

VAT Rate Changes January 2012

INTRODUCTION

The standard rate of VAT is being increased from 21% to 23% on 1st of January 2012

For any sales of standard rated goods or services that take place on or after the 1st of January 2012 you will need to charge VAT at the new rate of 23%.

This only impacts on the standard rate of VAT.

We have published this set of notes to assist Partner for Windows users and these are based on our interpretation of the information available as at the 8th of December 2011. The Revenue Commissioners have published details of the changes to VAT on their website at:-

<http://www.revenue.ie/en/tax/vat/leaflets/increase-in-standard-rate.html>

We strongly recommend all users read through the available documentation and if you have issues or concerns about these VAT changes, you should consult Revenue or your own accountants. Our support helpdesk can only provide advice on the use of Partner for Windows.

WHAT MUST BE DONE IN PARTNER FOR WINDOWS

NEW VAT RATES

A new VAT rate will need to be added into Partner for Windows for the new 23% rate. This is required even though the total of VAT calculated at all other VAT rates should be included in the VAT return. An analysis of the values at the different rates should be retained, so that it can be produced when requested by Revenue.

SET THE NEW VAT RATE AS THE DEFAULT

On the 1st of January 2012 or the day closest to this date, you should change the default VAT rate from 21% to 23% in Partner for Windows. This will then automatically calculate VAT at the new 23% rate on new entries when the VAT box is ticked on any posting screen. It will not affect the VAT on disbursements which may have been entered previously.

1) ON OR BEFORE 1st JANUARY 2012, CREATE A NEW VAT CODE FOR 23%

Choose the menu option Maintenance > Accounting > VAT Rates

Description	Code	Rate	Default
21.5% VAT	9	21.50	
9 percent	66	9.00	
21% VAT	3	21.00	D
Zero Rate	4	0.00	
Exempt 1	5	0.00	
Exempt 2	0	0.00	
13.5 % VAT	6	13.50	

Code:
Description: Default VAT Rate
Rate:

Print Find Next Previous Add Modify Delete Close

Enter a new code.

Type the description.

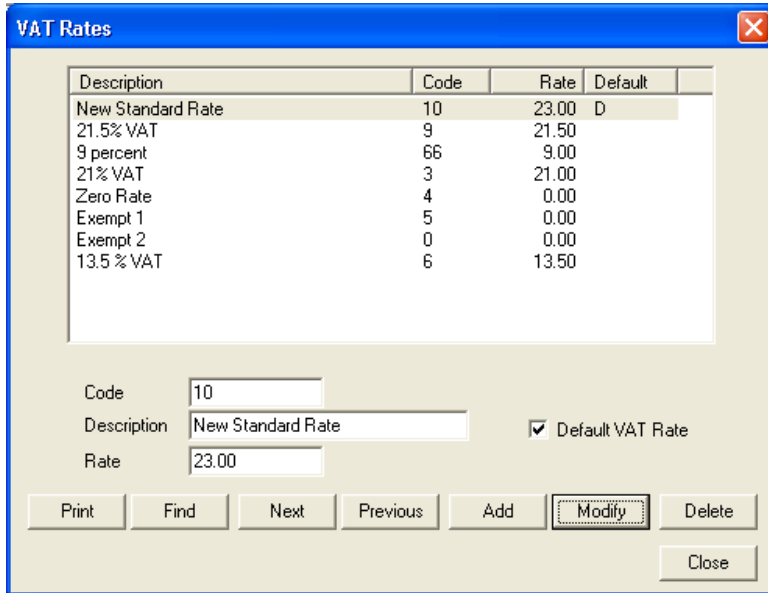
Enter the VAT percentage e.g. 23.00.

Select the Add button.

Choose the Close button.

2) ON 1st JANUARY 2012, SET THE NEW VAT CODE AS THE DEFAULT VAT RATE

Choose the menu option Maintenance > Accounting > VAT Rates



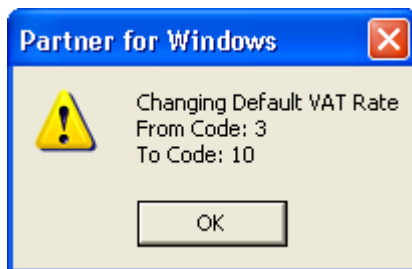
The screenshot shows a window titled "VAT Rates" with a table of VAT rates. The table has columns for Description, Code, Rate, and Default. The "New Standard Rate" row is highlighted, and its "Default" checkbox is checked. Below the table are input fields for Code (10), Description (New Standard Rate), and Rate (23.00). At the bottom, there are buttons for Print, Find, Next, Previous, Add, Modify, Delete, and Close.

Description	Code	Rate	Default
New Standard Rate	10	23.00	D
21.5% VAT	9	21.50	
9 percent	66	9.00	
21% VAT	3	21.00	
Zero Rate	4	0.00	
Exempt 1	5	0.00	
Exempt 2	0	0.00	
13.5% VAT	6	13.50	

Click on the new rate to highlight it.

Tick the Default VAT Rate box

Select the Modify button.



Click OK to accept the change

Click Close