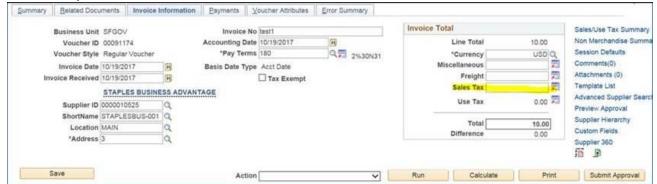
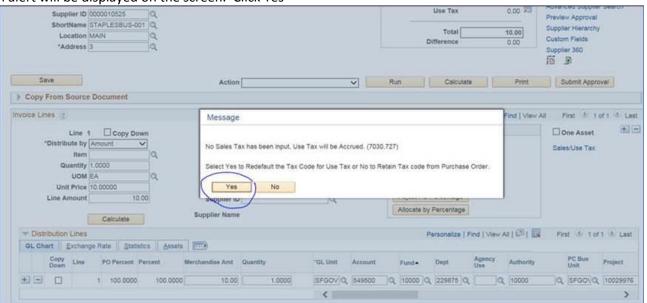
## AOSD Flash #271: Sales/Use Tax Accrual Reminder

If a supplier does not include sales tax on the invoice for taxable items, City departments must either request the supplier to resubmit an invoice with the correct tax amount or accrue sales/use tax liability in PeopleSoft. Below are instructions on how to ensure sales/use taxes are properly accrued in the system.

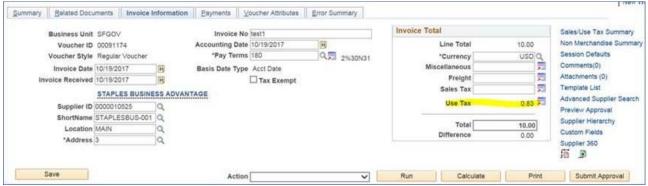
- 1. System Accrual (Navigation: Main Menu>Accounts Payable>Vouchers>Add/Update)
  - A. If the Purchase Order has been set up as taxable:
- a) Leave the Tax Exempt box unchecked, and leave the Sales Tax field blank. Click Save



b) A system alert will be displayed on the screen. Click Yes

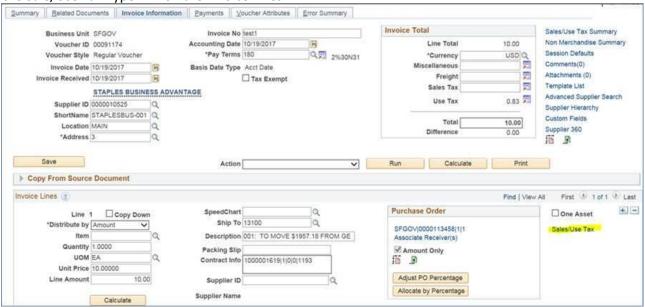


c) The system will automatically accrue the missing sales tax, and the amount is displayed in the Use Tax field.

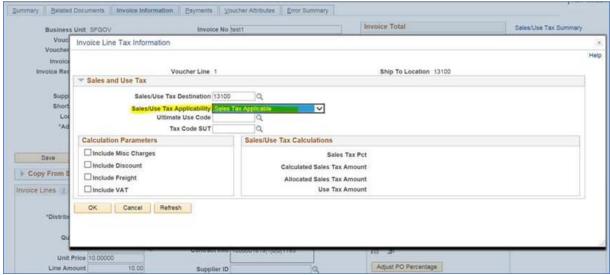


B. If the Purchase Order was set up as Tax Exempt, either process a change order to set the PO to Sales Tax Applicable, or perform the following:

a) Click on the Sale/Use Tax hyperlink on the Invoice Lines



b) Change Sales Use Tax Applicability from "Item is Exempt" to "Sales Tax Applicable" and click OK.



- c) Repeat step A a) through A c).
- 2. Manual Accrual

Refer to Section 3.1.4 of the AP Processing FAQ at <a href="http://famis.sfgov.org/controllerspolicies/AP">http://famis.sfgov.org/controllerspolicies/AP</a> Processing FAQ 7-28-17 v2.pdf.