

# **Concur Invoice: Tax Validation**

## **Setup Guide**

**Last Revised: July 10, 2015**

Applies to these SAP Concur solutions:

- ☐ Concur Expense
  - ☐ Professional/Premium edition
  - ☐ Standard edition
- ☐ Concur Travel
  - ☐ Professional/Premium edition
  - ☐ Standard edition
- ☒ Concur Invoice
  - ☒ Professional/Premium edition
  - ☐ Standard edition
- ☐ Concur Request
  - ☐ Professional/Premium edition
  - ☐ Standard edition



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# Revision History

Date	Notes/Comments/Changes
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January 21, 2022	Updated the copyright year; no other changes; cover date not updated
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January 29, 2019	Updated the copyright; no other changes; cover date not updated
April 6, 2018	Changed the check boxes on the front cover; no other changes; cover date not updated
January 10 2018	Updated the copyright; no other changes; cover date not updated
December 14 2016	Changed copyright and cover; no other content changes.
December 5 2016	Updated the <i>Permissions</i> section and guide content to new corporate style; no content changes.
July 10 2015	Updated the images to the enhanced UI and made general updates to the content.
November 14 2014	New guide.

# Tax Validation

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**NOTE:** Multiple SAP Concur product versions and UI themes are available, so this content might contain images or procedures that do not precisely match your implementation. For example, when SAP Fiori UI themes are implemented, home page navigation is consolidated under the SAP Concur Home menu.

## Section 1: Permissions

A company administrator may or may not have the correct permissions to use this feature. The administrator may have limited permissions, for example, they can affect only certain groups and/or use only certain options (*view* but not *create* or *edit*).

If a company administrator needs to use this feature and does not have the proper permissions, they should contact the company's SAP Concur administrator.

In addition, the administrator should be aware that some of the tasks described in this guide can be completed only by SAP Concur staff. In this case, the client must initiate a service request with SAP Concur support.

## Section 2: Overview

The Tax Validation feature lets a client use a tax service provider to automatically process, validate, and pass back accurate tax verification data for their invoices. This means that the client can apply the very latest state- and municipality-specific tax requirements to the tax amounts provided by a vendor, ensuring compliance with tax requirements and more accurate tax totals.

This feature provides options for clients who wish to validate tax amounts and reduce the risk for them to over or under pay tax amounts to vendors and subsequently incur fines and/or legal actions by the regulating authority.

### ***The Tax Service Provider***

The client may contract any tax service provider. The provider should be able to process, validate, and pass back tax verification data to Concur Invoice by using the tax API GET and PUT commands of for Concur Invoice.

## Section 3: End-User Experience

Users who create invoices will be required to specify their shipping address by using options on their **Profile > Profile Settings > Invoice Preferences** page. Doing this sets the regional attribute the tax service needs to provide an accurate tax amount. In addition, new tax-specific fields will appear on the header or line item form to show the tax service results.

### Provide a Location for the Tax Service

The Tax Validation feature requires that a shipping value be provided on the employee's profile page so that an accurate tax validation result, based on the region in which the good or service event was performed, is present. Specifically, the user navigates to **Profile > Profile Settings > Invoice Preferences** and selects an option from the **Default Shipping Address** field.

Purchase Request / Invoice (for Tax Validation)

Default Shipping Address : Christina's Business : 456 Elm Lane, Bellevue, Washington, 98004, UNITED STATES ▼

To add shipping information, click **Invoice Admin > Company Locations**.

Company Locations

Ship To Bill To

New Modify Remove

Name	Address Code	Address
Kensaku's office	KensakuBiz	3-5-65 Higashinoagawa,Komae-shi,Tokyo,Tokyo,201...
John's Business	JohnBiz	77664 Maple Lane,Redmond,Washington,98123,UNIT...
Christina's Business	ChrisBiz	456 Elm Lane,Bellevue,Washington,98004,UNITED ST...

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For more information, refer to the *Shared: Locations Setup Guide*.

### Create an Invoice With Tax Validation

When a user creates an invoice with the tax service activated, they will now see the addition of the **Calculated Tax Amount** and **Tax Rate** fields on the configured form. The administrator adds these fields, which are in read-only format, and which display the tax calculations returned by the tax service partner.

Itemization Summary

Add Item Delete Item Edit Distribute Show Distributions Amount Remaining to be Itemized: \$-250.00

No.	Expense T...	Descripti...	Calculated Tax Amount	Tax Rate	Connect...	Connect...	Amount ...	VAT Am...	VAT Rate	Quantity	Unit Price	Subtotal
1	Other	ADSFioioiii	\$0.00				\$0.00	\$0.00		1	2250	\$2,250.00
			Account Code 19000 [System Default]	Distribution Code	Percentage 100	Net Amount \$2,250.00	Gross Amount \$2,289.07					
2	Other	ADSF0	\$0.00				\$0.00	\$0.00		1	11463.41	\$11,463.41

### WHAT HAPPENS WHEN THE INVOICE IS SAVED BY THE USER

Behind the scenes, when the user saves the invoice, the system moves the invoice to a queue where the appropriate Tax Partner Connector processes the record at 30-minute intervals, validates it, and then passes the result back to Concur Invoice. Now, the next time that the user logs in to Concur Invoice, they will see a value in the **Calculated Tax Amount** field as provided by their tax validation service.



For more information, refer to the *Concur Invoice: Forms and Fields Setup Guide* and the *Concur Invoice: Company Locations Setup Guide*.

## Section 4: Tax Administrator Experience

The employee assigned the Invoice Tax Administrator role in User Permissions will see the **Tax Administration** link in **Administration > Invoice**.



Using this link, the administrator uses options on the **Tax Validation** page to configure and activate the tax service. For example, the unique identification number they share with their tax service partner and the commodity code mappings required to match the invoice's expense type to the correct standardized commodity code.

**Tax Administration**

Tax Authorities | Expense Type Groups | Vendor Groups | **Tax Validation**

Save Cancel

**Tax Validation**

Partner Account Number: ACME-001-01 Tax Validation Type: Payment Request Only Tax Validation Level: Line Item ☒ Turn On Tax Validation

Expense Type	UNSPSC Commodity Code	search
Advertising	10101501	
Awards		
Building Maintenance		
Building Repair	10101505	
Catering	10101506	
Cellular Telephone	10101507	
Computing Equipment	10101508	

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They will also activate the tax service once configuration is completed.

### Work With the Tax Validation Page Options

The **Tax Validation** page includes several configuration steps that must be finalized before activating the tax validation service. These include:

- **Entering the Unique Tax Partner Number:** The tax service provider issues unique numbers to each of their clients so that they can identify the client.
- **Deciding the Request Type to be Analyzed:** At this time, only the *Payment Request Only* option is available.

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**NOTE:** The Purchase Request type will be added to this feature in an upcoming service release.

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- **Deciding the Form Level to Be Analyzed:** Either the header or line item details form is analyzed by the tax validation service, and that choice is made on this page.
- **Mapping Expense Types to U.N. Commodity Codes:** The United Nations Standard Product and Service Code (UNSPSC) commodity codes must be resident in Concur Invoice for mapping to expense types. The system imports these codes using a standard import job for this purpose. Expense types may be mapped to these codes in turn using the on-demand or by contacting SAP Concur support to have the Expense Type import performed.



(Optional: You may also add these manually using options in the Tax Administration tool.)

- **Activating the Feature:** After all configuration steps are completed, the feature is activated by selecting (enabling) the **Turn On Tax Validation** check box.

### Work With Commodity Codes in this View

Commodity codes are one part of the data required by the tax service to generate an accurate tax amount. These codes, used worldwide, standardize the value of goods and services so that a common evaluation can be performed.

On configuration, the system imports these codes for the code validation process. The Tax Administrator role will need to perform the final mapping of their company's unique expense types to any imported code. This is done by either manually entering the proper code, or by using the Expense Type import.

Expense Type	UNSPSC Commodity Code <span>search</span>
Advertising	10101501
Awards	100
Building Maintenance	
Building Repair	10101505
Catering	10101506

A search function is provided which opens the *United Nations Standard Products and Services Code® (UNSPSC®)* page. Use the data on this page to search for the code and/or title of the type of expense you want to map.

Search Code	<input type="text"/>
Search Title	<input type="text" value="grooming"/>
<input type="button" value="Search"/>	

Code	Title
10111302	Pet grooming products
70121802	Pet grooming services
42211800	Dressing and grooming aids for the physically challenged
70121705	Livestock breeding or grooming services



For more information, refer to the *Concur Invoice: Expense Types Import User Guide*.

## Section 5: Configuring the Tax Validation Feature

Use this section to understand and configure this feature for use. Note that SAP Concur representatives can only perform some of these steps. For more information, contact your Concur Invoice administrator.

### **The Basic Process**

Implementing this feature requires some basic preparation and configuration prior to activating the service. The client and SAP Concur staff will perform the following actions to configure and activate the feature:

- **Sign Up for the Tax Service:** The Tax Validation feature is available from SAP Concur for a fee. The client should contact their Concur Invoice representative for information about costs and contract requirements in preparation for activation of the service for the client.
- **Contract With a Tax Validation Service Provider:** The client contacts their preferred tax validation service provider and is provided a unique Partner Account Number value they will use when configuring the service.
- **Concur Configures the Tax Service:** SAP Concur staff will configure the feature by performing the following steps:
  - ♦ **Enable the Tax Validation Feature:** SAP Concur staff will enable the feature, displaying the Invoice Tax Administrator role in User Permissions (this role can access and work with the Tax Administration tool), and exposing the **Tax Administration** link in Invoice Admin.
  - ♦ **Perform the Initial Commodity Code Import:** The United Nations Standard Product and Service Code (UNSPSC) commodity codes must be resident in Concur Invoice for mapping to expense types – SAP Concur imports these codes using a standard import job for this purpose.
  - ♦ **Enable (Add) Tax Fields:** The Invoice Configuration Administrator tax adds fields, such as **Calculated Tax Amount** and **Tax Rate**, in read-only state, at the header or line item levels.

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**NOTE:** The client may have permissions to access the Forms and Fields tools for this task. Consult with your Concur Invoice administrator for more information.

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- **Client Configures Invoice for the Tax Service:** Once the feature is enabled in Concur Invoice, the client will:
  - ♦ **Assign the Tax Role to Employee:** The Invoice Tax Administrator role is assigned to an employee using options in User Permissions, allowing this user access to the Tax Administration tool.



For more information, refer to the *Shared: User Administration User Guide*.

- ♦ **Import Commodity Code Mapping:** To map the imported commodity codes to the client's unique expense types, the on-demand Expense Type import spreadsheet is coded and imported into Concur Invoice. (*Optional:* You may also add these manually using options in the Tax Administration tool.)



For more information, refer to the *Concur Invoice: Expense Type Import User Guide*.

- ◆ **Enable (Add) Tax Fields:** As above, if the client has permissions to access the Forms and Fields tool, they will add the Tax-specific fields to the correct form.
- ◆ **Client Activates the Tax Service:** The feature is not active until the client selects (enables) the **Turn On Tax Validation** check box in the Tax Administration tool. The client performs this final step to begin using the service.

## Configuration/Feature Activation

The following steps describe how to enable, configure, and turn on the Invoice Tax Validation feature.

### ***Step 1: Enable the Tax Validation Feature (SAP Concur Staff)***

The Concur Administrator completes the steps outlined below to expose the Invoice Tax Administrator role in User Permissions, which is used to complete configuration in the **Tax Administration** tool.

SAP Concur staff enable the Tax Validation feature.

With the Invoice Tax Administrator role available, the Concur User Admin role can now assign it to a user via **User Admin > User Permissions**.

### ***Step 2: Assign the Tax Administrator Role***

The Invoice Tax Administrator role is available once SAP Concur staff enable the feature. Assign this role so that the user can see and work with the **Tax Administration** link.

#### ▶ ***To assign the Invoice Tax Administrator role:***

1. Click **User Administration > User Permissions > Invoice** tab of the **Company Admin** tool.
2. Enter the name of the user to assign the role to and click **Search**.
3. Under **Available Roles**, select *Invoice Tax Administrator*, then click **Add**.

## Section 5: Configuring the Tax Validation Feature

The screenshot shows the 'Company Admin' interface for configuring roles. The 'Invoice' tab is active. The left sidebar shows 'User Permissions' circled. The main area shows 'Step1. Modify Roles By:' with 'User Name' set to 'Collins, Chris L'. 'Step2. Search Text:' is 'chris'. 'Step3. User Name to Assign Roles:' is 'Collins, Chris L'. The 'Available Roles' list on the left includes 'Invoice Tax Administrator', which is circled. The 'Roles for this User' list on the right includes 'Budget Administrator', 'Budget Approver', 'Company Info Administrator', 'Employee Administrator', and 'Import/Extract Administrator'. The 'Add >>' button is visible between the two role lists.

4. Click **Save**.

This employee can now draw on the new feature options using the new **Tax Administrator** page to complete the configuration.

### **Step 3: Configure the Service**

Once assigned the Invoice Tax Administrator role, this user may now access the **Tax Administration** link, which displays the Tax Administration tool.

#### ► **To configure the Tax Validation feature:**

1. As the Invoice Tax Administrator, click **Administration > Invoice Admin > Tax Administration**. The **Tax Administration** page appears.

2. Click the **Tax Validation** tab.

**Tax Administration**

Tax Authorities | Expense Type Groups | Vendor Groups | **Tax Validation**

Save Cancel

**Tax Validation**

Partner Account Number: ACME-001-01 Tax Validation Type: Payment Request Only Tax Validation Level: Line Item ☒ Turn On Tax Validation

Expense Type	UNSPSC Commodity Code	search
Advertising	10101501	
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Building Maintenance		
Building Repair	10101505	
Catering	10101506	
Cellular Telephone	10101507	
Computing Equipment	10101508	

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3. On the **Tax Validation** page, configure the following options:

Field	Description
Partner Account Number	This is the unique account number provided by a tax service provider to the client. Enter this number in this field.
Tax Validation Type	The service will perform the validation on the request type you specify here. Select <i>Payment Request Only</i> . <b>NOTE:</b> The request type is limited to the <i>Payment Request Only</i> option. Additional request types will be added in upcoming service releases.
Tax Validation Level	This defines on which level the tax validation should occur, either the Header or the Line Item level.
Turn On Tax Validation	Select (enable) to activate tax validation for the specified request type. <b>TIP:</b> Do not activate the service until all configuration steps, such as expense type to commodity code mapping, are finalized.
Expense Types	This list of expense types represents the client-defined expense types. It is provided to allow mapping to commodity codes and is read-only for this purpose.

Field	Description
UNSPSC Commodity Code	<p>The commodity code is a universal identifier that allows the tax validation service to apply a tax validation across any business using the latest UN code attributes. The system imports these codes for validation purposes. The client can import the expense type to code mapping (Expense Type import) or adjust by clicking the text box directly and manually entering a new value.</p> <p>A <b>Search</b> link is provided to open a browser to the latest UN commodity codes for accurate input.</p>

4. Click **Save**.

### Step 4: Additional Configuration Steps

Additional steps, both required and optional, are detailed in this section.

#### COMPANY LOCATIONS (REQUIRED)

The Tax Validation feature requires that a **Ship To** value specified in Company Locations be selected in the employee's **Profile > Invoice Preferences > Default Shipping Address** field.

Purchase Request / Invoice (for Tax Validation)

Default Shipping Address : Christina's Business : 456 Elm Lane, Bellevue, Washington, 98004, UNITED STATES ▼

This ensures accurate tax validation results based on the region in which the good or service event was performed.

#### FORMS AND FIELDS (REQUIRED)

A tax service requires certain data and values to generate an accurate tax amount for the given expense type. Before the feature is activated, the Invoice Configuration administrator must add fields by using the Forms and Fields tool.

#### Tax Fields Added to Forms and Fields for Addition to Forms

On activation, the administrator will have access to new fields in the Forms and Fields tool. These Tax-specific fields must be added to the payment request header or payment request line item form.

**TIP:** Best practice is to add these fields to the Payment Request Line Item Details form.

These fields are:

- Calculated Tax Amount
- Tax Rate
- (Optional) Tax Reference ID

## Forms and Fields

Form Type: Payment Request Line Item Details

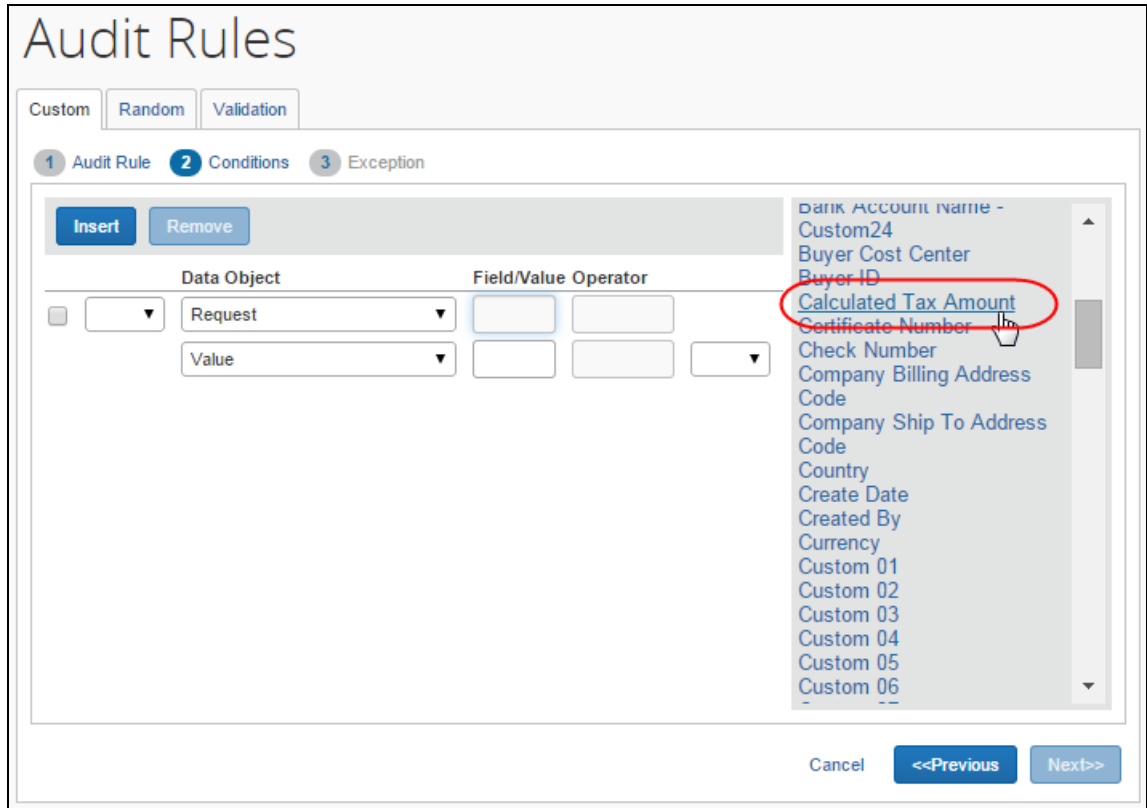
Forms **Form Fields** Fields Connected Lists Conditional Fields Validations

Modify Form Fields Remove Form Fields Add Fields Preview Form | Search:

Form Field Name	Required	Sequence
- Payment Request Quantified Line Items Form		
Description	Yes	1
Quantity	Yes	2
Unit Price	Yes	3
Subtotal	Yes	4
Expense Type	Yes	5
Calculated Tax Amount	No	6
Tax Rate	No	7
Expense Type List Item Key	No	8
Connected List Two	No	9
Connected List 3	No	10
Amount without VAT	No	11
VAT Amount	No	12
VAT Rate	No	13

## AUDIT RULES (OPTIONAL)

The **Calculated Tax Amount** and **Tax Rate** fields to the Condition Editor of Audit Rules are available in Concur Invoice. This means the administrator can elect to create conditions that will flag an invoice whose **Calculated Tax Amount** field is different from the **Tax** field, as an example.



The screenshot shows the 'Audit Rules' configuration window. At the top, there are tabs for 'Custom', 'Random', and 'Validation'. Below these are three steps: '1 Audit Rule', '2 Conditions', and '3 Exception'. The '2 Conditions' step is currently selected. On the left, there are 'Insert' and 'Remove' buttons. Below these are two rows of input fields: 'Data Object' and 'Field/Value Operator'. The 'Data Object' row has a dropdown menu with 'Request' selected. The 'Field/Value Operator' row has a dropdown menu with 'Value' selected. On the right, there is a list of data objects. The list includes: Bank Account Name - Custom24, Buyer Cost Center, Buyer ID, **Calculated Tax Amount** (highlighted with a red circle), Certificate Number, Check Number, Company Billing Address, Code, Company Ship To Address, Code, Country, Create Date, Created By, Currency, Custom 01, Custom 02, Custom 03, Custom 04, Custom 05, Custom 06, and --. At the bottom right, there are 'Cancel', '<<Previous', and 'Next>>' buttons.

Now, the next time that the user logs in to Concur Invoice, they will see a value in the **Calculated Tax Amount** field as provided by their tax service.

