

Quick Setup for VAT in Tally.ERP 9

Did you know that in Tally.ERP 9, you can implement all statutory modules and Tally.NET service from just a single screen?

Implementing company statutory modules in Tally.ERP 9 involves setting up of statutory masters by entering the required details, creation of needed voucher types and going through advance setup if required. Similarly, setting up Tally.NET also requires creation of users with different security levels and defining various authorization rights based on business requirements. Let us take an example. The standard steps required to implement statutory module for 'Value Added Tax' is shown in the image below:



Remembering the sequence of creation of all these ledgers and voucher types is not a simple task. But, Quick Setup provides a *one stop solution* that allows users to complete all these requirements in a sequential manner from a single screen. It helps users save time, prevent errors and makes implementing statutory modules in Tally.ERP 9 a stress-free experience.

Currently, Quick Setup feature in Tally.ERP 9 is available for 7 different modules. In this article, we will implement 'Quick Setup for Value Added Tax'. To do this:

• Go to 'Gateway of Tally.ERP 9 > Quick Setup> Value Added Tax'



Quick Setup - Value Added Tax	
Company Setup	
<u>C</u> : Entering Company VAT Details VAT Registration Details like Type of Dealer viz. Regular or Composition and TIN is required to enter here.	
(VAT TIN : 12345123451 , VAT Applicable date : 1-Apr-2009 ,)	
Master Setup	
<u>S</u> : Sales / Incomes Create ledgers with the option to select VAT/TAX Classifications.	
0 of 0 configured	
U: Purchases / Expenses / Capital Goods Create ledgers with the option to select VAT/TAX Classifications.	
0 of 11 configured	
T: Tax Ledger Select Type of Tax for calculation of VAT/CST and Additional VAT with Vat/Tax Classifications.	
0 of 0 configured	
V: VAT Commodity Create the Commodities with code for the Items to generate Reports and e-VAT Annexures.	
0 of 0 configured	
A : Party Ledger Create party ledgers with Type of Dealer, TIN and CST Registration Numbers.	
0 of 0 configured	
R : Additional Charges / Discount Ledgers To Account Additional Charges or Discounts allowed for Purchases and Sales Transactions.	
0 of 11 configured	
I: Stock Items Create Item master with the commodity details.	
0 of 0 Configured	
Voucher Type Setup	
To Account for Sales with Tax Invoice /Retail Invoice and Adjustments for the purpose of Returns.	
Configured	
F8 : Sales	
To create Tax Invoices / Retail Invoices and specify the default print title for Invoices. 1 of 1 Configured	
F7 : Activate Adjustment Flags in Journal	
To create Adjustment Class for activating the flags for making Adjustments in the Returns.	
1 of 1 Configured	
Q : Quit	

This screen has three different sections – Company Setup, Master Setup and Voucher Type Setup. It also shows the configuration details and status.

Company Setup: The 'Company Setup' option is to specify VAT details like State, Type of Dealer and additional VAT Form specific information of the selected State. To enter the VAT details for a company, click '<u>C</u>: Entering Company VAT Details', enter the relevant details and accept the screen.



VAT Details						
State Type of Dealer Regular VAT Applicable From VAT TIN Inter-state Sales Tax Number	: Karnataka ? Regular : 1-4-2011 : 12345678911 : 12345678911					
Addition LVO/VSO Code Authorised Person Status / Designation Place	onal Information : 012 : Raj Gopal : Manager : Bangalore					
		Accept ? Yes or No				

Master Setup: The Master Setup section enables users to create ledgers, stock items and additional charges/discount ledgers for Value Added Tax implementation as listed below:

- i. **Sales/Incomes Ledger:** To create multiple sales and direct/indirect income ledgers, and specify VAT/Tax Class and VAT applicability.
- ii. **Purchases/Expenses/Capital Goods Ledger:** To create Purchases, Indirect/Direct Expenses and Capital Goods ledgers, and specify VAT Returns and VAT/TAX class.
- iii. **Tax Ledger:** To create tax ledgers for VAT or CST and specify the method of calculation and VAT/Tax class.
- iv. **VAT Commodity:** To create VAT Commodity for tagging to stock item which will be reflected in VAT Forms
- v. **Party Ledger:** To create Sundry Debtor and Sundry Creditor ledgers, specify the type of dealer, and provide TIN and CST registration number.
- vi. **Additional Charges/Discount Ledgers:** To create new additional ledgers or set up the income and expense ledgers, and define how the value will be calculated.
- vii. **Stock Item:** To create stock items that will be used while recording transactions with VAT.

To create Sales ledger:

- Press 'Alt+S' to open 'Sales/Income Ledger' setup screen
- Enter the required ledger's name
- Select the account group 'Under' column
- Set 'Used in VAT Returns' to either 'Yes' or 'No' based on your requirement
- Specify 'VAT/Tax Class' > Press 'Enter' to save



Under Group : I All Items 1 Apr-2009 to 31 Aug-2009 S.No. Name of Ledger Under Used in VAT Returns VAT/Tax Class 1. Discounts Received Indirect Incomes No J Not Applicable 2. Sales @11% Sales Accounts Yes Sales @12.5% 3. Sales @2% Sales Accounts Yes Sales @2% 5. Sales @2% Sales Accounts Yes Sales @2% 5. Sales @4% Sales Accounts Yes Sales @2% 6. Sales @12.5% Sales Accounts Yes Sales @12.5% 7	Sale	s/Income Ledger Setup	Spectrum So	ftware Solut	ions		Ctrl + M 🔀
S.No. Name of Ledger Under Used In VAT Returns VAT/Tax Class 1. Discounts Received Indirect Incomes Sales @ 1% J Not Applicable Sales @ 1% 2. Sales @ 1% Sales Accounts Yes Sales @ 1% 3. Sales @ 2% Sales Accounts Yes Sales @ 1% 4. Sales @ 2% Sales Accounts Yes Sales @ 2% 5. Sales @ 4% Sales Accounts Yes Sales @ 2% 5. Sales @ 4% Sales Accounts Yes Sales @ 2% 6. Sales @ 4% Sales Accounts Yes Sales @ 2% 714 more Labour Charges (Interstate) Labour, Charges (Interstate) Labour, Charges (Interstate) Labour, Charges Tax @ 1% 1-Apr-2010 Purchase Tax @ 12.5% 1-Apr-2010 Purchase Tax @ 1% 1-Apr-2010 Purchase Tax @ 15% 1-Apr-2010 Purchase Tax @ 15% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Purchase Tax @ 2% 1-Apr-2010 Sal	Under Group : ^J All Items 1-Apr-2009 to 31-Aug-2009						
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Note: Similarly, you can create the other ledgers under Master Setup as well.

Voucher Type Setup: To make the transaction faster, different voucher types can be created using Quick Setup. You can create or edit Sales and Journal Voucher types to record VAT transactions.

- i. Sales: To create Sales Voucher Type as Tax Invoice and set the default print title.
- **ii.** Activate Adjustment Flags in Journal: To enable the creation of voucher class for Journal Voucher type.

To create 'Sales Voucher' to be used as Tax Invoice and to define its default 'Print Title':

- Press 'F8' on the 'Quick Setup for Value Added Tax' screen
- Enter 'Name of Voucher Type' and 'Type of Voucher'
- Set 'Yes' or 'No' to 'Is Tax Invoice' and select 'Method of Voucher Numbering'
- Enter 'Print Title' as per your requirement
- Accept the screen

Vo	ucher Type Setup		Ctrl + M 🛛			
Тур	Type of Voucher : Sales 1-Apr-2009 to 31-Aug					
S.No.	Name of Voucher Type	Type of Voucher	ls Tax Invoice	Method of Voucher Numbering	Print Title	Name of Class
1.	Sales	Sales	Yes	Automatic	Tax Invoice	

Hence now the Quick Setup wizard is here to help you through, with a simple solution for implementing all the statutory modules and Tally.NET.