

 **Viewpoint**
Jobpac Connect[™]

**GST and BAS
Function Guide
Version: 1.0**

Document Control Table

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GST and BAS Setup

The Australian GST is treated in Jobpac as a subsidiary transaction. Each time a transaction is posted, a separate GST component is added to a GST account in the General Ledger. The basic costs and revenue values do not include any GST component.

The transaction code allows the users to enter either the Nett or Gross value of the invoice and Jobpac performs the GST calculation. Users would only need to enter both the Nett value and the GST amount when an invoice is dissected into parts and at least one of the dissections is subject to GST and some of the invoice is not subject to GST. In any case, Jobpac calculates the GST at dissections level.

A simple report then forms the basis of a Business Activity Statement to be sent to the Australian Taxation Office (ATO).

System Parameters

There are several parameters that need to be set up to process GST transactions in Jobpac. These parameters determine how GST will be calculated, where the values are stored and the descriptions used in reports and displays.

The following are the system parameters that are required for GST processing.

Sample table:

| Parameter | Description |
|-----------|--|
| GSTDFT | Sets the System default GST code for GST Input and GST output |
| GSTIAM | Determines whether the GST value is calculated before or after retention in subcontract payments G – gross N - nett (strongly recommended) |
| GSTOAM | No longer used |
| GSTICA | Sets the GL account that GST inputs are posted to (Costs) |
| GSTOCA | Sets the account that GST outputs are posted to (Revenue) |
| GSTNAM | Sets the name to be used for the tax - GST |
| GSTREG | Your ABN number for GST registration |
| PAYG% | The percentage deducted from creditors payments is no ABN registration number is entered on the Creditor's Masterfile record |
| PAYG\$ | The threshold for withholding tax transactions. If the payment to the creditor is below this amount, no withholding tax is deducted. |
| WHTIDN | If WHT is entered, then this changes the description of Withholding Tax from PPS to WHT. (Recommended) |
| GSTVAR | System default for maximum acceptable value for GST Variance |
| GSTWRN | Skip GST warning message |

GST Code Set-up

Jobpac uses a set of Tax Transaction codes attached to transactions to determine the way GST is handled. Each client defines a set of GST codes according to their requirements.

Each GST code has a tax rate percentage that is entered to two (2) decimal places. A 10% GST is entered as 10.

| Code Maintenance | | | | | | | | ACTIONS | OK | BACK |
|------------------|--------------------------------|-----------|-------|---------------------|---------------------|---------------------|----------|---------|----|------|
| Code | Description | Claimable | Rate | I/P Control Account | O/P Control Account | Acceptable Variance | Round Up | | | |
| A0 | GST not applicable | N | | | | 0.01 | Y | | | |
| A1 | GST Tax Invoice Held | Y | 10.00 | | | 0.01 | Y | | | |
| A2 | GST Free Invoice | N | | | | 0.01 | Y | | | |
| A3 | GST Invoice - FBTable | Y | 10.00 | | | 0.01 | Y | | | |
| A4 | GST Invoice - Non Deductible | N | 10.00 | | | 0.01 | Y | | | |
| A5 | Capital Acquisitions > \$300 | Y | 10.00 | | | 0.01 | Y | | | |
| A6 | No Tax Invoice Held | N | 10.00 | | | 0.01 | Y | | | |
| A7 | <\$55 and no Tax Invoice | Y | 10.00 | | | 0.01 | Y | | | |
| A8 | Mixed GST | Y | 10.00 | | | 300.00 | Y | | | |
| A9 | Acquisition Input Taxed Supply | N | 10.00 | | | 0.01 | Y | | | |
| C1 | Non GST Transactions | N | | | | 0.01 | Y | | | |
| S0 | Non-GST Transaction | N | | | | 0.01 | Y | | | |
| S1 | GST Taxable Supply | Y | 10.00 | | | 0.01 | Y | | | |
| S2 | GST Free Supply (Export) | N | | | | 0.01 | Y | | | |
| S3 | GST Free Supply (Other) | N | | | | 0.01 | Y | | | |
| S4 | GST Input Taxed Supply | N | | | | 0.01 | Y | | | |

| Field | Description |
|------------------------|---|
| Code | Each GST code has a two-character identification code. This code is defined by the user. |
| Description | Description of GST code |
| Claimable | Flag to indicate whether the code is valid as claimable. If the code is flagged as “Y” Claimable, then any transaction associated with that code creates an associated GST component which is posted to the GST control account. If the code is flagged as “N” Not Claimable, then the full cost of the transaction is posted to the costing job or GL for that transaction. |
| Rate | GST rate (For AUS this is zero or 10%, for NZ it is zero or 15%) |
| Input Control Account | This is the General Ledger account to which any cost transactions associated with the code will be posted. If the value is left blank then the account nominated in parameter GSTICA will be used. |
| Output Control Account | This is the General Ledger account to which any revenue transactions associated with the code will be posted. If the value is left blank then the account nominated in parameter GSTOCA will be used. |
| Acceptable Variance | The user is able to nominate an acceptable variance between the value of GST stated by the supplier on their tax invoice and the value calculated by Jobpac. This parameter sets a limit on the value of the difference allowable. A value of \$0.01, is recommended to allow for small rounding differences between invoices supplied by suppliers and the Jobpac calculated tax amount. |

| Field | Description |
|---------|--|
| Roundup | The Round Up facility allows users to decide whether the value of GST will be rounded up to the nearest cent if the remainder is \$0.005 or greater. |

Note. One way of registering a pending invoice with mixed GST components, is to set up a GST code of say AX, with 10%, but with a variance of \$1,000,000. This will allow you to register an invoice with GST that is not 10% using the AX code. Then when the invoice is dissected, create 0% GST dissection and 10% dissection, using the standard GST codes of A1 and A2.

Setting up BAS Codes

The Business Activity Statement (BAS) allows users to enter tax information for different GST treatments in one report.

Jobpac provides a BAS Report Generator. The Report Generator lists transactions by a BAS code that is set up by each user. These codes are used by the BAS Report Generator to list the transactions that back up the BAS report to send to the ATO.

There is a BAS Code Maintenance program that allows users to set up a set of BAS codes.

These BAS codes and relationships are setup when a company is first established in Jobpac, and should not require further adjustment.

| BAS Code | Description |
|----------|--|
| G1 | GST Taxable Supply |
| G10 | Capital acquisitions for use in business |
| G11 | Business expenses, Employee/spouse entertainment, Inv < 55 |
| G13 | Acquisition - Input Taxed Supply |
| G14 | Basic food Overseas expenses, suppliers invoices |
| G15 | GST supply but a non deductible expense |
| G2 | GST Free Supply (Export) |
| G3 | GST Free Supply (Other) |
| G4 | Invoices issued - no GST, no input credits can be claimed |

These BAS codes link the GST code and the Jobpac Transaction Type. The user enters BAS code and selects the BAS Code Detail option. The User then enters the transaction set that makes up the BAS code. For example, to set up a GST Taxable Supply BAS code G1, a user enter the GST code of S1 and link to transaction types 01, 21, 22, 23 (being GST Journals, Accounts Receivable Invoices, Accounts Receivable Credit Notes, and Accounts Receivable Adjustments respectively).

| Tax Code | Description | Tran Type | Description |
|----------|--------------------|-----------|-------------|
| S1 | GST Taxable Supply | 12 | AP CRD |
| S1 | GST Taxable Supply | 21 | AR INV |
| S1 | GST Taxable Supply | 22 | AR CRD |
| S1 | GST Taxable Supply | 23 | AR ADJ |

GST and BAS

Other examples follow.

BAS Code Definition ACTIONS OK BACK

BAS Code: G10 Capital acquisitions for use in business

< > ...

| Tax Code | Description | Tran Type | Description |
|----------|------------------------------|-----------|-------------|
| A5 | Capital Acquisitions > \$300 | 03 | G CHQ |
| A5 | Capital Acquisitions > \$300 | 06 | DR DBT |
| A5 | Capital Acquisitions > \$300 | 11 | AP INV |
| A5 | Capital Acquisitions > \$300 | 12 | AP CRD |

BAS Code Definition ACTIONS OK BACK

BAS Code: G11 Business expenses, Employee/spouse entertainment, Inv < 55

< > ...

| Tax Code | Description | Tran Type | Description |
|----------|--------------------------|-----------|-------------|
| A1 | GST Tax Invoice Held | 01 | G JNL |
| A1 | GST Tax Invoice Held | 03 | G CHQ |
| A1 | GST Tax Invoice Held | 06 | DR DBT |
| A1 | GST Tax Invoice Held | 11 | AP INV |
| A1 | GST Tax Invoice Held | 12 | AP CRD |
| A3 | GST Invoice - FBT'able | 03 | G CHQ |
| A3 | GST Invoice - FBT'able | 06 | DR DBT |
| A3 | GST Invoice - FBT'able | 11 | AP INV |
| A3 | GST Invoice - FBT'able | 12 | AP CRD |
| A7 | <\$55 and no Tax Invoice | 03 | G CHQ |
| A7 | <\$55 and no Tax Invoice | 06 | DR DBT |
| A7 | <\$55 and no Tax Invoice | 11 | AP INV |
| A7 | <\$55 and no Tax Invoice | 12 | AP CRD |

Reporting GST to the ATO

The ATO Business Activity Statement (BAS) allows users to enter tax information for a series of different taxes in one form.

The Jobpac BAS report will print all the defined BAS codes and values that are extracted from the Jobpac General Ledger. The user is able to select arrange of Accounting Periods. The user is able to select the level of detail for the report. GL Detail Level prints all transactions posted to the General Ledger that are flagged as GST items. This would be used to list transactions to verify their accuracy or to produce an Audit Trail.

BAS Report Bounding

ACTIONS **OK** **BACK**

Start Period
Finish Period

Consolidated report
If consolidated report, enter consolidation level
or
Start Work id *SB TM Corporate Services Pty
Finish Work id *SB TM Corporate Services Pty
or
 Select Work ids

Report Type BAS code level Tax code/transaction type level GL detail level GL detail level with GST column Transaction summary

This is a final print

Report Option PDF Excel

View the report

In theory, if the BAS report is run for a month, then the GST total of the BAS report should equal the month total of the GST GL accounts for input and output.

This is a Final Print

At the time of writing this, there is a fault with this flag. It is best not to use it unless the fix has been notified in a Release.

This is how it will work.

If this is ticked, all the records related to this GST report will be assigned a reporting No, and will then be available for reprint via the BAS Reprint option. This will ensure a proper audit of Transactions sent to the ATO.

BAS Report Reprint

ACTIONS **OK** **BACK**

Report Number

Consolidated report
If consolidated report, enter consolidation level or ? to scan

Report Type BAS code level Tax code/transaction type level GL detail level GL detail level with GST column

Report Option PDF Excel

View the report

The appropriate Reporting Number can be looked up, and the report reprinted.

GST Operations

Creditors GST

Each creditor has a default GST code so that if a creditor is consistently providing Tax Exempt invoices then that creditor can be set to a GST code different to the Workid standard.

When Purchase orders, Invoices, and SC Agreements are created, the GST code will default from the Creditor. This can be overridden at the transaction level.

Accounts Payable Invoices and Credits

When an AP Invoice or Credit is posted, each costing dissection will contain the Net value of the costing. There will be one GST dissection automatically created for each different GST code with a 10% rate.

Here is a simple example with one costing dissection

| Diss | Itm | Wkid | Job | Cost Code | CT | Asset/Rsc. | Account | Invoice Amount | Amount Paid | Remaining | Tax Amount | TC |
|------|-----|------|------|-----------|----|------------|----------|----------------|-------------|-----------|------------|------|
| 1 | | 920 | 1709 | 304 | MT | | 20008002 | 1,000.00 | | 1,000.00 | 100.00 | N A1 |
| 2 | | 920 | | | | | 20003402 | 100.00 | | 100.00 | | N A1 |

A more complicated example with 4 costing dissections, three of which have 10% GST codes and one with 0% GST.

| Diss | Itm | Wkid | Job | Cost Code | CT | Asset/Rsc. | Account | Invoice Amount | Amount Paid | Remaining | Tax Amount | TC |
|------|-----|------|------|-----------|----|------------|----------|----------------|-------------|-----------|------------|------|
| 1 | | 920 | 1270 | 201 | SC | | 20008004 | 2,000.00 | | 2,000.00 | 200.00 | N A1 |
| 2 | | 920 | 1270 | 204 | SC | | 20008004 | 2,000.00 | | 2,000.00 | 200.00 | N A5 |
| 3 | | 920 | 1270 | 206 | SC | | 20008004 | 2,000.00 | | 2,000.00 | 200.00 | N A3 |
| 4 | | 920 | 1270 | 212 | SC | | 20008004 | 4,000.00 | | 4,000.00 | | N A2 |
| 5 | | 920 | | | | | 20003402 | 200.00 | | 200.00 | | N A1 |
| 6 | | 920 | | | | | 20003402 | 200.00 | | 200.00 | | N A5 |
| 7 | | 920 | | | | | 20003402 | 200.00 | | 200.00 | | N A3 |

This level of detail follows through to the General Ledger.

SC Agreements

When SC Agreements are setup, individual SC Line Items can each be given a GST code. When a SC Payment is posted, the total GST for the payments is calculated as the sum of the GST on each approved amount on each line item.

| Item | Description | Cost Code | CT | Amount | TC |
|------|--|-----------|----|-----------|----|
| 1 | Main Line New line New Lin2 | 0223 | SC | 8,060.00 | A1 |
| 2 | Drainage System | 0223 | SC | 8,320.00 | A1 |
| 3 | Dripline | 0223 | SC | 17,160.00 | A1 |
| 4 | Water Connection to various control points and valves. | 0223 | SC | 2,080.00 | A1 |
| 5 | Control Valves | 0223 | SC | 8,840.00 | A1 |
| 6 | Control system | 0223 | SC | 7,280.00 | A2 |
| 7 | Cabline | 0223 | SC | 260.00 | A1 |
| 8 | Drainage System | 0010 | LB | | A1 |
| 9 | Driplines | 0223 | SC | | A1 |

GST and BAS

Debtors GST

Each debtor has a default GST code so that sales invoices for a debtor are coded consistently. Note that the default GST code can be overridden at the time of transaction entry and can be set to different values at dissection level.

Accounts Receivable Invoices and Credits

As AR invoice dissections are entered, the GST code is used to calculate the GST amount. Each dissection can have a different GST treatment. A specific GST dissection is not created in the AR module, but the GST is separated out to a separate GL account and posted to the GL.

| Diss | Description | Wkid | Job | Cost Code | CT | Jobcard | Itm | Asset | Account | Reference | Current Amount |
|------|---------------------|------|------|-----------|----|---------|-----|-------|----------|-----------|----------------|
| 1 | Invoice GSt example | 920 | 2180 | | | | | | 20006010 | | 5,500.00 |
| 2 | Invoice GSt example | 920 | | | | | | | 20007006 | | 3,000.00 |

| Diss | Description | Original Tax | Tax Adjustments | Current Tax |
|------|---------------------|--------------|-----------------|-------------|
| 1 | Invoice GSt example | 500.00 | | 500.00 |
| 2 | Invoice GSt example | | | |

In the GL it looks like this

| Seq | GL Account | Description | Ast Wkid | Asset Code | Wkid | Cred/debt | Int Ref. | Job | Cost Code | CT | Resource | Amount |
|-----|------------|---------------------|----------|------------|------|-----------|----------|------|-----------|----|----------|-----------|
| 1 | 20006010 | Invoice GSt example | | | 920 | ADACIVI | 004967 | 2180 | | | | 5,000.00- |
| 1 | 20001301 | Invoice GSt example | | | 920 | ADACIVI | 004967 | 2180 | | | | 5,500.00 |
| 1 | 20003401 | Invoice GSt example | | | 920 | ADACIVI | 004967 | | | | | 500.00- |
| 2 | 20007006 | Invoice GSt example | | | 920 | ADACIVI | 004967 | | | | | 3,000.00- |
| 2 | 20001301 | Invoice GSt example | | | 920 | ADACIVI | 004967 | | | | | 3,000.00 |

Head Contract Progress Claims

When a Progress Claim Accrual is posted to Jobpac, only the Net value is posted. No GST or Retention is posted.

When the Claim is certified and posted, the GST and Retention are posted to the GL. Only one GST code can be associated with a progress claim. If part of a contract claim is GST free, then two claims must be processed, each with a different GST code.

Direct Debits

The Direct Debit entry program allows users to enter transactions involving GST. The principal uses for this are periodical payments for annual expenses that have a GST component.

GST and BAS

GST Journals

GST General Journals can be posted in Jobpac. There is a separate menu option for GST Journals.



NB. It is important to note that GST is not calculated by the Journal process.

Each line in the journal, including the line item for the GST amount, must have a GST code. This will insure that all entries are picked up by the BAS report. The GST code field is the only difference from the Standard Journal.

In example below, the first two lines will appear in the BAS report. The second line is manually entered, and assigned the appropriate GST GL account. The last line, the balancing entry, needs to have a GST code that is not linked to any BAS Category.

JOURNAL ENTRY ACTIONS OK BACK

Work ID 622
 Batch 6467 Period **MAY20** Date 1/05/2020 Type General Last Posted Period
 Debits 5,500.00 Credits 5,500.00- Difference

| LINE | G/L ACCOUNT | WKID | JOB | COST CODE | CT | ACTIVITY | INTERNAL REFERENCE | EXTERNAL REFERENCE | TAX CODE | AMOUNT |
|------|-------------|------|-------|-----------|----|----------|--------------------|--------------------|----------|-----------|
| 1 | 2B5931 | 622 | CAR01 | 11050 | ST | | DMB | | A1 | 5,000.00 |
| 2 | 202801 | 622 | | | | | DMB | | A1 | 500.00 |
| 3 | 207421 | 622 | | | | | DMB | | A0 | 5,500.00- |

Note. Some GL accounts will be ignored by the BAS Report, even if they have a GST code. These are any nominated CASH account, any Intercompany Account, and control accounts, e.g. Creditors, Debtors, Retention.