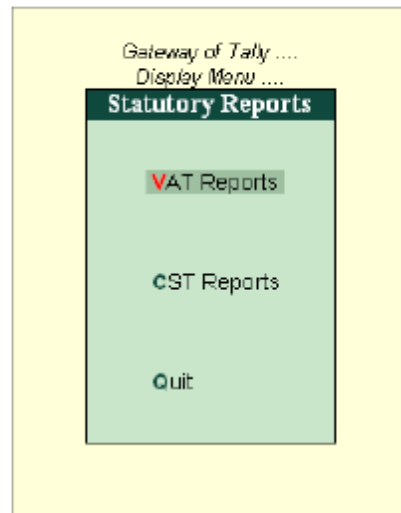
This is a Computer Generated Invoice

Printed VAT Invoice

View VAT related reports

To view **VAT Reports**, follow the steps given below :

Go to Gateway of Tally > Display > Statutory Reports > VAT Reports



VAT Reports Screen under Statutory Reports

The **VAT Reports** menu consists of two reports, namely

- **VAT Computation**
- **VAT Forms**
 - VAT Return Forms
 - VAT Annexures

VAT Computation Report

The VAT Computation report displays various types of Input VAT Tax and Output VAT tax ledgers employed and transacted during voucher entry. Tally.ERP 9 provides a clear-cut presentation on how VAT is computed for a given period. It also provides a bird's eye view of all transaction related to VAT.

To view **VAT Computation Report**

Go to Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Computation

VAT Computation		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises		1-Apr-2008 to 31-Mar-2009	
	Assessable Value		Tax Amount	
Sales				
A. Output Tax				
Inter-State Sales	2,53,200.00		14,170.00	
Output VAT @ 1%	9,000.00		90.00	
Output VAT @ 12.5%	16,000.00		2,250.00	
Output VAT @ 20%	27,000.00		5,400.00	
Output VAT @ 4%	1,93,030.00		15,608.20	
Total Output Tax	5,00,230.00		37,518.20	
Purchases				
B. Input Tax				
Excess Input Credit Brought Forward				
Input VAT @ 1%		10,000.00		
Input VAT @ 12.5%		20,000.00	2,655.00	
Input VAT @ 20%		1,30,000.00	25,700.00	
Input VAT @ 4%		40,000.00	712.00	
Purchases - Capital Goods @ 12.5%		10,000.00	1,250.00	
Purchases - Capital Goods @ 4%		10,000.00	400.00	
Total Input Credit		2,20,000.00	30,917.00	
VAT Payable				6,601.20

VAT Computation Report

VAT Forms

The VAT Return Forms are State specific VAT Forms and Annexures to be submitted by the registered VAT Dealer on Monthly / Quarterly basis.

To print **VAT Return Forms**

Go to **Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Forms > VAT Return Forms > Form VAT 100**

The printed **VAT Form 100** of Karnataka state will appear as shown :

FORM VAT 100
(See Rule 3B)

1. General Information:	
1.1) LVO/VSD CODE : 1345	1.2) Tax Period (Month/Quarter): First Quarter, 2008
	1.3) Type of Return : Original/Corrected/Revised/Final
1.5) TIN No. : 2912345689	1.4) Date of filing Return : 30-Jun-2008
1.6) Full Name of the Dealer : Universal Enterprises	
1.7) Address of the Dealer	
	Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore
1.8) Tax Invoices issued in the Month* :	From: 1 To: 17 From: To:

PARTICULARS OF TURNOVERS				
2.	Total Turnover(Local)	2,29,199.00	3. Total Turnover(InterState / Exports / Import / Consignment)	3,50,450.00
2.1)	Sales return, discounts, labour charges etc. as per Rule 3(2)	14,020.00	3.1) Sales return, discounts, labour charges etc. as per Rule 3(2)	4,080.00
2.2)	Consignment Sales / C.A.	18,000.00	3.2) Stock Transfers/ Consignment Sales	19,000.00
2.3)	Tax Collected (VAT)	10,179.00	3.3) Exempted Sales	22,200.00
2.4)	Exempted Sales	27,000.00	3.4) Direct Exports	40,000.00
2.5)	Others	Nil	3.5) Deemed Exports (Against H Form)	20,000.00
2.6)	Taxable Turnover (local) (Box 2 less (Box 2.1 to Box 2.5))	1,60,000.00	3.6) Sales in Transit (E-I and E-II)	45,000.00
			3.7) Sales in the course of import (High Sea Sales)	20,000.00
			3.8) CST Collected	14,170.00
			3.9) Taxable (Interstate) (Box No.3 less (Total of Box No.3.1 to 3.8))	1,66,000.00
4. Net Tax Payable				
	4.1) Output Tax Payable (Refer Box No. 8.3)			15,461.00
	4.2) B/V of Previous month			Nil
	4.3) Input Tax Credit (Refer Box No.11)			19,388.00
	4.4) Net Tax Payable [Box No.4.1-(Box No. 4.2 + Box No.4.3)]			Nil
	4.5) Tax Deducted at Source (Certificate Enclosed)			1.00
	4.6) Balance Tax Payable (Box No.4.4 - Box No. 4.5)			Nil
	4.7) Refund Yes / No	Rs. 777.00	4.8) Credit Carried Forward Yes / No	Rs. 3,151.00
	4.9) Net Tax refund as per Incentive Notification	Rs. 8,888.00		

Note: if you exercise option 'YES' in both box numbers 4.7 and 4.8 then the option exercised in respect of box no 4.8 alone will be considered

5. Tax Payment Details				
Details	Amount	Cash/DD/Cheq /Challan No	Bank	Date
5.1) Tax Payable as per Box No.4.6	Nil	DD 343434	HDFC	2-Jun-2008
5.2) Interest	1,111.00			
5.3) Others	555.00			
5.4) Total of Box No.5.1, Box No.5.2 and Box No.5.3	1,666.00			
FOR CTD/BANKS USE ONLY				
Date of Receipt of Return:	_____			
Recd. Rs.	_____			
In Words	_____			
Challan No.	_____	Date	_____	
	Signature and Seal of LVO/VSD			

*Note: If the serial numbers of Tax Invoices are of different series then it should be mentioned separately.

6. Details of Local Sales/ URD Purchases and Output Tax/Purchase Tax Payable				
6.1	Taxable Turnover of sales at rate of 1% Tax	9,000.00	6.8 Output Tax Payable (relating to Box No 6.1)	90.00
6.2	Taxable Turnover of sales at rate of 4% Tax	86,000.00	6.9 Output Tax Payable (relating to Box No.6.2)	1,440.00
6.3	Taxable Turnover of sales at standard rate of Tax 12.5%	18,000.00	6.10 Output Tax Payable (relating to Box No.6.3)	2,250.00
6.4	Taxable Turnover of sales at standard rate of Tax 20%	27,000.00	6.11 Output Tax Payable (relating to Box No.6.4)	5,400.00
6.5	Taxable Turnover of URD purchases (specify rate of tax)	20,000.00	6.12 Purchase Tax Payable (relating to Box No.6.5)	999.00
6.6	Others, if any (Please specify)	Nil	6.13 Output Tax Payable (relating to Box No.6.6)	
6.7	Total (Box No. 6.1 to 6.6)	1,60,000.00	6.14 Total Output Tax Payable (Box No 6.8 to 6.13)	10,179.00
7. Details of Interstate Sales and CST Payable				
7.1	Taxable Turnover of Inter-State Sales at 1%	10,000.00	7.7 Output Tax Payable (relating to Box No.7.1)	100.00
7.2	Taxable Turnover of Inter-State Sales against C Forms at 3% Tax	66,000.00	7.8 Output Tax Payable (relating to Box No.7.2)	1,120.00
7.3	Taxable Turnover of Inter-State Sales without C Forms at 4% Tax	30,000.00	7.9 Output Tax Payable (relating to Box No.7.3)	1,200.00
7.4	Taxable Turnover of Inter-State Sales without C Forms at 12.5% Tax	30,000.00	7.10 Output Tax Payable (relating to Box No.7.4)	3,750.00
7.5	Others, if any (Please Specify)	40,000.00	7.11 Output Tax Payable (relating to Box No.7.5)	8,000.00
7.6	Total (Total of Box Nos. 7.1 to 7.5)	1,66,000.00	7.12 Total Output Tax Payable (Total of Box Nos. 7.7 to 7.11)	14,170.00
8.				
8.1)	Total Output Tax (Total of Box No. 6.14 and Box No. 7.12)			24,349.00
8.2)	Output Tax deferred to Industries as per Incentive Notifications			8,888.00
8.3)	Net Output Tax Payable (Box No. 8.1 Less Box No. 8.2)			15,461.00
9. Details of Purchases and Input Tax				
9.1	Net value of purchases at 1% Tax	Nil	9.11 Input Tax (relating to Box No. 9.1)	Nil
9.2	Net value of purchases at 4% Tax	Nil	9.12 Input Tax (relating to Box No. 9.2)	Nil
9.3	Net value of purchases at standard rate of tax at 12.5%	Nil	9.13 Input Tax (relating to Box No. 9.3)	Nil
9.4	Value of URD purchases to the extent used or sold (specify rate of tax)	22,200.00	9.14 Input Tax (relating to Box No. 9.4)	888.00
9.5	Others, if any (please specify)	1,00,000.00	9.15 Input Tax (relating to Box No. 9.5)	20,000.00
9.6	Value of VAT exempted goods	Nil		
9.7	Purchases from Composition Dealer	Nil		
9.8	Value of goods Imported and / or purchased in the course of Inter-State trade including EI and EII Purchase.	Nil		
9.9	Value of goods received by Stock Transfer / Consignment Transfer	Nil		
9.10	Total Value of Purchases (Total of Box Nos. 9.1 to 9.9)	1,22,200.00	9.16 Total Input Tax (Total of Box Nos. 9.11 to 9.15)	20,888.00

Printed Karnataka Form VAT 100 - Page 2

Similarly, to generate VAT Annexures follow the path given below and print the annexures
Go to **Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Forms > VAT Annexures**