



ACTIVANT®

Important Please Read Carefully.

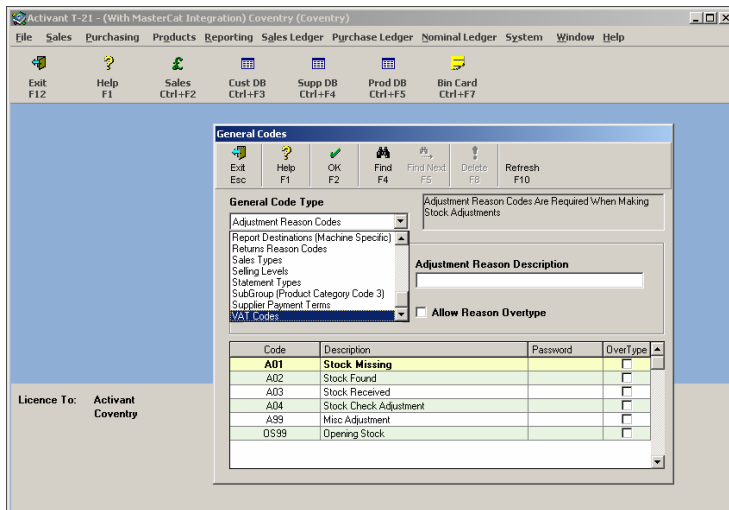
Changes to VAT rates

You are no doubt aware; the government has decided to reduce the standard VAT rate from 17.5% to 15%. This is with effect from 01/12/2008 and will remain in effect for 13 months.

The following steps need to be taken at the end of your last trading day in November 2008. The Day End/Month End routines will need to have been completed prior to proceeding with these steps.

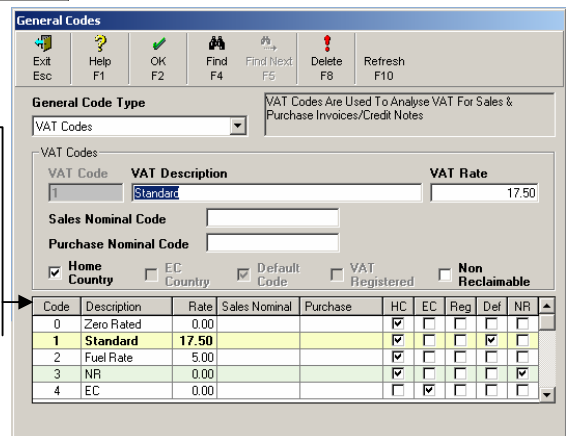
Change the VAT rate to 15% for code 1 and create new code for the old 17.5% rate.

Make sure you have administrator rights and can view the “system menu” along the top and chose the “General Codes” sub menu.



When opening this sub menu change the “General Codes Type” from ‘Adjustment Reason Codes’ to ‘VAT Codes’.

Left click in this field which will highlight the details of the VAT code, change the VAT Rate to 15% and create a new VAT code at 17.5%.



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Raising Credits for the old VAT Rate

Currently when doing a credit, the system takes the current VAT code present on the system, where as doing a "Full Credit" will take the existing VAT code from the original invoice. We advise that you to do a "Full Credit" and zero the quantities on any items that you do not want to credit. This will ensure that you credit these parts at the correct VAT rate.

Sage Integration Customers

Changes to the VAT Rate need to be done through your Sage software, as follows:

Go into Settings – Configurations – Tax Codes

Highlight T1 and press 'edit'

Change the VAT Rate to 15%

Press 'OK'

Press 'Apply' and then 'Close'

Answer No to the prompt 'Do you want to save changes'

Exit Sage

Within T21 go to Sage Accounts – Refresh T21 – answer 'Yes'

For further information on these changes please go to the following Website:

<http://www.hmrc.gov.uk/pbr2008/measure1.htm>

- [A summary guide for businesses \(PDF 39K\)](#)
- [A technical guide for businesses \(PDF 383K\)](#)
- [Question and Answers for Businesses \(PDF 33K\)](#)
- [Question and Answers for Consumers \(PDF 27K\)](#)
- [PBRN26 - Changes to the Standard Rate of VAT \(PDF 38K\)](#)
- [Written Ministerial Statement of 25 November 2008 \(PDF 27K\)](#)