

Plants abroad essay sample



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Plants abroad is a functionality which is integrated in FI module (also partially in SD module). In the old days, every plant needed to be assigned to the country of the company code. As of release 4. 0, you can use Plants Abroad to handle tax issues for companies that have VAT registration numbers in more than one country for example a Belgian company code has not only a Belgian VAT registration number but also a German VAT registration number without having a sales organisation in Germany but a warehouse instead. Plants Abroad ensures that the correct value-added tax (VAT) registration number prints on sales and purchasing documents, calculates the right tax, handles stock transfers, and conducts tax and Intrastat reporting correctly.

The plants functionality allows you to assign plants from different countries to one company code. Having a foreign VAT number has also consequences like if a company has a foreign VAT number then it also needs to file VAT return/European Sales Listings/Intrastat returns in that specific country. In order to achieve this, in SAP appropriate customizing is needed. You can activate the plants abroad functionality in IMG. The path is SPRO-Financial accounting – Financial accounting global settings – Tax on sales and purchases – Basic settings – Plants abroad – activate plants abroad. Tick the box with the question: Plants abroad activated?. Once you have done this, you need to enter the foreign VAT numbers. The path is: SPRO-Financial accounting – Financial accounting global settings – Tax on sales and purchases – Basic settings – Plants abroad – Enter VAT registration number for plants abroad.

Here you enter per company code a country code which is different than the actual country where the company is established. Of course also the VAT registration number is required. Once you have done this, you can create tax codes in FTXP, where you need to complete the field “ reporting country” in the properties of the new tax code. This means that you can use this tax code for the new VAT registration number/new reporting country. You can assign this tax code to 2 different tax procedures: namely the local tax procedure or TAXEUR. More information can be found on OSS notes: * Oss note 63103: Explains logic regarding tax procedures if you are using plants abroad * Oss note 1085758: Customizing for stock transports

* Another important OSS note is OSS note 850566. If you activate plants abroad then this will be activated for all company codes within one client. You can deactivate for certain company code this functionality which is of course described in the OSS note below: * Oss note 850566: deactivate plants abroad for a particular company code Intrastat

For Intrastat, you need to maintain the Intrastat ID numbers. Most of the time when a company has a foreign VAT registration number in another country, it needs also to file Intrastat returns. In order to run the Intrastat returns for that specific reporting country, you need to maintain some master data relating to the company. You need to enter these data in transaction OBY6 – click on additional details. In the middle of the screen you will see the field Intrastat number ID. Please complete this field. You need to enter your VAT registration number here.

You also need to set up a new pricing procedure and condition types (WIA).

Regarding this process you can find more information on the following website of SAP: http://help.sap.com/saphelp_45b/helpdata/en/34/60b19dae724effe10000009b38f91f/content.htm

The activation of plants abroad has also consequences for the VAT report (RFUMSV00 program). Here you need to enter/activate additional parameters which are the following:

- * Reporting country / tax return country

- * Country currency instead of local currency