Oracle Release 12

Oracle R12 Purchasing Changes
March 1, 2011

Agenda

- Purchasing R12 Overview
  - Manage Tax in Oracle PO
  - TechMart Purchase Orders
- A look into invoices
- Q&A

PO Change Overview

- The only change in PO is related 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

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

- Purchase Order must be in a status of 'unapproved' to make the change

Oracle PO's

POs Entered in Oracle

Oracle PO's

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		GOODS	NONTAXABLE_ITEM
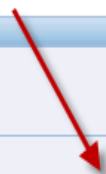
TechMart PO's

- 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.

TechMart PO's

POs Imported From TechMart

A Look into invoices

- 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

A look into invoices

Sample of R12 Invoice

A look into invoices

Sample of 11i Invoice

R12 Demo

- Enter Purchase Order
  - Override Taxes

Q & A