



Gyrosoft Applied Solutions Limited

# VAT Change Guidance – Compleat January 2011



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### 1. Increase in the standard rate of VAT

In his 2010 Emergency Budget the Chancellor announced an increase in the standard rate of VAT from 17.5% to 20% effective from 4 January 2011.

### 2. Effect on businesses – what you need to do

This change affects any VAT registered business that sells or purchases goods or services that are subject to the standard rate of VAT.

### 3. Other rates of VAT are not affected

This change in the standard rate of VAT does not affect sales of goods or services that are charged at another rate of VAT. These are:

- Zero rated – for example most foodstuffs, children’s clothing or books,
- Reduced rated – for example, domestic supplies of fuel and power, and
- Exempt – for example education, health and financial services.

### 4. Create the new VAT code within your financial application

The VAT codes are all pulled from your finance application (Microsoft Dynamics GP, Pegasus Opera, CODA etc.) by way of a SQL view. Please consult your finance application support provider to obtain precise instructions on how to do this.

### 5. Perform a data re-cache for each Company used in Compleat

- a) Have all users exit from Compleat.
- b) Go to Administration > Global Configuration > Company > “Company Name” > Re-cache Data.

**N.B.** Do not save the record after re-caching the data.

This will force an update of the data being pulled from your finance application.

### 6. Update Security Profiles

Go to Administration > Security > Security Profiles. You will need to update your Security Profiles to include and/or default the new tax code.

In each profile select the relevant company id and then open the Tax/VAT security option. You will see the new VAT code as an available record. Insert this code into the Selected records area and if required default this option by highlighting the new code and using the “><” button, removing the current default code if necessary. Save the record and continue as required for each profile.

## **7. Other considerations for tax changes within Compleat**

- a) Update Templates  
Any Templates which have been created will require changing if the lines default to the 17.5% VAT rate. Open the Template, View the line item and edit accordingly.
  
- b) Catalogues  
Go to Administration > System Configuration > Item Codes.  
Any Catalogues items which default to the 17.5% VAT rate will require changing. Once the item has been selected, click on the Advanced Tab and update the Tax/VAT security option as required.
  
- c) Review bespoke vat code entries  
Please contact Gyrosoft Support to review the SQL configuration relating to bespoke VAT code entries. This can be carried out at any time between now and the 4th January 2011.